



VOSSIUS & PARTNER

Patent Attorneys | Attorneys-at-Law

The EU-Council's Proposal for a Customs Enforcement Regulation

21st Annual Intellectual Property Law & Policy Conference
Fordham University School of Law
April 4-5, 2013

Dr. Marcus von Welser, LL.M.
Attorney-at-Law, Munich
Lecturer at the Humboldt-University of Berlin

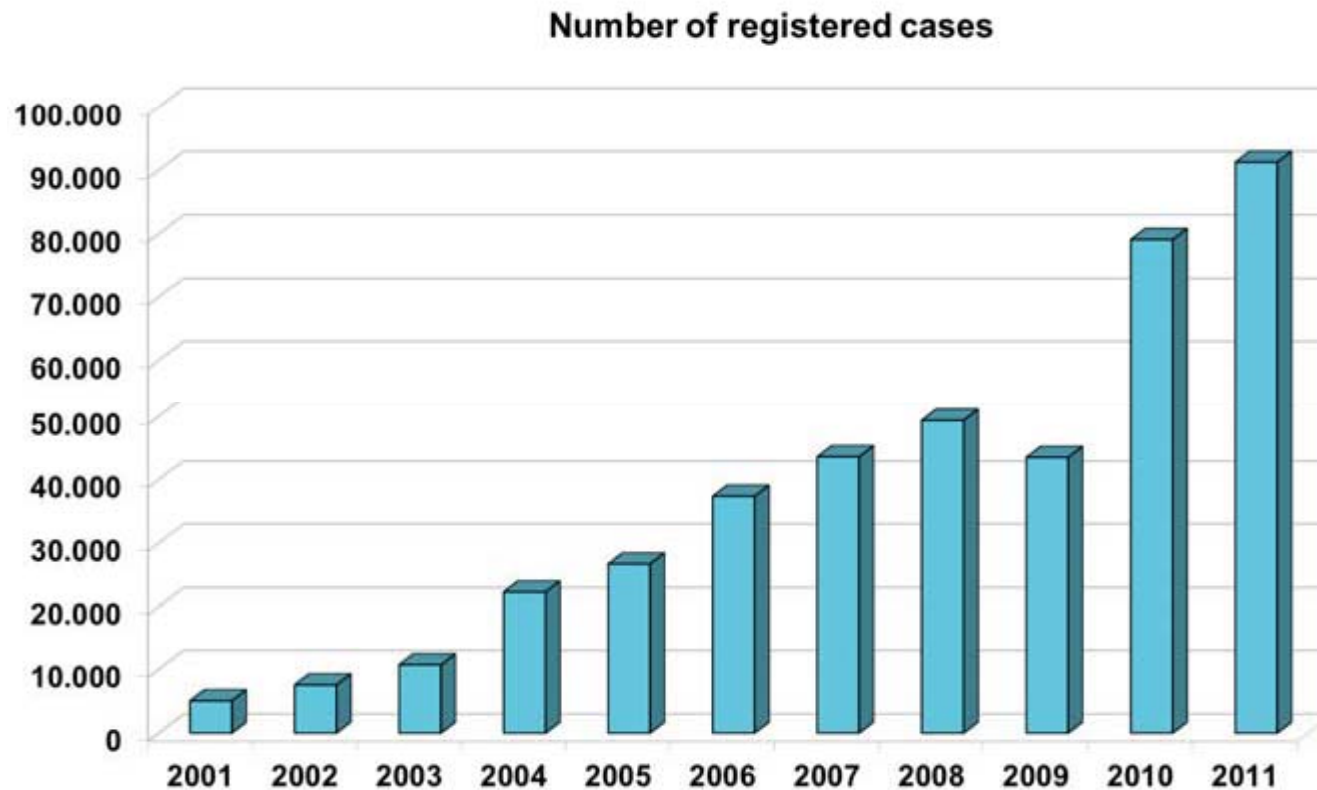
Topics

- I. Proposed Customs Regulation
- II. Factory Overruns



Proposed Customs Regulation

An Effective Tool Against Counterfeiting



European Commission Statistics 2001-2011

VOSSIUS & PARTNER



Proposed Customs Regulation

Introduction

- Proposal of the EU Commission in May 2011
- First Reading in EU Parliament in July 2012
- Proposal published by the EU Council on January 10, 2013



Proposed Customs Regulation

Scope

Suspected infringement of

- Trademarks
- Patents, Supplementary protection certificates
- Designs
- Copyrights
- Plant variety protection rights
- Geographical indications
- **New:** utility models
- **New:** trade names
- **New:** non-agricultural geographical indications
- **New:** topographies of semiconductor products



VOSSIUS & PARTNER

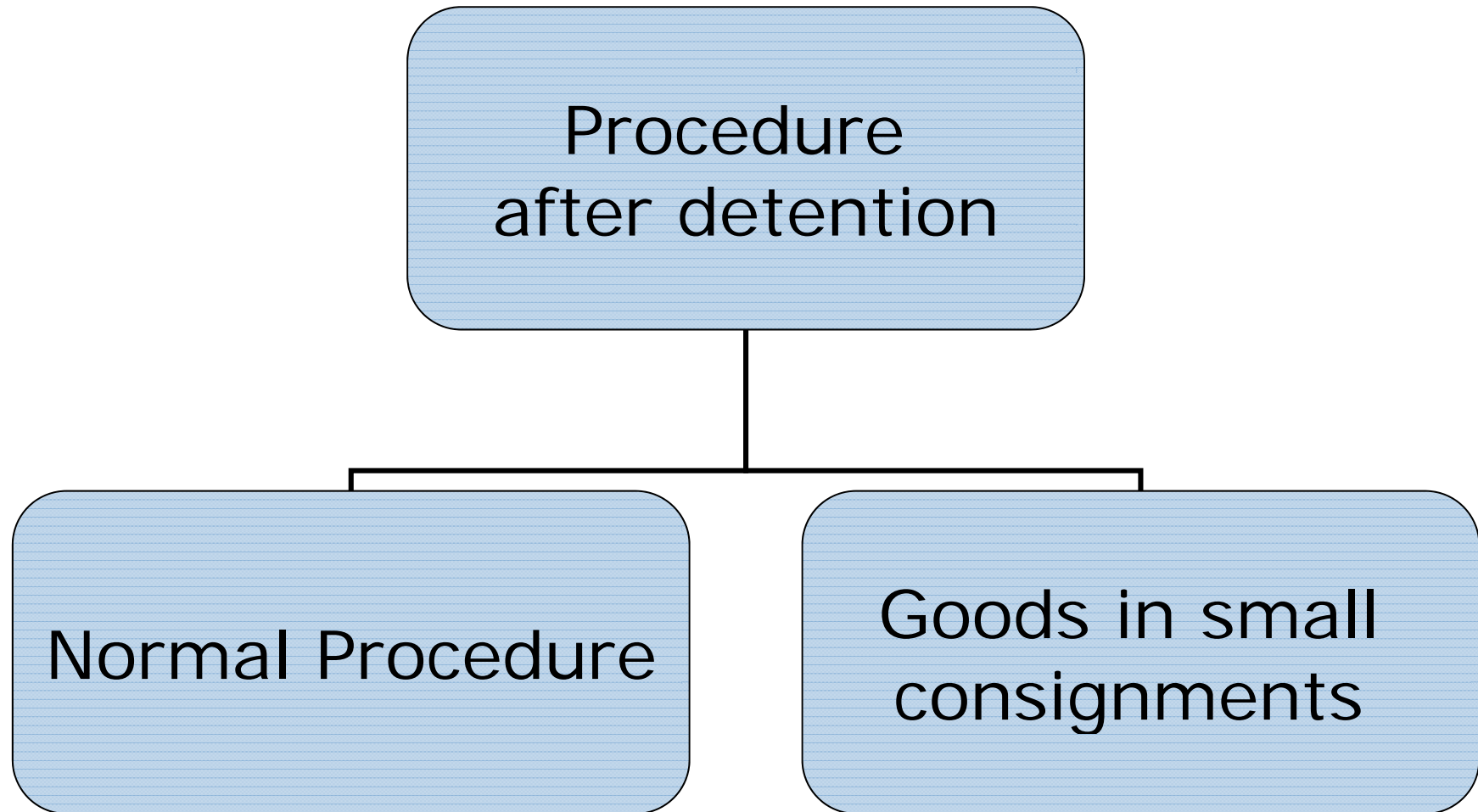
Proposed Customs Regulation

Procedure

- Application – in over 90% (less than 10% of customs actions are ex-officio)
- Detention of goods
- Procedure after detention

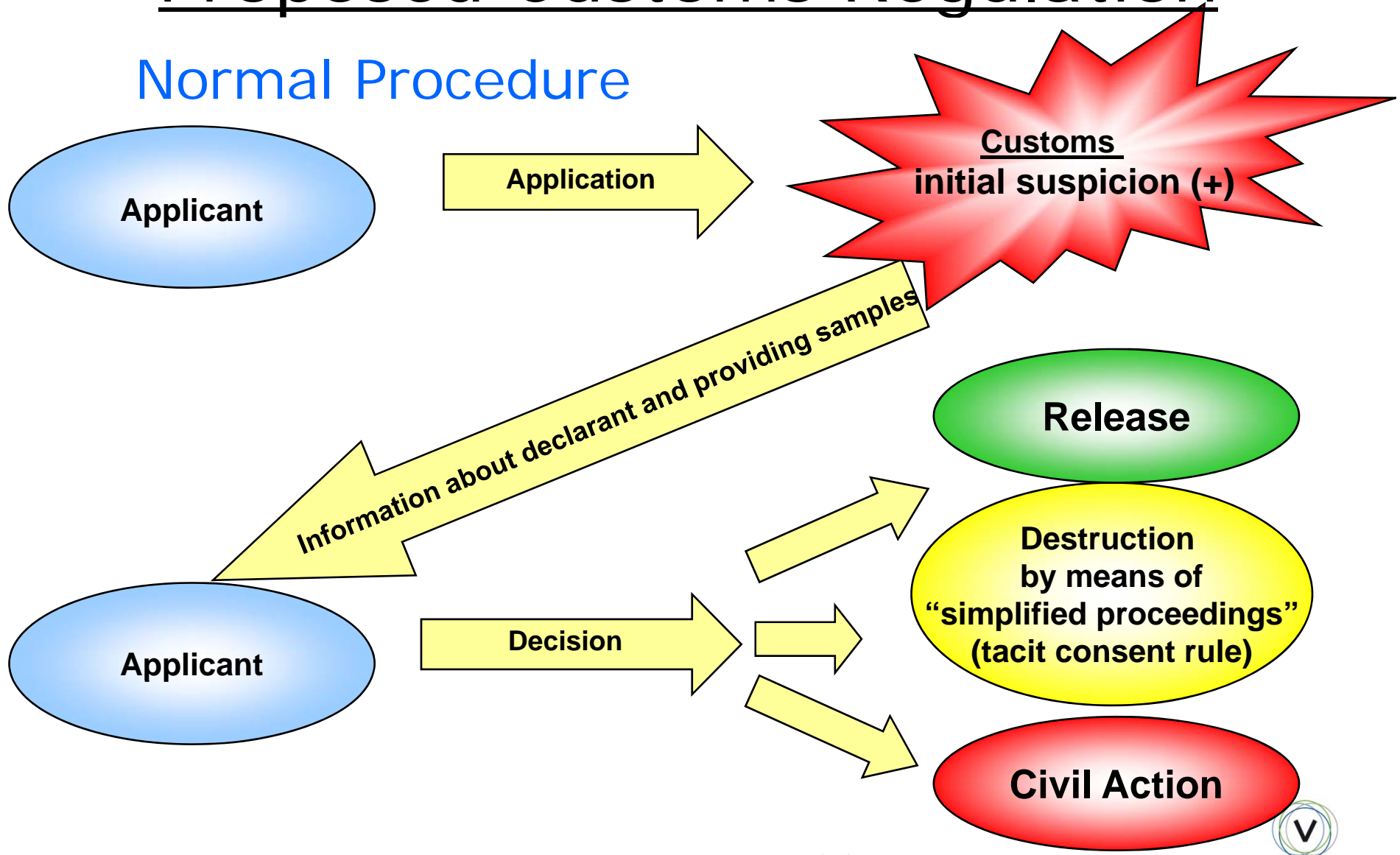


Proposed Customs Regulation



Proposed Customs Regulation

Normal Procedure

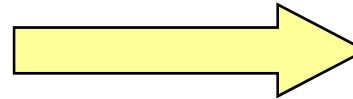


VOSSIUS & PARTNER



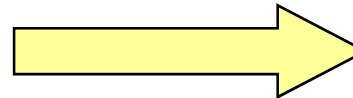
Proposed Customs Regulation

Infringement (-)



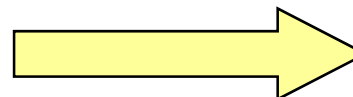
Infringement (+)

- declarant or holder consents to destruction of the goods
or
- declarant or holder does not timely oppose the destruction ("*tacit consent rule*")



Infringement (+)

declarant or holder
timely opposes the destruction



Proposed Customs Regulation

Goods in small consignments

- Small consignments
 - Postal or express courier consignments
 - Less than three units or less than two kilos

- Counterfeit or pirated goods

- Application (no ex-parte proceedings)



Proposed Customs Regulation

Goods in small consignments

Counterfeit goods

Trademark identical to a registered trademark or not distinguishable in its essential aspects from a registered trademark.

Pirated goods

Copies made without the consent of the holder of a copyright or a design right.



Proposed Customs Regulation

Goods in small consignments

- Applicant is only informed when the declarant opposes the destruction.
- Applicant then has to initiate court proceedings in order to avoid the release of the goods.



Topics

- I. Proposed Customs Regulation
- II. Factory Overruns



Factory Overruns

Definition

Goods produced by a manufacturer in excess of the quantities agreed to by the right holder.



Factory Overruns

Council's Proposal

Art. 1 (4a):

This Regulation shall not apply to goods that have been manufactured with the consent of the right-holder.

Nor shall this Regulation apply to goods manufactured by a person duly authorised by a rightholder to manufacture a certain quantity of goods, in excess of the quantities agreed between that person and the right-holder.



Factory Overruns

Council's Proposal

Recital 5:

The reason for this exclusion is that (...) "overruns" are manufactured as genuine goods and it is therefore not considered appropriate that customs authorities should focus their efforts on such goods.



Factory Overruns

TRIPs

Footnote 13 to Article 51 TRIPs:

It is understood that there shall be no obligation to apply such procedures to imports of goods put on the market in another country by or with the consent of the right holder, or to goods in transit.



Factory Overruns

Outlook

- Manufacturing contracts usually do not include a license. Factory overruns do not only constitute a breach of contract but also an IP infringement.
- Seizure of overruns based on domestic law?



Thank you for your attention

m.welser@vossiusandpartner.com

www.vossiusandpartner.com

