Advisory Committee on Enforcement

Thirteenth Session
Geneva, September 3 to 5, 2018

INTELLECTUAL PROPERTY AND THE JUDICIARY

Contribution prepared by Mr. Xavier Seuba, Associate Professor, Judicial Trainings Manager and Director of Diploma on Patent Litigation in Europe, Center for International Intellectual Property Studies (CEIPI), University of Strasbourg, France

ABSTRACT

The crucial impact of judicial decisions on the shape and shades of intellectual property (IP) law is widely recognised. *Intellectual Property and the Judiciary* is a jointly edited volume that provides a comprehensive picture of judicial specialization in IP. It holds that yielding the benefits of specialization while preserving the contextualized understanding of IP law is key to the quality and fairness of IP adjudication, understood as a weighing and balancing process for the implementation of IP rights. Due consideration of the public interest, fundamental rights, competition and free trade principles are key in that operation. Judges also play a crucial role to adjust IP law to technological and social development. Digitalization, automation, centralization and delegation of authority in law enforcement challenge traditional notions of IP enforcement, judgecraft and the judiciary itself.

---

The views expressed in this document are those of the author and not necessarily those of the Secretariat or of the Member States of WIPO.
I. INTRODUCTION

1. This piece introduces *Intellectual Property and the Judiciary*, a jointly edited volume that provides a comprehensive picture of judicial specialization in intellectual property (IP). Edited chapters offer guidance on the optimal design of the judiciary and capture not only regional and national experiences, but also global dynamics. In this regard, and with the objective of offering a comprehensive picture, *Intellectual Property and the Judiciary* analyzes the work of international dispute settlement bodies, human rights tribunals and arbitration panels, as well as specialized national courts and phenomena like technical specialization.

II. THE CENTRAL ROLE OF JUDGES

2. In recent years, organizations and scholars working in the field of IP have turned their attention to the judiciary. Institutional reform, scholarly analyses, policy development and technical cooperation reflect such attention and there is a good reason for this. Adjudication plays a key systemic and substantive role, and judges are central figures of the adjudication process. Magistrates not only put an end to disputes, but may also delineate the contours of the law.

3. Whether judges make or discover law is a controversy that has been raging for centuries. Over and above the position adopted in that discussion, the crucial impact of judicial decisions on the shape and shades of IP law is widely recognized. Contemporary examples are numerous. In the substantive domain, in recent years the Supreme Court of the United States has addressed controversial aspects of patentability, remedies and exhaustion of rights. In Europe, the Court of Justice of the European Union plays a major role since it determines competencies and moulds substantive European IP law. In China, no fewer than 18 specialized courts have been set up in a short period of time, drastically altering enforcement practices and jurisprudence.

4. Two apparently diverging trends coexist rather peacefully. On the one hand, judges have developed sophisticated and contextualized views of IP law. They speak through their decisions about the delicate balance between right holders’, competitors’ and consumers’ rights. In this respect, judges implement a simple while central tenet: IP law is a branch of the legal system and coexists with other legal branches that protect a plurality of interests. On the other hand, one of the most conspicuous trends in the area of enforcement is judicial specialization. National and international specialized IP courts have bloomed in the past decade and new projects are underway. Yielding the benefits of specialization while preserving the contextualized understanding of IP law is key to the quality and fairness of contemporary IP adjudication. Judicial discretion and flexibility are crucial tools in reaching and enforcing fair and equitable decisions.

---

2  Justice Jackson’s irony captured this aspect well when he stated that “we are not final because we are infallible, but we are infallible only because we are final”; *Brown v. Allen*, 344 U.S. 540 (1953).
3  The centrality of judges was underlined by Holmes when he affirmed that “the prophecies of what the courts will do in fact (...) are what I mean by the law”; O. W. Holmes, “The Path of the Law”, *Collected Legal Papers*, Harcourt, Brace and Company, 1920, p. 173.
III. JUDICIAL SPECIALIZATION

5. The setting-up of specialized IP courts is a strategy to catch up with the specificities of IP litigation, including technical complexity. Judicial specialization in IP is achieved through various channels. In some cases, already existing tribunals become specialized by concentrating IP cases under their sole jurisdiction. In other cases, new courts are set up at the regional and national level to solely address IP disputes. Irrespective of whether courts already existed or have been newly created, IP tribunals may have jurisdiction over controversies relating to all types of IP rights or they may just adjudicate disputes concerning specific IP categories. Indeed, specialized dispute settlement bodies already exist for patents, trademarks, copyrights and even plant varieties.

6. In addition to specialization that results from focusing only on certain IP categories, IP courts may have jurisdiction over either all types of disputes or certain specific ones. For example, some patent courts may only rule on the validity of patents, while other courts may decide both on infringement and validity aspects. Still, differences may derive from the hierarchy of the courts. In this respect, some IP judicial bodies are first instance courts, others are second instance courts and still others are fully fledged tribunals, capable of deciding not only on first instance cases, but also appeals. Finally, while most specialized courts decide only on civil and border enforcement disputes, other courts may also rule on criminal matters related to IP infringement.

7. The advantages and disadvantages of creating specialized IP courts have been thoroughly analysed. Efficiency, quality, consistency and uniformity of the decisions are commonly mentioned among the advantages. Disadvantages, by contrast, include the costs of establishing and operating an IP court, the potential political or economic pressure exerted upon the court and the possibility of developing too narrow a vision of the law. The latter aspect is of significant concern, in particular in light of the dynamism and flexibility that in principle characterize the process for the enforcement of IP rights.

IV. DYNAMISM AND FLEXIBILITY

8. Enforcement describes an action, not a pre-set state of things, a pre-established outcome or a situation where a homogeneous implementation of the same norms exists. IP enforcement is hence better understood as a weighing and balancing process for the implementation of IP rights. Such an understanding has important consequences in different domains, including IP adjudication.

---


9. While the right to exclude is the most visible aspect of IP rights, under an instrumentalist understanding of IP law, exclusion is just a mechanism for the fulfilment of broader policy goals. Other rights, remedies, processes and institutions are of relevance to fulfil those objectives and are also considered in the weighing and balancing process to enforce IP rights. Legal concepts such as judicial discretion and flexibility play a major role in this process. The former is a traditional legal principle, while the latter is a loose term that alludes to the margin of space between IP norms and the way states and other relevant stakeholders can make use of these norms. Far from leading to arbitrary outcomes or to a weakened protection of IP rights, judicial discretion and flexibility are key tools to reaching and enforcing fair and equitable decisions in light of what is prescribed by the law and the circumstances of the case.

10. In the majority of occasions, international norms on IP rights enforcement leave ample space for adjustment and for "creative and forward-looking implementation." Policy makers are not the only relevant actors in that process. Indeed, in many instances, international IP treaties explicitly order States to leave discretion to judges on a range of issues. When passing sentences, judges take into consideration the entire legal order, including obligations belonging to areas of law distinct from IP. It is in this context that such an authority to adopt, or not, certain decisions must be understood.

11. The Supreme Court of the United States differentiated in eBay, Inc., v. MercExchange "the creation of a right" from "the provision of remedies for violations of that right." In such a dynamic environment where a plurality of norms is considered and values such as equity and principles like proportionality come into play, the work of a judge resembles that of a potter, who moulds the clay by measuring the ingredients and adjusting the velocity of the wheel: the judge will draft the sentence by taking into consideration all relevant facts and laws, resorting to secondary norms of interpretation and adjudication.

V. CHALLENGES AND NEW OPPORTUNITIES

12. Judges play a crucial role in adjusting IP law to technological and social development. Magistrates frequently are the first to decide on issues pertaining to uncharted territories and matters of dispute, often involving significant social, economic, scientific and ethical consequences. A broad perspective is necessary to meet this challenge. Relevant contemporary jurisprudence that duly considers the public interest, fundamental rights, free trade and competition principles when adjudicating IP cases is a clear indication of that.

13. On a different note, Judge Robin Jacob has emphasized the public dimension of adjudication and how important it is to protect the rights of both parties from beginning to end. For justice to be seen to be done, "the modern judge must give reasons – to explain to a critical public why he or she decides a case. And most particularly, for justice to be seen to be done, the judge must explain why the losing party lost – which involves stating and answering that party’s main points." Thus, the arguments of whoever is going to lose the case must be

---

9 For instance, thirteen articles of Part III of the Agreement on Trade-related Aspects of Intellectual Property Rights (on enforcement) instruct WTO members to empower courts to do something or to adopt certain decisions, but do not prescribe a specific result, thus leaving judges the final say.
treated with special care. Fine argumentation and, ideally, persuasion about the fairness of the sentence, should be at the core of judgecraft.

14. Present and prospective scenarios must consider digitalization and the current process of automation, centralization and delegation of authority in IP enforcement. The expansion of automated algorithmic enforcement, the application of big data analytics to the enforcement of IP rights, the promising applications of blockchain to IP enforcement and the development of devices that automatically enforce IP, are all meant to boost the efficiency of IP enforcement. At the same time, and in the same way that artificial intelligence challenges traditional concepts of authorship and inventorship, it also raises profound challenges to the concept of enforcement, largely based on the centrality of human intervention, and obliges one to reflect on authority, due process and accountability.

[End of document]