Chapter 4
Enforcement of Intellectual Property Rights

Enforcement of Industrial Property Rights, Copyright and Related Rights
Introduction
Enforcement of Industrial Property Rights in General
Enforcement of Patent Rights
Enforcement of Copyright and Related Rights
Activities within WIPO Concerning Enforcement
Enforcement Provisions of the TRIPS Agreement

Intellectual Property Litigation
Introduction
Review of Industrial Property Office Decisions
Infringement Actions
Remedies

Arbitration and Mediation of Intellectual Property Disputes
Alternative Dispute Resolution
Enforcement in the International Context
WIPO Arbitration and Mediation Center
WIPO Internet Domain Name Dispute Resolution
Enforcement of Industrial Property Rights, Copyright and Related Rights

Introduction

General

4.1 Accessible, sufficient and adequately funded arrangements for the protection of rights are crucial in any worthwhile intellectual property system. There is no point in establishing a detailed and comprehensive system for protecting intellectual property rights and disseminating information concerning them, if it is not possible for the right-owners to enforce their rights effectively in a world where expanding technologies have facilitated infringement of protected rights to a hitherto unprecedented extent. They must be able to take action against infringers in order to prevent further infringement and recover the losses incurred from any actual infringement. They must also be able to call on the state authorities to deal with counterfeits.

4.2 All intellectual property systems need to be underpinned by a strong judicial system for dealing with both civil and criminal offenses, staffed by an adequate number of judges with suitable background and experience. Intellectual property disputes are in the main matters to be decided under civil law and the judicial system should make every effort to deal with them not only fairly but also expeditiously. Without a proper system for both enforcing rights and also enabling the grant of rights to others to be resisted, an intellectual property system will have no value.

Avoiding Litigation

4.3 A competitor whose operations are obstructed by earlier rights will usually seek to avoid or overcome the problem in a legitimate way, e.g. by inventing around the protected area in the case of an earlier patent. Another approach is to seek a license or to negotiate some other agreement in a friendly way. In coming to agreements with competitors, of course, companies must be careful not to contravene competition policy rules aimed at avoiding distortion of competition. This normally means that the terms of any license must not contain anti-competitive or unreasonable provisions.

4.4 A company affected by another’s right will carefully assess what its scope is and whether or not it is valid. This highlights a point of particular importance to the owners of patents, namely that claims must be well drafted and properly supported by the disclosure of the invention. They must clearly distinguish the protected subject matter from the prior art and must be neither overcovetous nor too modest. A well drafted patent will often be enough in itself to deter potential infringers. Similar arguments can apply to other rights such as trademarks and designs.

4.5 It is up to a right-owner to act as his own policeman. He must keep an eye on the industrial and commercial markets in which he sells his products, or provides his services, or in which his processes might be used. He must keep abreast of his competitor’s activities. If he becomes aware of an apparent infringement he should not necessarily assume that the infringement is deliberate (though if the infringing item is an exact copy or counterfeit, infringement will almost certainly have been deliberate). He should first contact the competitor to point out the existence of his right. Laws in a number of countries concerning patents, designs and trademarks, provide that a right-owner may not make groundless threats against competitors or their distributors, for example threatening a court action when there is no ground for alleging infringement or when the right
relied upon has expired, but he can send a simple letter drawing attention to the right so that the infriner cannot subsequently argue ignorance.

4.6 Negotiation is an important aspect of protecting and enforcing rights. In negotiation, an infringer might well be persuaded to change what he is doing. During the attempts to negotiate, the supposed infringer may claim that he is not infringing; or he may allege that the right is of little value and does not justify significant royalties; or he may argue against the proposed license terms. It may well be worth suggesting that the services of a mediator be used or that the issue should be decided by arbitration. Of course, both sides need to agree to accept an arbitrator’s decision and a contract to that effect may be needed.

**Enforcement of Industrial Property Rights in General**

**Action Before an Industrial Property Office**

4.7 Industrial property offices frequently have quasi-judicial functions in the administration of industrial property systems, and provide a forum for procedures for contesting rights under consideration or granted by the office. Those procedures are often referred to as opposition procedures.

4.8 The expression “opposition” may be construed widely, as referring to all possibilities open to third parties to intervene before the industrial property office both in proceedings leading to the grant of a right and in proceedings for contesting the grant after it has occurred. The possibilities for opposition arise particularly in relation to registrable rights such as patents and trademarks, because the registration can be disputed. The possibility of opposition rarely arises in relation to copyright and related rights, since these rights in the great majority of jurisdictions arise automatically on the creation of the protected work.

4.9 Why do States provide for opposition? With even the most rigorous examination system, the State cannot guarantee that the rights which it grants are valid — there is always the possibility that a prior right has been overlooked or a specification misunderstood. Many systems are not particularly rigorous, which makes it all the more likely that rights might be granted in conflict with earlier rights. Thus the owners of earlier rights must be able to object at some stage. This could of course be before a court. However, in everyone’s interests, opposition should be a relatively straightforward, speedy and inexpensive matter, handled as early as possible in the life of the right. Thus many systems provide that opposition can be considered by the national industrial property office acting in a quasi-judicial role, as well as by courts. Pre-grant opposition is invariably before the office.

4.10 The first opportunity that others, for example competitor enterprises producing goods of the same character as those covered by the patent application, have to become aware that a patent which could affect their business is being applied for, is at the first publication stage, 18 months after the priority date. Enterprises, particularly those which own patents, should keep their eye on the activities of competitors and what is happening in the marketplace, and in particular on patent applications made in their areas of interest, for instance by scrutinizing patent office journals and published applications. Not only is it important to know if competitors are seeking to protect developments which come within the scope of one’s own patents, but it is also important to be warned if they are seeking to protect known technology or technology patented by others. One can also learn from the search report, published with the application, of the prior art which will be considered at the examination stage.
4.11 Some systems allow for formal opposition before the grant of the patent or an opportunity for third parties to become a party in arguments about whether or not the patent should or should not be granted. The problem with such pre-grant opposition is that there is often very considerable delay in achieving a grant. Delay means that a patentee who needs a granted patent in order to pursue an infringement could not settle an action against the infringer quickly.

4.12 It can be important to bring post-grant opposition proceedings in good time. If too long a delay occurs, the user of the later patent might argue that the owner of the earlier one has acquiesced in the grant of the later one and as a result should not be allowed to take action. This might make it difficult to enforce the earlier patent against products or processes covered by the later one.

4.13 In some countries, such as the United States, there is no provision for opposition. However, third parties concerned about a granted patent can ask for it to be re-examined by the patent office. Such parties do not become direct parties to the procedure, but may draw prior art, which may have been overlooked in the first examination, to the attention of the examiner. Re-examination may result in refusal or in a more tightly drafted patent.

4.14 In many countries there is no provision at all for opposition because the industrial property office lacks the expertise. This can be the case in those countries, such as France, where no substantive examination is carried out. In such situations, revocation before the courts is the only possibility for securing cancellation or amendment of a competitor’s patent.

4.15 Many countries provide for pre-registration opposition to trademark registration. Trademarks are published in the form in which they are to be registered, and a short period is allowed for opposition. In general, considerations are much more straightforward than those for patents and procedures can be much more rapid. In the United Kingdom, there are few oppositions of trademarks, probably because there is a rigorous examination involving search of earlier rights. In other countries, for example Germany, there are more oppositions because there is no official search against prior rights during examination; so opposition is the only way in which the owner of an earlier trademark can induce the industrial property office to take account of this earlier right.

4.16 After registration of a trademark, in many countries it is possible for an aggrieved party to apply to the office for removal of the mark from the register, or to seek its modification. One of the main grounds for this would be non-use of the mark.

4.17 As for registered designs, where there is no provision for pre-registration opposition, interested parties may seek cancellation of registrations by the office.

Civil Court Procedures

4.18 Despite efforts to achieve friendly settlement, circumstances can and do arise where the owner of a right feels that he must take action against an infringer in order to protect his markets, present or future. In most jurisdictions this will be handled in the civil courts. In most situations, there will be considerable dispute as to whether for example the claims in a patent to be enforced should be of the scope claimed, and as to whether the alleged infringement actually falls within the valid scope. With trademarks, arguments also concern the scope of the registration and whether the allegedly infringing mark is confusingly similar to the earlier mark. Infringers may genuinely believe that they have a plausible case on such aspects. Most patent infringements are not slavish imitations but, arguably, take advantage of the protected inventive concepts of the patent and will have to be resolved on the basis of expert opinion.
4.19 In an action for patent infringement in common-law countries (the procedure and terminology in civil-law countries differs to some extent), the patent owner, acting through his immediate lawyers (solicitors), arranges for a writ or complaint to be served on the alleged infringer. In the writ the patent owner, as plaintiff, will specify the nature of the alleged infringement and the remedy sought. Almost always, an injunction restraining the alleged infringer, the defendant, from continuing with what he has been doing, will be requested, as well as damages. The defendant will usually acknowledge the writ and give notice that he intends to defend. If he does not, the plaintiff may be entitled to a final or interlocutory ruling (one which decides the issue but leaves open the question of damages, etc.) forthwith. If the defendant does defend, and the issue is not settled out of court or dealt with summarily, pleadings will be exchanged, on the one hand stating the material facts of the claim and on the other the defenses or counterclaims. The purpose of pleadings is to define precisely the issues in dispute and eliminate agreed or irrelevant matters. They go back and forth and can take several months. A counterclaim may be an allegation that the patent is invalid; this will have to be defended by the patent owner. Once the pleadings have been completed the plaintiff will issue a summons for directions. Such directions, given by the judge, will deal with discovery and inspection of documents and in general with the trial preparations. Notice to inspect documents may be served on the other side by leave of the court. So may interrogatories, which take the form of written questions which the other side must answer under oath, e.g. by sworn affidavit, before the trial.

4.20 It is noteworthy that only a small minority of cases actually get to the trial stage, and the rest are settled along the way, for reasons of time, effort and expense.

4.21 Cases involving complex technology can take a very long time in court with expert witnesses being called and subjected to examination and cross-examination by both sides. In issuing his reasoned decision, the judge can make various awards. In addition to injunctions, the court may also award damages in respect of the infringement, namely compensation for sales and markets lost as a result of the infringing activity. As an alternative to damages, the owner of the patent can be awarded an account of profits. All the profits derived by the defendant as a result of the infringement may be surrendered to the patent owner. An order requiring the defendant to deliver up to the patent owner, or to destroy, any products or articles incorporating the patented invention can also be made. Finally, the patent owner can secure a declaration that the patent is valid and infringed.

Criminal Actions: Counterfeiting

4.22 As already mentioned, patent actions are essentially civil actions for infringement. In the case of trademarks and copyright, much of what has been explained about procedures in relation to civil actions applies to ordinary actions for infringement, but the serious criminal offenses of counterfeiting and piracy can also arise. A trader may knowingly manufacture, distribute or sell goods marked with a trademark where the marking has been done without the permission of the owner or where the goods have been illicitly copied.

4.23 There are several ways that counterfeits can come to the attention of the authorities. Right-owners themselves may become aware of distributors or retailers trading in counterfeit goods and bring the trade to the attention of the police. Also counterfeiters may be detected by law enforcement officers who are specifically empowered under trademark legislation to take action against traders in counterfeit goods. Their powers may be extended to enable them to deal with copyright offenses. On conviction, traders in counterfeit goods can face stiff penalties, and seizure of all offending products is normal. In respect of items protected by copyright, such as sound recordings on tape or compact disk, the police are the normal enforcement authority and will take
action on the basis of a complaint by the lawful right-owner. They often need little more than 24 hours’ warning in order to secure warrants and make checks.

4.24 Another way in which action against counterfeit goods can be taken occurs at ports of entry of imports. If a mark owner becomes aware that consignments of counterfeit goods are on their way to the country, he can alert the customs authorities, who will keep watch for the goods and impound them when they arrive. Action can then be taken against the importer.

Enforcement of Patent Rights

4.25 In most systems, a patent is the right enforceable in a court, usually to prevent the manufacture, sale and use of a patented invention. It is not, as many people think, permission to practice the patented invention, which may be subject to restrictions for other reasons such as security or public health. Application is made to the court to stop the unauthorized manufacture, sale or use of the invention, so that the court may grant the appropriate order and stop the infringement. In practice, however, the process is less straightforward than it sounds.

Assessing the Scope of Patent Rights

4.26 When thinking about patent enforcement, a patentee must first assess what he has patented. It is now a feature of just about all patent systems that a patent must include either a specification containing claims or a description, claims or any required drawings (depending on the terminology of the particular law). In most systems, the claims are decisive, as they define the scope of protection sought and eventually granted through the patent. The specification or the description and drawings may be used to interpret the claims, which must be fully supported by them.

4.27 Most inventors use the services of a patent attorney to write the specification for them. An inventor may not fully understand the specification, and particularly may have difficulties in understanding the claims. Even where the patentee has some idea of the exclusive right granted to him in his own country, it is very rare for him to know with any precision what rights he may have in corresponding patents in other jurisdictions. The patentee’s first real understanding of the extent of his patent rights often only comes to him when he is considering enforcement.

4.28 Thus the basis for enforcement of patent rights is established at the start of the patenting process when the patent specification is written by the inventor or the inventor’s patent attorney. The examination process in the Patent Office can modify the original wording. The inventor will normally try to avoid any modification which will result in a limitation of the scope of protection, for any reduction in the scope of protection makes it easier for a competitor to avoid infringement. If a competitor can easily supply the market with something that is equivalent to the invention, but does not infringe the patent, then the patent may be of limited commercial value. Patent Office examiners should try to remember this when an applicant for a patent steadfastly resists amending his claims in order to overcome an objection, but instead tries to deal with the objection by argument. While acceding to an amendment might lead to the early grant of a patent on the application, it may also lead to a patent right of doubtful commercial utility.

Evaluating Validity and Infringement of a Patent

4.29 Having assessed the scope of the patent right, the next task is for the patentee to decide if there is infringement. Before committing himself to the financial risk of a patent case — which can
be among the most time-consuming and expensive of all forms of litigation — a patentee, unless he
is very wealthy and relaxed about money, must make some attempt to forecast whether he can be
successful.

4.30 The issue of infringement is very rarely considered on its own. Patents, like other forms of
intellectual property, do not only affect the parties to a dispute; they have an effect on the public
at large. This being the case, it is normally considered that a patent which can be shown to be
invalid cannot be enforceable. In spite of the examination of patent applications during
prosecution, no patent system guarantees the validity of a granted patent. In a patent enforcement
action, therefore, a defendant will usually add to any defense of non-infringement a further
defense, often in the form of a counterclaim, that the patent is invalid and hence not enforceable
even if infringed. In some jurisdictions, the issues of infringement and validity are heard together.
In others, the question of validity is heard separately by a different court or it may be referred to the
Patent Office.

4.31 Because of the principle that no invalid patent should be enforceable, the defendant in a
patent action is usually allowed to bring in evidence of invalidity at any stage of the proceedings,
and in some jurisdictions even during the trial itself. As a result, the position of the patentee during
patent enforcement proceedings tends to deteriorate as a defendant makes searches and often
finds evidence which is relevant to validity.

4.32 As already stated, the task of the court in the determination of infringement is the
assessment of the scope of protection defined by the patent and whether the alleged infringement
falls within that assessed scope. In the determination of validity, the court (or whatever tribunal is
considering validity) should take the same scope of protection as has been defined for the purposes
of infringement, and consider whether the evidence produced by the defendant renders the patent
invalid with respect to, and to the extent of, the scope of protection claimed by the patentee.
Different issues will almost always arise in these two assessments. The starting point for both,
however, is almost always the wording of the claims.

4.33 Frequently, there will be a problem as to whether the actual wording of the claims, if
necessary interpreted in light of the specification (or the description and any drawings), defines an
invention which includes the allegedly infringing subject matter. For example, the claim may
include as a feature “a spring.” If the allegedly infringing device does not include a spring, but
instead has a solid rubber tube which in some respects acts like a spring, can that be infringement?
Different jurisdictions may handle this kind of question differently, depending on the way in which
their law has developed the procedure for the definition of an invention. In addition, many courts
require or expect the assistance of an expert to give guidance as to the technical merit of an
argument, such as, based on the example above, that a rubber tube can be considered to fall within
the term, “spring.”

4.34 The technical content in many patent cases can be very complex indeed, and the resolution
of the technical points of dispute may not only involve one or more expert witnesses, but may need
experimental evidence as well. For instance, in a case concerning the alleged infringement of a
patent granted for an invention consisting of an air plasma cutting torch, the claim included a
feature which defined what was happening within the torch when it was operated. To prove
infringement, an experiment was necessary to define the temperature gradient of the plasmagenic
air within the torch itself. A probe inserted into the torch has the effect of modifying the air flow
through the torch, which in turn will affect the temperature gradient. A better means of evaluation
is thermal imaging, but it is expensive to set up. No sooner has one side carried out experiments,
than the other side may feel obliged to carry out experiments themselves to check the worth of the
first set of experiments or with the aim of disproving the first experiments.
4.35 Assisted by arguments, which in turn are supported by expert evidence and experimental evidence, the court will reach a conclusion about whether or not an infringement has occurred. But most patents contain more than one claim. The inclusion of a number of claims is to give the patentee extra chances of preventing an infringement. If one claim is held invalid, the patentee may still succeed in restraining infringement if it is held that another claim is valid and an infringement has occurred with respect thereto. Where the patent in suit has a number of claims with respect to which the patentee alleges an infringement, the court will have to consider each claim separately to see if it is infringed.

4.36 Similar expert evidence and experiments may be needed in order to deal with validity. Using the “spring” example given above, it may be that the defendant can show that it was known before the date of the patent to use a member having elastic properties in some respects similar to a spring. As with the determination of infringement, the court will need to decide whether the known information is sufficient to invalidate the claims; and that exercise needs to be carried out for all the claims.

The Cost of Patent Litigation

4.37 Whether the submission and evidence concerning infringement and validity are made in writing or given orally at a hearing, or a combination of both, the parties to a patent dispute will find themselves involved in lengthy consideration of the issues and preparation of material for the court. It is mainly the borderline cases that go to trial. This has the effect of extending the arguments by which each side hopes to secure a decision in its favor. Where the patent dispute occurs in a field of high commercial value, and most disputes are because of their high cost, the parties may be inclined to drag any point into the dispute, however peripheral, if it appears to help their case. The costs arising from all of this can become outrageous.

4.38 This is really the key point about patent enforcement. However carefully one makes an estimate of the costs at the start of the litigation, they almost invariably have to be revised upwards as new issues come to light during the development of the case. Patent enforcement, or defense against enforcement, occurs because someone wishes to receive a commercial advantage, in other words, to make money. That advantage must constantly be reviewed against the cost of the litigation.

Enforcement of Copyright and Related Rights

Introduction

4.39 The evolution of international standards for the enforcement of copyright and related rights has been dramatic in recent years, and this evolution has been driven principally by two factors. The first is the advance of technological means for the creation and use (both authorized and unauthorized) of protected material, including, most recently, the advent of digital technology, which makes it possible to transmit and make perfect copies of any information existing in digital form, including works and productions protected by copyright and related rights. The second factor is the increasing economic importance of goods and services protected by intellectual property rights in the realm of international trade; simply put, trade in products embodying protected intellectual property rights is now a booming, worldwide business.
Provisions on Enforcement of Rights in International Copyright and Related Rights Conventions

4.40 While the international copyright and related rights conventions administered by WIPO do not contain extensive provisions dealing with enforcement of rights, the obligation of States to provide adequate means for enforcement of rights is clearly present in these conventions. The Berne Convention contains two specific provisions on the enforcement of rights, on the one hand Article 16(1) and (2), which provides that infringing copies of a work are subject to seizure in any country of the Berne Union where the work enjoys protection, even when the copies come from a country where the work is not or no longer protected, and on the other hand Article 13(3), which provides for seizure of copies of certain recordings of musical works imported without permission of the author or other owner of copyright in the country of importation.

4.41 The Berne, Rome and Phonograms Conventions also contain provisions indirectly requiring appropriate enforcement measures in any country party to the conventions. For example, Article 36(1) of the Berne Convention provides that “Any country party to this Convention undertakes to adopt, in accordance with its constitution, the measures necessary to ensure the application of this Convention”; paragraph (2) of the same Article provides that “It is understood that, at the time a country becomes bound by this Convention, it will be in a position under its domestic law to give effect to the provisions of this Convention.” Similar provisions are found in Article 26(1) and (2) of the Rome Convention. Article 2 of the Phonograms Convention obligates each Contracting State to protect producers of phonograms against the making of duplicates (copies) without the consent of the producers and against the importation and distribution of such duplicates; Article 3 of the Convention leaves the implementation to the Contracting States, which may choose one or more of the following: copyright or other specific (“related” or “neighboring”) rights, unfair competition or penal sanctions.

Evolution of International Standards for the Enforcement of Rights

4.42 It is obvious that the above provisions of the Berne, Rome and Phonograms Conventions cannot be respected without appropriate measures for the enforcement of rights provided under the national laws of their member States. It has become obvious that such provisions alone do not provide national governments with the necessary guidance concerning appropriate and modern standards for the enforcement of rights. Thus, evolution of new standards for enforcement of rights has taken place in a number of contexts, including the activities of WIPO.

4.43 Since the beginning of the 1980s, WIPO has devoted ever greater attention to questions relating to the enforcement of rights. A short list is illustrative: two WIPO Worldwide Forums on Piracy were held in 1981 and 1983; extensive and detailed recommendations for measures to combat piracy of audiovisual works, phonograms and the printed word were developed in the series of meetings on categories of works (1986 to 1988); a committee of experts was convened in 1988 to elaborate measures against both piracy and counterfeiting, which were included by reference in the draft WIPO Model Law on Copyright prepared by the International Bureau and discussed by a Committee of Experts in 1989 and 1990; a detailed chapter on enforcement of rights was included in a draft WIPO Model Law on the Protection of Producers of Sound Recordings considered by a Committee of Experts in 1992, which, in addition to provisions on conservatory measures, civil remedies and criminal sanctions, contained proposed sanctions against the abuse of technical means applied for the protection of copyright.

4.44 The experience gained in all of the above activities since the 1980s has been reflected in the work of a Committee of Experts towards development of a Protocol to the Berne Convention, which began in 1991, and on the development of a possible international instrument on the protection of the rights of performers and producers of phonograms, which began in 1993.
Naturally, provisions on enforcement of rights have figured prominently in the discussions of both Committees. These deliberations were part of a process leading to a Diplomatic Conference in 1996, which resulted in the adoption of the WIPO Copyright Treaty and the WIPO Performances and Phonograms Treaty, dealt with in chapter 5; both contain provisions on the enforcement of rights.

**National Legislation Concerning Enforcement of Rights**

4.45 The availability of appropriate provisional (conservatory) measures is an indispensable element of any efficient mechanism for the enforcement of copyright. The most important objectives of such measures are the prevention of acts of infringement and the seizure of infringing copies, reproducing equipment and other implements that could be used for (further) infringements, constitute essential evidence and could disappear if not brought under the control of the court. These measures must be available on an *ex parte* basis where giving the defendant prior notice would be counterproductive.

4.46 In particular, it should be possible for right-owners to be granted temporary preliminary injunctions to prohibit the committing, or the continuation of the committing, of infringements. Also, courts must be able to order the search, temporary seizure and temporary impounding of suspected unauthorized copies of works and other protected subject matter, packaging materials, implements for the making of such copies and documents, accounts or business papers relating to such copies.

4.47 The purposes of civil remedies are (i) to provide compensation for the prejudice caused by infringements, (ii) to dispose appropriately of the infringing copies (typically through destruction or other disposal outside the normal channels of commerce), (iii) to dispose appropriately of implements used for infringing activities and (iv) to grant injunctions to prohibit further infringements. Such remedies should always be available irrespective of whether the infringement has been committed willfully and/or for profit-making purposes.

4.48 Civil remedies are not always sufficient deterrents. Where infringement becomes a business, the closing down of one plant with the assistance of courts and law enforcement authorities may only mean that the plant will re-open somewhere else. Infringements committed willfully and for profit-making purposes should be punished by criminal sanctions, and the level of the sanctions must make it clear that such infringements of copyright are serious offenses. It is normally preferable that criminal sanctions are also applicable in case of infringements committed through gross negligence, for profit-making purposes, because it may be difficult to prove that infringements are committed willfully. Increased punishments in cases of recidivism are also justified. The criminal sanctions available should comprise both fines and imprisonment, and, where merited by the case, courts should be able to impose both these sanctions on the infringer.

4.49 In certain cases, the only practical means of preventing copying is through so-called “copy-protection” or “copy-management systems”, that is, systems containing technical devices that either entirely prevent the making of copies or render the quality of the copies made so poor that they are unusable. Technical devices are also used to prevent the reception of encrypted commercial television programs except with the help of decoders, which would-be viewers have to buy or rent. However, it is technically possible to make devices by means of which copy-protection and copy-management systems as well as encryption systems may — although illegally — be circumvented. Where such devices are manufactured or imported and distributed unlawfully, the normal exploitation of the works is undermined and may cause serious prejudice to the authors of, or other owners of copyright in, those works. Such activities are violations of the protected rights and should be sanctioned in a way similar to that of other kinds of infringements.
Border Measures

4.50 Piracy is by no means an exclusively national activity, i.e., the production in a country of infringing copies for sale in that country. It is also very much an international operation, with vast quantities of infringing copies being manufactured in one country and shipped to others, often on the other side of the world; quantities of infringing copies which are shipped to other countries substantially undermine legitimate business to the extent that international companies often withdraw from the market, and investment in recording and producing local talent virtually dries up. For this reason, the power to stop infringing copies entering a market is of vital importance, and provisions that make this possible are an essential feature of modern copyright legislation. Much attention has been given to this subject: Articles 51 to 60 of the TRIPS Agreement (see chapter 5 below) deal with border measures. Also, the World Customs Organization has developed a model law for the enforcement of such measures.

4.51 Border measures are intended to prevent infringing copies — or lawful copies in violation of the right of importation — from being brought into the country concerned. They constitute an effective way to counter acts of infringement, because it is frequently easier to prevent the distribution of infringing copies at the border than after the copies have already been brought into the country and put into circulation. Border measures are usually carried out by administrative authorities (customs authorities) and not by judicial authorities. In national legislation on this issue, a number of safeguards and appropriate procedural rules are normally found which ensure the fairness and effectiveness of measures applied by such authorities.

4.52 Providing for the availability of various enforcement measures may not be entirely sufficient. It is, of course, necessary that national legislation also provide general safeguards to ensure due procedures for the application of those measures in keeping with the principles of justice and fairness and with the need for efficiency. For example, national legislation must ensure that procedures for the enforcement of copyright are fair, equitable, transparent, expeditious, not unnecessarily complicated, costly or burdensome, and do not impose unreasonable time limits, and both plaintiffs and defendants must have equal access to information and equal possibilities to present their case.

Anti-Piracy Measures for Phonograms, Audiovisual Works and Computer Programs

4.53 The notion of piracy covers a number of different phenomena. For example, in the field of music, three expressions are used in common parlance which are all covered by the wider notion of piracy as used here. Those expressions are “counterfeits,” “bootlegs” and “pirate copies.” “Counterfeits” are usually exact copies of a sound or video disc or tape with, for instance, exactly the same packaging as the original, usually including even the trademark. The copies could be either tapes or — more sophisticated — industrially manufactured CDs. “Bootlegs” are copies of recordings of a live performance or a broadcast, if the recording was made without the authorization of the right-owner concerned. “Pirate copies,” finally, are unauthorized copies of a sound or video recording which do not attempt to imitate the original but are generally of low quality, with handwritten labels, etc. Those are becoming rarer because in general people prefer recordings of higher quality. The use of the notion “piracy” in the following covers all three kinds of infringements now mentioned.

4.54 Generally speaking, five categories of works, performances or productions are the most exposed victims of piracy, namely:

- sound recordings;
- video recordings;
- computer programs;
- broadcasts;
- books.

4.55 Particularly the first three categories of works or productions have been hit by piracy in recent decades because they are, with modern digital reproduction technology, very easy to copy. It takes, for instance, no great effort to make copies, by means of a personal computer, of computer programs of the same quality as the original and with high speed and efficiency; as computer programs are very costly to develop, uncontrolled copying hurts considerably the interests of the right-owners.

Reasons for Taking Action Against Piracy

4.56 There are several reasons for a State to take efficient measures against piracy activities.

4.57 The first and perhaps most important reason is that the rights under copyright law are violated, which means that authors, performers and phonogram and videogram producers, publishers, broadcasters and others suffer considerable economic loss. This is detrimental not only to the personal economic interests of the beneficiaries but also to society as a whole because it hampers creativity and is contrary to the interests which copyright law is there to serve, including that of establishing domestic cultural industries.

4.58 It should be noted that piracy generally hurts the most those productions which are successful; they are the only ones which are of interest for pirates. In the phonographic industry only a small proportion of the productions are economically successful and it is the income from those that makes it possible for the industry to support less successful but perhaps more valuable productions. If this incentive is lost, the industry may not be able to continue those productions and the output will be qualitatively lower, something which is, in the long run, detrimental to the interests of consumers and of society as a whole.

4.59 The reasons for fighting piracy should be seen both in a short and a long-term perspective. It is sometimes said that piracy is not a bad phenomenon because it supplies the market with popular products at low prices. Occasionally it is added that the pirates employ a considerable workforce and thus give increased job opportunities. Also, it is said that there are more urgent priorities in society than combating piracy. These arguments are, naturally, not valid if a State wants to maintain its international reputation and participate in the international exchange of culture, information and entertainment.

Anti-piracy Measures

4.60 Various practical measures can be undertaken in order to combat piracy. To some extent protection can be obtained through various types of copy-protection systems, that is, that mechanisms (“spoiler signals” or “water marks” in sound or video recordings) are built in which prevent unauthorized copying. Another measure is to have an efficient collective administration in respect of musical works; if it is easy for users to contact and obtain authorization from the right-owners through such an organization, the temptation to engage in piracy activities may be less.

4.61 The system of copyright and related rights is a branch of private law in that it grants personal exclusive rights to the individual beneficiaries. Therefore, the basic approach in most countries, is, or has been, that it is for the injured party himself to take action. Consequently, the basic possibility for him is to take civil action.
4.62 However, there is a change in the attitude in many countries, mainly in view of the alarming growth of the piracy activities. A number of countries have introduced heavy penal sanctions for at least certain kinds of infringement of copyright, in particular such which would be considered as piracy.

4.63 Penal sanctions should — and in most countries do — include both fines and imprisonment, the maximum of which may be up to several years. If penal sanctions are to work satisfactorily, the objective criteria for the infringement must be clearly defined. This means, in particular, that the rights should be framed and described in a clear and unequivocal way so that it is obvious which the act or acts are which must not be undertaken without the authorization of the author or other right-owner. Also, the so-called subjective criteria must be determined clearly. At least in some national laws the penal provisions for copyright violations apply not only to acts which are committed willfully but also to those committed with gross negligence. The sanctions should be applicable not only to the person who directly committed the violation but also to those who contributed to it, for instance by providing equipment used for unauthorized reproduction with full knowledge of the intended use of that equipment.

4.64 Penal sanctions have mainly a repressive function. While such a function is very important in the interest of society and authors too in order to ensure respect for the law (and this is of course particularly obvious in cases of piracy) at least equally important from the individual author’s point of view is the compensatory aspect. The law has to provide the beneficiaries with real and effective possibilities to obtain compensation for the injury caused to them by the violation of their rights. That compensation should not be limited to a mere reparation of the direct losses inflicted on the specific right-owner. He should also be compensated, for example, for loss of market share for the work, possible violation of his moral rights and also other relevant elements; in short, account has to be taken of the material and moral prejudice caused. It may sometimes be difficult to establish the exact size of the remuneration. In many national laws there are, however, special provisions aiming at making an equity assessment of the amount to be paid; otherwise, it has to be left to the judges’ discretion.

4.65 If copies exist which have been produced through unlawful acts, it is important that action is taken to prevent those copies, and their packaging, from being brought on to the market without the consent of the copyright owner. This is particularly important in the case of pirate copies. The desirable principle should be that such copies should be destroyed unless the injured party requests otherwise. Alternatively, they should be surrendered to the injured party. Also, equipment used for the manufacture of unauthorized copies should, by court order, be either destroyed or surrendered to the injured party, at least if there is a real risk that they may be used for continued acts of infringement. In this latter case there should exist possibilities for the courts to issue orders expressly prohibiting the continuation of the acts, with mention of the fine to be paid in case the order is not respected.

4.66 Another important aspect in this context are the conservatory measures which should be available particularly in cases of piracy, where the existence on the market of the unlawful copies can cause considerable damage. Such measures are intended to freeze or conserve the situation as it is when the measure is ordered or taken. More specifically the purpose of such measures is twofold: to prevent the committing, or the continuation of the committing, of acts of piracy, and to secure evidence as to the nature, quantity, location, source and destination of the pirated copies or the identity of the person who is suspected of having committed or being likely to commit acts of copyright violation.

4.67 Usually such measures have to be taken only at the request of the person or legal entity who claims to be injured or to be threatened by injury in an act of piracy. Under most laws the
requesting party will be liable for damages caused by the measure and, where necessary, he should be ordered to post a bond. The measures should include the following:

- seizure of the goods suspected to be unauthorized copies;
- sealing the premises where the unauthorized copies are being manufactured, packaged, stored or offered for sale, rental, lending or other distribution;
- seizure of the tools that could be used to manufacture or package the unauthorized copies, and of business documents referring to the copies;
- ordering the termination of the manufacture or distribution of the unauthorized copies;
- ordering the disclosure of the source of the copies suspected to be unauthorized copies.

4.68 Because of the recognized need to take efficient action against copyright piracy, some countries have set up special enforcement units either in the Ministry responsible for copyright law matters or within the police or customs forces. Also, in some countries, special State bodies, have particular responsibilities in the field of enforcement. They can act on behalf of their members, initiate investigations and bring matters to court. In most countries however the enforcement is entrusted to the ordinary enforcement authorities, that is, the courts, the police, the public prosecutors and the customs authorities.

Activities within WIPO Concerning Enforcement

4.69 The repression of activities such as piracy and counterfeiting, which are factors of major economic importance, is a crucial task for WIPO.

4.70 WIPO administers many international conventions and treaties relating to intellectual property. This aspect of WIPO’s work consists basically in ensuring the proper operation of the bodies that govern these various international agreements and in obtaining the accession of the largest possible number of States to them; indeed for any repression to have proper effect it is necessary that the most uniform legal framework possible be established, comprising high-level provisions well adapted to new circumstances and the new technological facilities available to “pirates.”

4.71 WIPO also develops new legislative provisions, both to adapt existing provisions to the new technologies and to reflect the progressively emerging consensus in favor of increasing the level of these provisions. For example, the impact of digital technology on copyright and related rights is enormous. The ability to transmit by electromagnetic waves, by cable or by satellite, musical works that are incorporated in sound or audiovisual recordings, increases the problem of unlawful reproduction and also of private copying, since works stored in digital form can be reproduced any number of times without loss of quality when compared with the original from which the copies are made.

4.72 Another basic aspect of WIPO’s activities, but not the least important, is the transfer of know-how required to administer the international conventions. Indeed, it is of prime importance that the provisions drawn up at the international level be applied at the national level, since promotion of creativeness first requires suitable management and the implementation of provisions
adopted in favor of creators. WIPO’s development cooperation activities are particularly important in this respect.

4.73 From the late 1990s until 2001, there were initially two WIPO Committees on enforcement – the Advisory Committee on Enforcement of Industrial Property Rights and the Advisory Committee on the Management and Enforcement of Copyright and Related Rights in Global Information Networks. The Advisory Committee on Enforcement of Industrial Property Rights held a meeting in October 2001, in which Member States asked the Secretariat of WIPO to initiate studies and activities to promote more effective enforcement of industrial property rights worldwide, and the identification of good practices and procedures with which to do so, while keeping the time and cost burden on administrative infrastructures to a minimum. In September 2002 it was decided that these two Committees would be merged into a single Advisory Committee on Enforcement, responsible for all intellectual property enforcement issues. Full membership is open to Member States of WIPO and/or the Paris and Berne Unions. It met for the first time in June 2003.

**Enforcement Provisions of the TRIPS Agreement**

4.74 It is worth recalling that the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), which forms part of the overall Agreement establishing the World Trade Organization (WTO), requires the members of the WTO to ensure that effective enforcement procedures are available. The TRIPS Agreement also includes provisions requiring action by customs authorities against suspected counterfeit or pirated goods.

**Intellectual Property Litigation**

**Introduction**

4.75 In many intellectual property systems, it is common to have some form of internal appeal against a patent or trademark examiner’s decision. Boards of Appeal exist for instance in the European Patent Office and the United States Patent and Trademark Office. While in the United Kingdom Patent and Trademark Office there is no formal internal appeal, a dispute between the applicant and examiner can be taken to a hearing before a senior officer.

4.76 Whatever the arrangement for internal appeal may be, in most intellectual property systems the courts play an important role in hearing appeals from decisions of the Industrial Property Office and in adjudicating infringement actions.

**Review of Industrial Property Office Decisions**

**Introduction**

4.77 The functions of Patent Offices in most countries are administrative in character rather than judicial. However, because Commissioners and Registrars are obliged to interpret the law in order to carry out their functions properly, and because third parties’ rights and the public interest must
be taken into account, there is at times a tendency to treat office decisions as sacrosanct. In a number of countries, the Commissioner or Registrar is able to summon witnesses, administer oaths, require the production of documents or articles and award costs. His functions are therefore often referred to as “quasi-judicial.” It must not be forgotten, however, that a Patent Office decision is administrative in character, notwithstanding that certain functions of the Commissioner or Registrar have quasi-judicial features.

4.78 Generally speaking appeals can be lodged against decisions taken during or at the end of the procedure relating to an application for a patent for invention — in the case of the former, “pre-grant appeals,” and in the case of decisions taken after the grant of a patent for invention, “post-grant appeals.” “Pre-grant appeals” only involve a third party, in addition to the owner of the patent for invention and the Patent Office. Similar appeals exist in relation to decisions of the Trademark Office.

Pre-Grant Appeals

4.79 Chronologically, the first decision of the Patent Office is the decision by which it does or does not accord a filing date. The applicant may disagree with the date accorded and may wish to appeal against a decision. As an example, supposing the payment of the application fee in a particular country is one of the requirements for according a filing date, and the Patent Office and the applicant disagree as to when the application fee was actually paid. The Patent Office alleges that the application fee was paid two days after the date on which the documents constituting the application were filed, whereas the applicant claims that it was paid on the same day the application itself was filed. If the invention claimed in the application was published the day after the application itself was filed, the decision of the Patent Office according a filing date is crucial. If the applicant is not able to convince the Patent Office that the application fee was paid before the publication of the invention, the application will eventually be rejected for lack of novelty of the invention. Therefore, it is important for the applicant to have the right to appeal against the decision according a filing date.

4.80 Another decision against which the applicant may appeal to the court is the decision, taken during the preliminary (or formal) examination, by which the Patent Office declares that the application is deemed to be withdrawn. Such a decision may be taken, for example, on the ground that a formal defect in the application has not been eliminated in due time or that the invention claimed in the application is contrary to public order or morality.

4.81 The most frequent decision against which the applicant may appeal to the court is the decision, taken as a result of the examination of the application as to substance, by which the Patent Office rejects the application. Such a decision may be taken, for example, on the ground that the invention claimed in the application is not new, does not involve an inventive step or is not industrially applicable. Another possible ground for rejection of the application might be that the claims or the description contain substantive defects which have not been eliminated by the applicant.

Post-Grant Appeals

4.82 After the grant of the patent for invention, there may also be cases where an appeal may be lodged against a decision of the Patent Office. For example, the Patent Office may have declared that the patent for invention has lapsed because an annual fee has not been paid in due time. On the other hand, the owner of the patent for invention may allege that the annual fee was paid in due time and, as a consequence, may wish to appeal to the court against the declaration of lapse. In such a case, the appeal only involves the owner of the patent for invention and the Patent Office.
4.83 Another example of a “post-grant appeal” would be against a decision by the Patent Office to grant a compulsory license. Where the law so provides, a similar appeal would also be possible against a decision by the Patent Office to refuse to grant a compulsory license. In both cases, the appeal would involve three parties, namely, the owner of the patent for invention, the party requesting the grant of a compulsory license and the Patent Office.

**Appeal Procedure**

*Introduction*

4.84 Appeal procedures are usually determined by regulations or rules which may be provided for in the patent law, in the rules of the specific court, or in the general rules of procedure of the country.

4.85 In Japan, Germany and France, the respective intellectual property laws together with the codes of civil procedure prevail; in common law countries such as the United Kingdom and Canada, the rules of procedure of the appropriate courts apply.

4.86 Normally, the industrial property law sets out the time limit within which an appeal should be filed. The rules of procedure determine when and how each step should be taken. These rules usually give the court wide discretion so that the parties can put forth their best case. For example, if amendment to refused claims is permitted, it is frequently possible to resolve the dispute without a hearing.

4.87 Usually, the rules of procedure will establish the time periods for the completion of each step of the procedure. For example, the evidence may be required to be filed with the court one month after the “notice of appeal,” and the memorandum (or brief) on appeal may be required to be filed within a further month.

4.88 At common law the rules of procedure will require each party — the appellant (the one who is appealing) and the respondent (the one whose decision is being appealed) — to give the other notice of each step it takes and to give the court proof that notice has been given. If a third party is involved in an appeal, the same rule should apply with respect to that third party.

4.89 The rules of procedure will also usually provide for the possibility to deviate from the rules to permit the parties to present their cases properly. For example, extensions of time may be required if the appellant cannot give proper instructions on time. Usually, there are also rules which compel the parties to proceed under penalty of dismissal of their case.

4.90 Whether or not deviation is permitted in each case is within the discretion of the court. Under the common law practice, a request for the court to permit deviation is made in writing with supporting evidence, and notice is given to the other side. The other side may consent or may appear in court and oppose the request. A similar process exists in the continental system.

*Pre-Hearing Conference*

4.91 Often, under common law, provision is made for the convening of a pre-hearing conference to resolve any question as to the procedure which is to be followed at the hearing; the question may then be settled by the court. At the pre-hearing conference there may be questions as to who will have the opportunity to speak and in what order, the material to be considered and what facts will be admitted by either side.
4.92 In this regard the court may perform a useful function which is sometimes unofficially called “banging heads together.” The intervention of a third party with authority, the court, may resolve differences between obstinate parties.

**Evidence**

4.93 The word “evidence” as used in judicial proceedings usually means that which may be placed before the court to enable it to determine the issues of fact. For example, a document executed by an inventor transferring a patent for invention to another entity or person duly registered by the Patent Office is the best evidence that the other entity or person is the owner of the patent for invention. This is also called “direct” evidence. If the document is lost, then a statement by a witness that he or she saw the inventor sign such a transfer may be sufficient. This is secondary evidence. If the document is available, then it should be submitted. If it is not, then there is no option but to follow the second course.

4.94 The evidence put forward in pre-grant appeals will in most cases be quite different from the evidence presented in post-grant appeals. In a pre-grant appeal where the appealed decision was to reject the application, the main issue is usually whether what is claimed in the application is or is not a patentable invention. The evidence on that issue will be highly technical.

4.95 In a post-grant appeal where the appealed decision was to grant or to refuse a compulsory license, the evidence will tend to be almost exclusively commercial, relating to competition in the marketplace, market demand or need, costs of production, research, selling or marketing, profits and royalty rates. The requesting party will also probably submit evidence as to his technical personnel, facilities, market costs, proposed market and selling price.

4.96 Three forms of evidence may be distinguished — “documentary evidence,” namely evidence supplied by writings and documents of all kinds, “real evidence,” namely evidence supplied by things themselves rather than by a description of them, and “expert evidence,” namely oral evidence supplied by an expert. To the extent possible, all evidence should be introduced in writing. Oral testimony, if any is given, is usually taken down verbatim and recorded in print for review by the authority; however, if a hearing of oral testimony is requested, it will normally be granted.

4.97 As a general rule, statements made by parties are usually accepted as true unless they are uncorroborated or contested. If this is the case, the court may call for further evidence. A requirement may be made for money to be deposited to cover the costs of these proceedings prior to their commencement. These proceedings may include hearing the parties, requests for information, production of documents, hearing witnesses, opinions by experts, inspection and sworn statements in writing.

4.98 In the case of oral evidence, the party or witness testifying will have to be prepared to be subjected to questioning by the adversary or the court.

**Documentary Evidence**

4.99 Documentary evidence can be subdivided into three elements, namely the file history, statements and other documentary evidence.

4.100 The file history usually comprises the patent application, including the description, drawings and claims, the objections or observations made by the Patent Office and the observations made by the applicant.
4.101 If the Patent Office had rejected the application because there is in the state-of-the-art a publication which destroys the novelty of the invention, the observations by the Patent Office will normally include that publication, together with the Patent Office comment on its significance, and of course the decision of the Patent Office and its reasons.

4.102 The observations made by the applicant will normally include observations on the publication, that is, comments on the structure, the mode of operation and result of the solution disclosed in it, together with comments on how the applicant’s invention differs on each of these points from that solution.

4.103 Sometimes the “supposed” evidence may also include statements by the inventor. The word “supposed” is used intentionally because frequently this “evidence” is not proof but rather argument. Statements which indicate nothing other than that the subject matter of the application is a patentable invention are merely self-serving and are consequently not persuasive. Such statements are no more than mere unsubstantiated opinions.

4.104 There may be other documentary evidence, for example, experimental reports, market surveys, photographs, sales figures, unsolicited testimonials. Again, all these materials should be introduced by showing the source, what they show, why they are presented and an explanation as to their technical significance.

Real Evidence

4.105 Real evidence such as models, actual machines described in the state of the art and the subject matter of the patent application, may also be shown.

Expert Evidence

4.106 In relation to the issue of validity in patent proceedings, general evidence is often received from expert witnesses as to prior use, the commercial success of the invention, the intelligibility and sufficiency of the patent specification to a competent technician, the utility or usefulness of the invention, the state of common general knowledge at material dates, the meaning of technical terms and the novel or surprising nature of the invention claimed when considered in the light of prior art and knowledge.

Market Survey Evidence

4.107 In trademark cases in particular, evidence of the “public mind” or the state of public opinion in relation to a particular trade name, mark or get-up is both relevant and admissible. In recent times there have been endeavors to put into evidence the results of market surveys and market research as evidence of the “public mind.” There is some dispute as to the effect of such evidence. Evidence of a market survey may prove no more than that certain opinions were expressed by individual persons interviewed. It cannot show, in the absence of direct evidence to the court, that such opinions were genuinely held by them or how they arrived at them.

Presentation of Evidence

4.108 In common-law and some civil-law countries, evidence is presented in the form of sworn statements, or “affidavits,” on the most important points. These statements or affidavits are written documents which are signed by the person making them before either an officer of the State or an officer of the court who ensures that the person signing knows the consequences and
penalties for making false statements. The general law makes provision for penalties where false statements have been made.

4.109 In the absence of a third party to any proceedings, these sworn statements are normally accepted as evidence of the facts to which they attest. One therefore has to be sure that they are relevant and true.

4.110 In some countries, when a third party is involved — for example, in the case of a compulsory license — the third party may be given the opportunity to “cross-examine” the party who gave the statement to test the validity of the facts set out. “Cross-examination” is a procedure in which an adverse party questions the person who gave the statement. The questions may be directed to any matter raised in the statement and are generally directed to the accuracy of and basis for the statement.

Final Disposition

4.111 When disposing of the appeal, the court normally has the following courses of action available: it may refuse the appeal, it may grant the appeal, it may refer the case back to the Patent Office for reconsideration, or, if the decision appealed against was a decision to reject the application, it may amend the claims and give directions to the Patent Office to grant the patent for invention. If the court refers the case back to the Patent Office, it may make recommendations for amendment of the claims, description or drawings to overcome positions one or both parties have taken unjustifiably. The basis for the court’s authority to act is usually in the patent law or it may be found in other general legislative provisions.

Infringement Actions

Patent Infringement

4.112 The first task in any patent infringement action is to accurately assess the limit of the rights granted. This will require the court to construe the patent specification. In general it is not permitted to adduce expert evidence to construe words which are capable of an ordinary meaning in English. The only exception is when technical words are used for which the court may require a technical explanation. Similarly, considering the claims, it is not permissible to look into the body of the specification so as to try and twist or strain the meaning of ordinary English words so that they can “catch” the infringement. In fact, the court’s first task in construing the specification is to have no regard to either the alleged infringement or what is called the “prior art.”

4.113 The next task facing the court is to decide whether the alleged infringement falls within the scope of the claims which it has construed. This is often not easy, particularly when the defendant has been well advised. It is in this area that expert evidence is frequently required. Moreover, in patent infringement actions, the use of experiments is often resorted to in order to prove infringement, the burden of which always remains with the plaintiff.

4.114 The usual defense in an infringement action is that the alleged infringement simply does not fall within the scope of the patent in suit. But far more important than the defense will often be a counterclaim for revocation of the patent. As in trademark infringement, there are a number of statutory grounds by which a defendant can seek to impugn the validity of the patent: to mention some, he may rely upon anticipation, that is lack of novelty, that the invention is obvious, that the patentee has not sufficiently or fairly set out the manner in which the invention is to be worked,
that the invention is not useful, that it has been obtained on a false suggestion or misrepresentation or that it has wrongfully been obtained from another. Some or all of these grounds are available in most patent statutes in the Commonwealth. Again, this is an area where expert evidence is important and it is not unusual for the counterclaim in a patent infringement action to take more time than the claim itself. Naturally, the onus here is on the defendant seeking revocation of the patent.

Copyright Infringement

4.115 The first of the acts restricted by copyright is “reproduction.” By reproduction is generally meant the right to multiply copies of the work, the production of even one copy being an infringement. Reproduction is not defined in any of the acts but its meaning is probably very similar to “copy.” What is a copy will be a question of fact and degree. When the copy is not exact, the court must examine the degree of resemblance with this in mind: that for infringement to arise, there must be such a degree of similarity as would lead one to say that the alleged infringement is a copy or reproduction of the original — having, in other words, adopted its essential features and substance.

4.116 A causal connection between the copyright work or the alleged infringement is essential and is a major distinction between the protection afforded by patents and registered designs — both of which are full monopolies. The plaintiff must prove that directly and indirectly the defendant has copied from the work matter in which he claims copyright. He must show that this causal connection is the explanation of the similarity between the two. If, for example, they both copied from a common source or they arrived at their results truly independently, there will be no infringement.

4.117 Many statutes qualify “reproduction” with some such phrase as “or substantial reproduction.” The question of what is “substantial” will again depend on the facts and circumstances of each case and will be for the court to assess. It has been said in a leading case that “the question whether the defendant has copied a substantial part depends much more on the quality than the quantity of what he has taken.” And in another case “what is worth copying is prima facie worth protecting.”

4.118 What the court must do is to assess whether, assuming a causal connection, the defendant has helped himself to too liberal a portion of another’s labor or work. On the other hand, bearing in mind particularly that copyright does not protect ideas (which may or may not be the proper subject of a patent) but rather the way in which ideas are expressed and articulated, the court will by way of balance always be mindful not in effect to give a plaintiff the benefit of a 50-year protection for an idea under the guise of copyright. The two species of protection are very different.

4.119 In view of the foregoing it is clear that the most obvious defense is that the impugned work was independently arrived at. Other defenses may be:

- that, although there has been some degree of copying, a substantial part of the work in issue has not been taken;
- that the work is no longer in copyright;
- certain other statutory defenses such as fair dealing and use for educational purposes.
Trademark Infringement and Passing-Off

4.120 These two topics are closely related. If infringement of a registered trademark exists in a particular case, the plaintiff will usually also plead passing-off. Historically, the action to restrain a defendant from passing off his goods as the goods of the plaintiff was a generalized form of an action to restrain the infringement of a trademark. When the possibility of registration of trademarks first became available at the end of the last century, the distinction between the two types of action arose. In spite of the co-existence of these two forms of action, passing-off has never been abolished or allowed to slip into disuse.

Trademark Infringement

4.121 This is a statutory tort arising by virtue of registration of the trademark in issue at a national Trademarks Registry. Trademarks may of course only be registered after satisfying specific conditions imposed by statute and enforced by the Registry. Registration involves consideration of such topics as distinctiveness of the proposed mark, whether it is an invented word, whether it has any direct reference to the character or quality of the goods in respect of which registration is sought, whether it has a geographical signification, whether it has signification as a surname, etc. In several countries trademark registration is available in respect of both goods and services. In some Commonwealth countries, there still exist two categories of trademark — those falling under so-called Part A and Part B of the Register, in respect of which different considerations arise. The concept of Part B marks was introduced so as to satisfy a somewhat lower standard of distinctiveness for registration and as a consequence, to give a somewhat lower level of protection in litigation.

4.122 Evidence of ownership of a trademark will generally be adduced by a duly certified copy of the entry in the national Trademark Register. The copy certificate should, however, be scrutinized with care for at least the following information:

- the mark itself and the exact manner in which it is represented, particularly if it is a device mark;
- the goods in respect of which registration has been secured;
- the name and details of its proprietor;
- the date of the registration;
- whether it has been registered in Part A or Part B of the Register.

4.123 An important distinction between the action for trademark infringement and passing-off is that whereas in passing-off it is essential that the plaintiff should by evidence prove his reputation, this is not necessary for the purposes of proving trademark infringement. Registration may take place before any reputation has been acquired in the mark through actual use; to secure registration, it is enough that the mark is inherently distinctive and that the plaintiff has a bona fide intention to use it as a trademark for the goods in question. Once registered, the registered proprietor may proceed against infringers without the uncertainty and expense of having each time to prove his actual trading reputation. This is the main respect in which protection of goodwill has been made easier and more efficacious by registration.

4.124 In trademark infringement actions, the court is often faced with the likelihood of a counterclaim for rectification of the Register of Trademarks by expunging therefrom the trademark
in issue. The various national trademark laws establish grounds on which a trademark may be so removed and these involve in part the grounds available to an opponent at the registration stage. In addition, further grounds are available such as the non-use of the mark.

**Passing-Off**

4.125 Passing-off can arise in respect of a common law trademark, a trading name or style for either goods or services or through presentation, that is, by the addition to an article of something that gives it a distinctive appearance — be it color, shape or packaging. In essence passing-off concerns the wrongful appropriation of the benefit of the reputation or goodwill of another.

4.126 Any misrepresentation calculated to injure another in his trade or business may provide the basis for a passing-off action. But in each case the plaintiff must establish two propositions before he can succeed: the first is that he has a legal right, in the nature of a monopoly; in other words, he must show that he has an exclusive right to a particular name for his goods or a particular trade description or particular presentation, and secondly, that the defendant has infringed that right by selling goods under a name or description or with a presentation which is likely to lead to confusion, so that consumers are likely to buy the defendant’s goods in the belief that they are the plaintiff’s goods. It should be noted that the second proposition does not arise unless and until the plaintiff has established the first.

**Registered Designs Infringement**

4.127 Registered designs have a close analogy with patents. They consist of an exclusive right of limited duration.

4.128 The United Kingdom, for instance, has the following definition of design:

“In this Act, ‘design’ means the whole or a part of a product resulting from the features of, in particular, the lines, colours, shape, texture or materials of the product or its ornamentation” (Section 1(2) of the United Kingdom Registered Designs Act, 1949, as amended by Article 2 of the Registered Designs Regulations 2001).

4.129 In other words the proper subject of a registered design consists of what the eye can appreciate in its application to an article, except such features as are functional. Like a patent the design has to be construed by the court prior to considering issues of infringement and validity. By its nature the entire exercise here is done by the eye, that is the eye of the court. It will seldom be appropriate to adduce evidence to assist the eye in this respect.

4.130 Apart from the obvious defense that the product in issue does not fall within the scope of the design, the defendant will invariably counterclaim for rectification of the register of designs. As with patents, he may choose to rely on lack of novelty, which is a fundamental requirement for a valid design, in the light of prior art. But he may also wish to impugn the design by showing it to be or consist of features or shapes or configurations which are dictated by the function above.

**Remedies**

4.131 The remedies typically available in intellectual property infringement actions are injunctions, damages and account of profits. Most actions start with an application for some form of preliminary or interlocutory relief, and in most cases do not get beyond this preliminary stage.
Preliminary Relief: The Interlocutory Injunction

4.132 Preliminary remedies are of the utmost importance to the protection of all these intellectual property rights. The period from the time of commencement of proceedings to the final determination of a case can allow significant damage to be done to sales and profits and to reputation, due to other exploitation of material and/or information. Furthermore, the nature of the infringement or other unlawful conduct may be such as to make damages or an account of profits an inadequate remedy. One of the reasons for this is that the defendant may be impecunious or may disappear. But these will not be the only reasons why, in a particular case, damages may not be an adequate remedy. More often, this is because of the nature of the intellectual property right in question and the difficulty of reaching a precise estimate of the loss suffered as the result of an infringement. If, in such a case, the defendant’s unlawful conduct is restrained at the outset, the problem of damages may either disappear from the case altogether or be very much less difficult than otherwise would be the case.

4.133 The most useful and widely used preliminary remedy is the interlocutory or interim injunction, the main purpose of which is usually described as being to preserve the status quo until the hearing of the main action. Although preserving the status quo as at the time of making an application is usually the most appropriate order, this is not the main concern of the interlocutory injunction. The primary matter with which the court is concerned in granting an interlocutory injunction is the maintenance of a position that will most easily enable justice to be done when the final determination is made. Thus, a court will sometimes order that an earlier position be restored, or that the parties arrange their affairs in some other way that is more in accordance with the requirements of justice.

4.134 In an increasing number of cases interlocutory injunctions are not sufficient to protect intellectual property rights against the threat of continuing infringement. This is often because the evidence needed to sustain an application for both interim and final relief is not readily available and will not become available through the usual processes of discovery. In such a case the plaintiff will be unlikely to obtain an interim injunction because he will not have the necessary evidence. Sometimes the defendant will remove or destroy the infringing material. In recent years a speedy and effective means of obtaining and preserving such evidence has been developed by courts in the United Kingdom. The relief granted is an ex parte order for entry and inspection of premises and removal of evidence. These orders are known as Anton Piller orders, and may be a necessary step before an interlocutory injunction can be obtained.

4.135 Similarly, the collection of evidence and even a final judgment in favor of a plaintiff may be to no avail if the defendant has no assets which can be used to fund any damages ordered. This is a serious problem given the increasing resourcefulness of those attempting to avoid their obligations, the ease with which money can be moved from one country to another and advances in technology. In order to address this problem the courts of common law countries have formulated and developed the Mareva injunction which operates to prevent defendants from removing assets from the jurisdiction or from disposing or dealing with them within the jurisdiction in such a way as to frustrate any judgment that may be entered against them.

Final Injunction

4.136 In the normal course, a successful plaintiff in an industrial property action will be entitled to a final injunction. The grant of injunctions is discretionary and only used in unusual situations, (for example, where the defendant is the sole source of a life-giving drug or, in a copyright case, where there has been extreme delay) will a permanent injunction be refused. If an injunction were not granted, for example, to a successful patent proprietor, the result would be tantamount to enabling
the defendant to take a compulsory license under the patent without having to go through the statutory provisions relating to compulsory licenses. Should the injunction be breached, the plaintiff can move for contempt of court, and in the field of industrial property experience shows that such action on the part of a plaintiff is not at all infrequent.

**Damages or Account of Profits**

4.137 The assessment of damages in industrial property cases invariably demands as a first step an election by the successful plaintiff as to whether he will take an inquiry as to damages on the one hand, or an account of profits on the other. These alternatives are of course mutually exclusive since by electing to go for an account, the plaintiff has adopted the defendant's acts as his own. The choice in each case will depend on the facts. Sometimes, for instance, time may be of the essence and the trial as to liability may have itself generated enough material evidence to enable a plaintiff to move speedily for an account. Sometimes a defendant may have been able to secure more sales of the product in issue during the infringing period than the plaintiff could possibly have done. In such cases, the plaintiff will again be likely to choose an account rather than an inquiry — which will incidentally be for net profits.

4.138 Usually, however, a successful plaintiff will ask for an order that an inquiry as to damages be taken. When this is done, in a difficult case, the plaintiff may have to endure a fresh trial almost as substantial as the trial as to liability. For this reason, fully litigated industrial property cases seldom go as far as a full inquiry as to damages; they tend to settle when liability has been established.

4.139 The assessment of appropriate damages in industrial property cases vary somewhat between the several causes of action. Passing-off and trademark infringement may be considered together as may patents and registered designs. Judicial views on the correct approach to damages for breach of confidence have been divergent, and in copyright cases special statutory provisions exist. There is however no universally appropriate test or formula for assessing damages. Damages in any of these fields are notoriously difficult to assess with any degree of accuracy, and the courts have sensibly taken this into account by declining to lay down general rules.

4.140 A common approach has been to assess damages on the basis of a notional arm’s length license: this will arise for example when the parties are competitors and is usually appropriate to patent and registered design cases. Damages for past infringement are then based upon a payment of a royalty in respect of, for example, each infringing article. But problems do arise here — particularly when in reality the plaintiff would never have granted a license. This approach has also been used in breach of confidence and copyright infringement cases. Another approach which is more difficult to prove is through consideration of sales lost to the plaintiff; in this case the plaintiff is entitled to the entire lost profit.

**Arbitration and Mediation of Intellectual Property Disputes**

**Alternative Dispute Resolution**

4.141 Alternative Dispute Resolution, or ADR, refers to methods of resolving intellectual property disputes without having to start court proceedings. There are many forms of ADR. The most common are arbitration and mediation. Intellectual property disputes are also resolved on the basis of expert opinions.
Arbitration

4.142 Arbitration has a long history, particularly in certain areas of commerce.

4.143 Arbitration is consensual: it requires that the parties agree to have their dispute referred to an arbitrator. The parties usually do this by including in their agreement a clause providing for the submission of disputes to arbitration. The parties have flexibility in the powers that they permit the arbitrator to exercise and may choose the applicable procedures, usually by including reference to the rules of an arbitration institution.

4.144 The advantages of arbitration are generally regarded to be the speed with which a decision can be reached, the lower cost at which this can be done, the confidentiality of the procedure, its informal character and the facility with which an arbitral award can be enforced internationally. The time and cost advantages of arbitration are based in part on the resolution of a multi-jurisdictional dispute in one single forum, instead of a variety of courts, and on the absence of institutional appeal. The arbitral award is final.

4.145 Arbitration is a less formal procedure than litigation, but still shares some of the elements of a court procedure. An arbitration will normally include an exchange of written memorials, including witness and possibly expert statements, and a hearing allowing oral argument, witness and expert testimony, and questions by the arbitrators and the parties.

Mediation

4.146 Another form of ADR is mediation, sometimes also called conciliation. A mediator is a neutral person who assists the parties in resolving their dispute. Again the agreement of the parties to submit their dispute to mediation will be required. This voluntary character also applies once the mediation is under way: each party may terminate its participation at any stage. If the mediation is successful, the settlement has the effect of a contract between the parties.

4.147 Mediation is particularly attractive where the parties wish to preserve or develop their relationship and resolve a dispute privately. Mediation takes account of the parties’ respective interests, more than their legal positions.

Expert Determination

4.148 In particular in technology transfer agreements it is not unusual to find that the parties have agreed to refer any technical disputes to an expert. Such an expert will be an independent third party with the necessary expertise in the relevant technology field.

Enforcement in the International Context

4.149 Many technology transfer agreements are international. In the context of dispute resolution this raises an important difficulty. If parties to an agreement are relying on the courts to resolve their disputes, they must ensure that a judgment will be enforceable in any jurisdiction where that is required.

4.150 The enforcement in the defendant’s jurisdiction of a court judgment obtained in the claimant’s jurisdiction can be difficult. This problem can be overcome by initiating proceedings in the respondent’s jurisdiction, but this may not be an acceptable option to the would-be claimant.
because he is probably less familiar with the law, legal culture, courts and language of that jurisdiction. Moreover, it would not solve the problems raised by the possible need to enforce such a judgment in a third jurisdiction where the respondent has assets.

4.151 Generally, no such enforcement problems exist with regard to arbitral awards. Under the terms of the widely accepted New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards, contracting States are obliged to recognize and enforce arbitral awards subject to a limited number of specified exceptions.

WIPO Arbitration and Mediation Center

4.152 In September 1993, the WIPO General Assembly unanimously approved the establishment of the WIPO Arbitration Center, now called the WIPO Arbitration and Mediation Center. The Center offers services for the resolution of intellectual property disputes between private parties through arbitration and mediation. The Center also administers special administrative procedures for the resolution of disputes arising out of the registration of Internet domain names (see section below).

4.153 The Center was created to bridge two areas which have recently undergone considerable changes in parallel to, rather than in conjunction with, each other. These areas are arbitration, or more generally ADR, on the one hand, and intellectual property on the other hand.

4.154 The number of institutions administering arbitration throughout the world has grown considerably, as have the numbers of arbitration proceedings initiated. At the same time, particularly in the United States of America, the types of ADR procedures available have evolved beyond traditional arbitration and mediation to include new forms adapted from the classical model of arbitration, mini-trials, and various combinations of procedures.

4.155 The increasingly technological basis of production, the emphasis on image and marketing for the distribution of goods and services, and the proliferation and variety of media of communication have all contributed to giving unprecedented prominence to intellectual property. The increase in the number of intellectual property titles sought is mostly due to the increase in foreign-origin applications. This reflects the internationalization of markets; as enterprises seek to penetrate a wider geographical area, they seek wider protection for their intellectual property.

4.156 The increased resort to international protection of intellectual property opens new possibilities for the use of ADR. The existence of more rights raises the potential for a larger number of conflicts involving those rights. Often, however, those negotiating the licenses and other contractual arrangements pay more attention to the successful conclusion of a potential business arrangement than to the consequences of any breakdown thereof. The developments in the area of arbitration have not necessarily found expression in contractual provisions directed at the efficient resolution of possible disputes.

4.157 In addition, the existence of a multiplicity of national and regional rights covering the same subject matter indicates the need for dispute resolution procedures which avoid recourse to different national court actions. Even if a multiplicity of separate national claims is not involved, the opposition of two foreign parties might require neutral dispute-resolution procedures that avoid the court system of one of the parties.
4.158 Besides the recent evolution of intellectual property protection, many of the traditional advantages in favor of ADR apply particularly to intellectual property. The frequently multi-jurisdictional character of intellectual property disputes, and the opportunity to resolve such disputes in a single forum, have been mentioned above. Furthermore, the possibility to choose neutrals with specialized expertise is of great importance in the highly technical and scientific subject matter covered by patents, trade secrets, copyright and plant variety rights. While specialized courts exist in a number of countries, and may call on expert assistance, it may be more efficient to submit a dispute to an arbitral tribunal composed of at least one expert with specialized, relevant knowledge. In addition, the confidentiality of arbitration and other procedures offers advantages where know-how or other confidential information may be exposed in the course of a dispute.

4.159 Established in recognition of the developments described above, the WIPO Arbitration and Mediation Center offers services in relation to four dispute-settlement procedures:

4.160 **Mediation:** a procedure in which a neutral intermediary, the mediator, at the request of the parties to a dispute and without the power to impose a settlement, endeavors to aid the parties in reaching a mutually satisfactory settlement on the basis of their respective interests.

4.161 **Arbitration:** a procedure involving the submission of a dispute, pursuant to an agreement of the parties, to a mutually acceptable arbitrator or a tribunal of arbitrators, in accordance with the law and procedure adopted by the parties, resulting in a binding and internationally enforceable award.

4.162 **Expedited Arbitration:** an arbitration procedure where the rules limit the procedural steps in the proceedings, in order to obtain a quicker result at a lower cost than in conventional arbitration proceedings. The registration and administration fees are lower than those applicable to an arbitration conducted under the WIPO Arbitration Rules. Fixed arbitrators’ fees apply to disputes of up to 10 million US dollars. This procedure may be practical, particularly for disputes which do not justify, in terms of personnel or financial costs, recourse to court litigation or conventional arbitration.

4.163 The above procedures may also be combined: parties agree to try first to resolve the dispute through mediation; if this does not produce a settlement, either party may submit the dispute to arbitration or expedited arbitration for a binding decision.

4.164 The services that the WIPO Center provides in relation to the four procedures are essentially of two types. The first type involves making available to parties the instruments for the resolution of a dispute pursuant to one of the procedures administered by the WIPO Center. Model contract clauses can be included in agreements to submit future disputes to such procedures. Alternatively, submission agreements can be used to submit existing disputes to one of the procedures, the WIPO Arbitration Rules, the WIPO Expedited Arbitration Rules, and/or the WIPO Mediation Rules.

4.165 The second type of service provided derives from these rules. The rules envisage that certain functions will be performed by the WIPO Center with respect to the conduct of the dispute-resolution procedure, such as the following:

- assistance to the parties in selecting and appointing the mediator(s) or arbitrator(s), if necessary with reference to the Center’s database of more than 1,000 arbitrators and mediators from more than 100 countries with experience in commercial, intellectual property and information and communications technology dispute resolution;
- guidance regarding the application of the relevant procedural rules;
- liaising between the parties and the tribunal or mediator with a view to ensuring optimal communications and procedural efficiency;
- assisting the parties in organizing any other support services that may be needed, such as translation, interpretation or secretarial services;
- fixing the fees of the arbitrators and mediators, in consultation with them and with the parties;
- administering the financial aspects of the proceedings, by obtaining a deposit from each party of the estimated costs and paying out of the deposit the fees of the arbitrators and mediators and any other support service or facilities, such as fees for interpreters, where they are required;
- when the proceedings take place at WIPO in Geneva, providing a meeting room and party retiring rooms free of charge;
- when the proceedings take place outside Geneva, assisting the parties in organizing appropriate meeting rooms and other required facilities;
- providing such other services or functions as may be required to ensure that the arbitration or mediation procedures are conducted efficiently and expeditiously.

4.166 The services described above may be used anywhere in the world. While the WIPO Rules are especially suitable in an intellectual property context, such as for a licensing dispute, they lend themselves to the resolution of all types of commercial disputes. The procedures may be applied in any legal system in the world, in any language and under any law chosen by the parties.

4.167 In addition to offering arbitration and mediation services, the WIPO Arbitration and Mediation Center organizes conferences on arbitration and mediation, as well as workshops for arbitrators and mediators.

**WIPO Internet Domain Name Dispute Resolution**

**Uniform Domain Name Dispute Resolution Policy**

4.168 As a result of their growing popularity and of their commercial application, Internet domain names have increasingly come into conflict with trademarks and other intellectual property rights. In December 1999, the WIPO Arbitration and Mediation Center became the first provider of dispute resolution services under the Uniform Domain Name Dispute Resolution Policy (UDRP). Adopted by the Internet Corporation for Assigned Names and Numbers (ICANN), on the basis of recommendations made by WIPO in the Report of the First WIPO Internet Domain Name Process, the UDRP provides holders of trademark rights with an administrative mechanism for the efficient resolution of disputes arising out of the registration and use in bad faith by third parties of domain names corresponding to those trademark rights. The UDRP applies to registrations in generic top-level domains (gTLDs), .com, .net and .org and the more recently introduced new gTLDs, .aero, .biz, .coop, .info, .museum, .name and .pro. Being administrative (and not arbitration), the procedure is optional for trademark owners: instead of or in addition to availing themselves of the UDRP, they
may go to court. By contrast, domain name registrants must submit to the UDRP procedure, once a complaint has been filed concerning the domain name held by them; however, losing registrants may also go to court.

4.169 The UDRP is limited to cases of registration and use in bad faith. For a complaint to succeed, the complainant must establish that the following three cumulative criteria are met: (i) the domain name is identical or confusingly similar to a trademark or service mark in which the complainant has rights; and (ii) the registrant of the domain name has no rights or legitimate interests in respect of the domain name; and (iii) the domain name has been registered and is being used in bad faith. The UDRP lists several examples of such bad faith, for example, indications that the domain name has been registered for the purpose of selling it to the trademark owner or attracting visitors to the registrant’s site by creating a likelihood of confusion with a third party’s trademark.

4.170 Under the UDRP, the respondent has 20 days to file a response from the date the WIPO Center notifies the respondent of a complaint filed with the Center. The WIPO Center then appoints an independent one- or three-member panel to decide the case. A reasoned decision is taken two weeks later by the panel. If the panel orders the transfer or cancellation of the domain name (these are the sole remedies available, since monetary damages in particular are excluded), the registrar is obliged to implement the decision, except if the losing domain name registrant files a court case against the complainant within ten days of the panel decision. The Center posts notice of the filing of a case and the full text of decisions on its website. All WIPO UDRP decisions are also searchable through the online index of WIPO UDRP Decisions, which allows structured access to the large quantity of legal and other data contained in those decisions. The index, publicly available at the Center website, allows decisions to be searched by case number, domain name, text of decision and legal keywords.

4.171 The WIPO Center has established services especially designed for the submission and conduct of UDRP cases. It has adopted Supplemental Rules regulating such aspects as the applicable fees. The Center website provides parties with an efficient online infrastructure for WIPO’s domain name dispute-resolution services. It offers extensive biographical information about the neutral persons on the Center’s roster of panelists, who are independent trademark and Internet specialists from a multitude of jurisdictions. In addition to source documents, a procedural flowchart and a practical guide, the Center makes available model forms for the filing as well as the defending of a case. These forms can be submitted to the Center as an e-mail attachment or online through the Center website. The entire WIPO procedure is conducted and managed largely online, providing significant time (the average case duration is less than two months) and cost benefits to all concerned.

4.172 The simplicity of the system also extends to WIPO’s non-profit schedule of fees. The costs of the procedure are normally borne in full by complainants, who pay a fixed amount that covers both the Center’s services and the remuneration of the panel. Under the WIPO schedule, the actual level of the fee depends on the number of domain names concerned and on whether the case is to be decided by a single- or three-member panel.

New gTLDs

4.173 Registries of new gTLDs (.aero, .biz, .coop, .info, .museum, .name and .pro) have for the most part implemented, in addition to the UDRP, dispute resolution procedures specifically geared to conflicts arising during the initial registration phase. The purpose of these procedures is to provide trademark owners with additional means to ensure the protection of their rights on the introduction of these new domains. The .info Sunrise Registration Challenge Policy and the .biz
Start-Up Opposition Policy are examples of such procedures. Furthermore, registries that are restricted to certain purposes (for example, .biz for commercial purposes) provide special proceedings to resolve disputes concerning compliance with their respective registration conditions.

**Developments**

4.174 The WIPO domain name dispute resolution services are meeting with significant demand. The Center has processed, up to the end of 2003, some 21,233 cases under the UDRP and other applicable domain name dispute resolution policies. The possible expansion of the scope of the UDRP to encompass domain name disputes affecting other rights related to intellectual property, the introduction of further gTLDs, the possibility of registering domain names in different languages and the introduction of similar dispute-resolution services at the request of certain countries’ top-level domain (ccTLD) registrars make it likely that the role of the Center in relation to domain name disputes will expand further.