

DISPUTE SETTLEMENT WITHIN THE LISBON SYSTEM

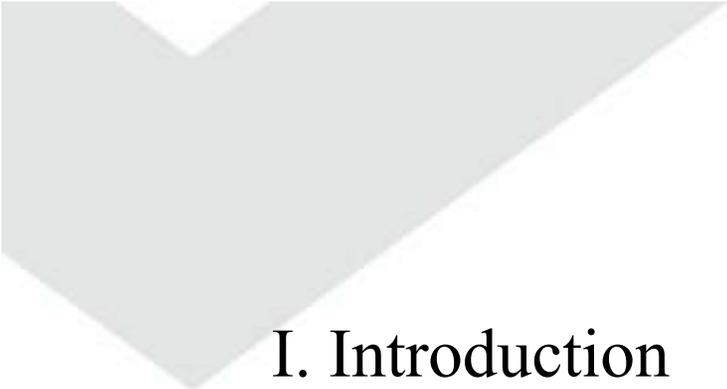
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I. Introduction

At its second session (in 2010), the “Lisbon” Working Group agreed

“to invite the Secretariat to prepare a study on the possibility of dispute settlement within the Lisbon system, as it might be useful to explore in which situations dispute settlement might be appropriate and in what form ... [and] ... that the study could also include information on the existing dispute settlement systems in the intellectual property area and the legislative history in that regard.”

II. What kind of disputes – what kind of settlement?

A) alternative dispute resolution (ADR)

- e.g. the WIPO Arbitration and Mediation Center: resolution of international commercial disputes between private parties

B) under the WTO DSU

- two GI-related cases
- disputes between states

II. What kind of disputes – what kind of settlement?

Types of disputes under the Lisbon Agreement:

- eligibility for protection, conflicts with earlier rights, enforcement;
- between private parties, between a competent authority and an interested party, between contracting countries, between the International Bureau and a competent authority;
- under the Lisbon Agreement, the law of a contracting country, or both.

III. Settlement of disputes before the international registration

Article 5(1) of the Lisbon Agreement:

“The registration of appellations of origin shall be effected with the International Bureau, at the request of the Authorities of the countries of the Special Union, in the name of any natural persons or legal entities, public or private, having, according to their national legislation, the right to use such appellations.”

III. Settlement of disputes before the international registration

Protection of the appellation of origin in the country of origin is:

- a prerequisite of international registration and protection under the Lisbon Agreement,
- the result of an internal decision of the country of origin under its national law.

III. Settlement of disputes before the international registration

Article 62 of the TRIPS Agreement:

- “1. Members may require, as a condition of the acquisition or maintenance of the intellectual property rights provided for under Sections 2 through 6 of Part II, compliance with reasonable procedures and formalities. Such procedures and formalities shall be consistent with the provisions of this Agreement.
2. Where the acquisition of an intellectual property right is subject to the right being granted or registered, Members shall ensure that the procedures for grant or registration, subject to compliance with the substantive conditions for acquisition of the right, permit the granting or registration of the right within a reasonable period of time so as to avoid unwarranted curtailment of the period of protection.
3. Article 4 of the Paris Convention (1967) shall apply *mutatis mutandis* to service marks.”

III. Settlement of disputes before the international registration

Article 62 of the TRIPS Agreement (continued):

“4. Procedures concerning the acquisition or maintenance of intellectual property rights and, where a Member's law provides for such procedures, administrative revocation and *inter partes* procedures such as opposition, revocation and cancellation, shall be governed by the general principles set out in paragraphs 2 and 3 of Article 41.

5. Final administrative decisions in any of the procedures referred to under paragraph 4 shall be subject to review by a judicial or quasi-judicial authority. However, there shall be no obligation to provide an opportunity for such review of decisions in cases of unsuccessful opposition or administrative revocation, provided that the grounds for such procedures can be the subject of invalidation procedures.”

III. Settlement of disputes before the international registration

Articles 41.2 and 41.3 of the TRIPS Agreement:

“2. Procedures concerning the enforcement of intellectual property rights shall be fair and equitable. They shall not be unnecessarily complicated or costly, or entail unreasonable time-limits or unwarranted delays.

3. Decisions on the merits of a case shall preferably be in writing and reasoned. They shall be made available at least to the parties to the proceeding without undue delay. Decisions on the merits of a case shall be based only on evidence in respect of which parties were offered the opportunity to be heard.”

III. Settlement of disputes before the international registration

Does the competent authority of the country of origin have a duty to initiate the international registration of an appellation of origin already protected in that country?

Do Articles 41.2, 41.3 and 62 of the TRIPS Agreement apply to that decision?

III. Settlement of disputes before the international registration

Draft Provision B, Option 2:

allows an international application to be presented directly to the International Bureau by the “beneficiaries” or their federation, with a certificate from the competent authority.

III. Settlement of disputes before the international registration

Disputes between the International Bureau and a competent authority:

- irregularity of an international application,
- where the international application is not considered as such.

Later on a regular international application can be presented.

Cooperation in good faith is presumed.

IV. Settlement of disputes after the notification of the international registration

Refusals:

- have to be notified within a period of one year, and
- have to specify the grounds.

IV. Settlement of disputes after the notification of the international registration

Draft Provision G(3):

“Interested parties shall be afforded a reasonable opportunity to file petitions for the competent authority to issue a refusal [...].”

IV. Settlement of disputes after the notification of the international registration

Consultations may take place between the countries concerned as to whether and how (e.g. on what grounds) a declaration of refusal should be issued.

V. Settlement of disputes concerning declarations of refusal

Two sorts of dispute settlement:

1. expressly provided for in the Lisbon Agreement, and open to the interested party;
2. not explicitly provided for by the Agreement itself but inherent in the system established by it, and mainly open to the contracting countries

V. Settlement of disputes concerning declarations of refusal

Under Article 5(3) of the Lisbon Agreement:

“[t]he interested party, when informed by his national Authority of the declaration [of refusal] made by another country, may resort, in that country, to all the judicial and administrative remedies open to the nationals of that country”.

V. Settlement of disputes concerning declarations of refusal

Article 5(5) of the Lisbon Agreement:

- provides for a “normal” remedy for private applicants/right holders,
- may entail the application of Articles 41.2, 41.3 and 62 of the TRIPS Agreement where the refusal is based on an individual administrative or court decision.

Clarification is needed where it is based on a legislative act or other normative provision.

V. Settlement of disputes concerning declarations of refusal

Drafts Provision G(5) would provide that interested parties would have to be afforded a reasonable opportunity to negotiate the withdrawal of a refusal.

Main purpose: to provide for ADR between private parties over a refusal and its eventual withdrawal.

No obstacle to referring such a case to the WIPO Arbitration and Mediation Center.

V. Settlement of disputes concerning declarations of refusal

Acts of the Lisbon Diplomatic Conference:

“A refusal must be accompanied by the grounds on which the country decides not to grant protection. These grounds constitute a possible basis for discussion for the purpose of reaching an understanding.”

The doctrine of exhaustion of local remedies does not apply to such inter-state consultations.

Possibility of an interplay between the WTO DSU and the Lisbon system.

V. Settlement of disputes concerning declarations of refusal

The draft WIPO treaty of 1975 on the protection of geographical indications:

“The Contracting States shall endeavor to settle through diplomatic channels all cases of violation of this Treaty brought to their notice.”

Efforts in the WTO’s Council for TRIPS to establish a multilateral register of geographical indications for wines and spirits – no agreement thus far.

VI. Settlement of disputes concerning invalidations

Rule 16(1) of the Lisbon Regulations:

“Where the effects of an international registration are invalidated in a contracting country and the invalidation is no longer subject to appeal, the invalidation shall be notified to the International Bureau by the competent authority of that contracting country.”

VI. Settlement of disputes concerning invalidations

Rule 16(1) of the Lisbon Regulations

- seems to apply to invalidation through administrative or judicial decisions;
- entails that only final invalidation decisions are to be notified;
- does not provide for the withdrawal of notifications of invalidation.

VI. Settlement of disputes concerning invalidations

Future amendment to Rule 16(1):
the notification of invalidation also has to contain the grounds on the basis of which the invalidation was pronounced.

Procedures for invalidation have to comply with Articles 41.2, 41.3 and 62 of the TRIPS Agreement.

VII. Settlement of enforcement disputes

Article 8 of the Lisbon Agreement:

“Legal action required for ensuring the protection of appellations of origin may be taken in each of the countries of the Special Union under the provisions of the national legislation:

1. at the instance of the competent Authority or at the request of the public Prosecutor;
2. by any interested party, whether a natural person or a legal entity, whether public or private.”

Parallel with Articles 22.2, 23.1 and 42 of the TRIPS Agreement and the footnote to its Article 23.1.





Thank you for your attention!

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