

## Introduction

### I

Norms on enforcement have a capital importance in any legal system. From a practical point of view, they determine the effectiveness of the system, thus transforming rights and obligations of substantive content into tangible entitlements. From a systemic point of view, they determine whether a legal system does in fact exist as such. Norms on intellectual property enforcement, hence, are a constituent component of the intellectual property regime and are crucial both in practical and systemic terms, since they shape the relations between right holders and other relevant stakeholders of the intellectual property system.

In the past two decades national developments in the area of intellectual property enforcement have been paralleled by unprecedented international normative and institutional action in this same domain. *The Global Regime for the Enforcement of Intellectual Property Rights* identifies and analyses the norms of international origin dealing with the enforcement of intellectual property rights. It does so by building upon the portrayal and study of the theoretical, systemic and economic aspects of intellectual property enforcement.

The objective is twofold. On the one hand, *The Global Regime for the Enforcement of Intellectual Property Rights* aims to introduce a resource book that addresses most of the questions relating the international aspects of intellectual property enforcement. On the other hand, it seeks to advance current knowledge and research in this area of intellectual property law by providing systematization, legal analysis and *lege ferenda* proposals in order to better understand and improve the enforcement-related aspects of international and national intellectual property regimes.

In order to achieve these objectives, the book identifies and critically reviews the present international normative *acquis* for the enforcement of intellectual property rights. Multilateral, plurilateral and bilateral treaties regulating intellectual property enforcement are analysed in the wider context of the norms of public international law, in particular with regard to fundamental international trade principles and

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international human rights norms. The differentiation between primary and secondary norms, the principle of systemic integration and the understanding of enforcement as a weighting and balancing process for the implementation of norms are key aspects that cut across this work.

*The Global Regime for the Enforcement of Intellectual Property Rights* contains fourteen chapters organized in five parts. The first of these is devoted to the foundations of intellectual property enforcement and includes chapters on the concept of enforcement, the interface between enforcement and fundamental rights and the economics of enforcement. Part II discusses the international normative and institutional aspects of enforcement and addresses the international normative architecture for the enforcement of intellectual property rights, the international institutional aspects of intellectual property enforcement and the transplantation of the law as a normative technique frequently used in this domain. Part III addresses civil enforcement. It includes three chapters targeting key remedies, namely measures for the preservation of evidence, interim injunctions and damages. Part IV touches upon border enforcement, its international regulation and the interface between border enforcement, free trade and human rights. Finally, Part V is devoted to criminal enforcement of intellectual property rights and describes its international regulation and the relationship with fundamental rights. Next, a brief introduction of these chapters is made.

II

Part I of *The Global Regime for the Enforcement of Intellectual Property Rights* contains three chapters falling under the title 'Foundations of Intellectual Property Enforcement'. Part I defines the object of interest of the book by providing a study of the concept of enforcement, which is followed by the examination of the interaction of norms on enforcement with human rights norms and the analysis of the economics of intellectual property enforcement.

Chapter 1, 'Intellectual Property Enforcement, from Concept to Practice', emphasizes that while enforcement is a term much used in daily legal practice and policy discussions, very little theorization exists on its meaning and scope in the intellectual property context. This chapter examines the concept of enforcement under several legal theories and provides the conceptual framework that shapes the rest of the book. The concept of enforcement is closely related to the concept of law, which gives sense and determines the relevance of enforcement norms, in this case, intellectual property enforcement norms. H.L.A. Hart's legal positivism provides the tools necessary to accurately define and classify norms on intellectual property enforcement. From that standpoint, Chapter 1 builds upon the relevance and practical implications of the differentiation between primary and secondary norms while acknowledging the thin and often easily blurred line between the two. It also discusses the instrumental nature of intellectual property enforcement *vis-à-vis* the

power to exclude and/or to remuneration that characterizes intellectual property rights and analyses whether a number of norms allegedly on enforcement can be ascribed to that group.

Chapter 2, 'Intellectual Property Enforcement and Human Rights', analyses the intense relationship between intellectual property enforcement and the protection and promotion of human rights. Historically far less explored than the interaction between substantive intellectual property norms and human rights norms, the interface between enforcement and human rights is powerful, both in daily judicial practice and in national and international policy discussions currently taking place. Chapter 2 covers the range of relations between both legal regimes, categorizing these as mutually supportive, conflictive or ambiguous. It is held that international human rights law must have a decisive impact on both the drafting and implementation of intellectual property enforcement norms. This chapter also identifies several paradigmatic cases of interaction and describes the available normative tools and hermeneutic approaches to address this interaction. Chapter 2 introduces relationships between human rights and intellectual property rights that are studied in greater depth throughout the book and pays particular attention to the right to a fair trial, of vital importance given the close connection between enforcement and the administration of justice.

Chapter 3, 'The Economics of Intellectual Property Enforcement', addresses one of the contemporary focuses of interest among researchers and policy-makers. Analyses of the scale and impact of intellectual property infringement are now regularly invoked to justify the need of new enforcement norms and institutions. Chapter 3 identifies these studies, their findings and their methodologies and argues that a large number of them contain important methodological deficiencies. The chapter holds that economic estimates of intellectual property enforcement do not generally reflect the *net* impact of intellectual property protection. They fail to do so because studies generally neglect aspects such as the investment necessary to set up and run a proper system for the enforcement of intellectual property rights, the legally condemnable but economically relevant benefits arising from intellectual property infringement and the potentially anti-competitive and extraterritorial effects of some enforcement remedies and practices. Moreover, conventional estimates assume that a homogeneous and infallible enforcement system is in place, while in reality enforcement is better described as a variable and complex process with generally variable outcomes. Chapter 3 also proposes a number of measures to improve economic estimates of intellectual property enforcement so as to better inform policy-makers and judges.

Part II of *The Global Regime for the Enforcement of Intellectual Property Rights* is titled 'The International Architecture for the Enforcement of Intellectual Property Rights'. This part contains three chapters studying the normative and institutional international dimension of intellectual property enforcement as well as a normative

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technique frequently employed to develop new norms on intellectual property enforcement: legal transplantation.

Chapter 4, 'International Normative Architecture for the Enforcement of Intellectual Property Rights', emphasizes that national governments have traditionally been unwilling to surrender sovereignty over the implementation of intellectual property rights. However, since the Uruguay Round negotiations in the late 1980s, intellectual property enforcement has been incorporated as a priority issue in the international intellectual property normative agenda. This chapter identifies and describes the content of all international treaties dealing with the enforcement of intellectual property rights. It is based on the analysis of hundreds of international treaties, classified into legal instruments of multilateral, plurilateral and bilateral nature. Once identified, the objectives and content of intellectual property enforcement provisions set forth therein are described in order to better frame the specific remedies and enforcement-related mechanisms analysed in subsequent chapters of the book.

Chapter 5, 'International Bodies for the Enforcement of Intellectual Property Rights', identifies and analyses international bodies set up to oversee the implementation of international intellectual property obligations. The objective of these bodies is achieved either by the activation of dispute settlement mechanisms or the application of political pressure through monitoring and reporting systems. In fact, both diplomatic and jurisdictional means of dispute settlement coexist in international intellectual property law. The former include consultations, mediation, good offices and conciliation, generally managed by committees of a political nature in charge of the treaty or its intellectual property chapter. In contrast, the jurisdictional mechanisms include judicial or arbitral settlement by international courts and quasi-judicial bodies as well as *ad hoc* temporary bodies. Chapter 5 identifies the relevant institutions, their record of action and the unsettled question of jurisdictional overlaps in international intellectual property dispute settlement.

Chapter 6, 'Transplantation of the Law as a Technique to Foster New Enforcement Regulations', builds upon the productivity of transplantation of the law as a technique to legislate in a broad range of legal fields, including intellectual property. Legal transplantation in the area of enforcement is presently accomplished through a range of channels. These include the emulation of other nations' legal responses to similar situations or topics, the negotiation and implementation of international treaties, the negotiation of a nation's access to regional or multilateral organizations, the pressure sometimes directly exerted on some countries to adopt specific legal responses, technical cooperation and international dispute settlement. Chapter 6 analyses these procedures and focuses in particular on the experiences of the United States and the European Union to illustrate how a number of remedies set up for the enforcement of intellectual property rights have moved from national statutes to other nations' legal orders. While transplantation of intellectual property

law is frequently related to power asymmetries, Chapter 6 also argues that transplantation does not take place just in the context of asymmetric interests.

Part III focuses on civil enforcement of intellectual property rights and contains three chapters addressing several remedies and the award of damages in case of intellectual property infringement.

Chapter 7 is devoted to measures for the preservation of evidence. These measures allow the seizing and safeguarding of evidence even before proceedings leading to a decision on the merits of the case have begun. While they foster the efficiency of enforcement procedures, measures for the preservation of evidence are often in tension with human rights. In particular, the rights to privacy, property and a fair trial may be impacted by these provisional measures. In essence, measures for the preservation of evidence permit competent authorities to allow the entrance and search of the defendant's business and domicile, thus impacting on the property and privacy of the alleged infringer. The international legal framework on measures for the preservation of evidence is underdeveloped. Norms set forth in bilateral and plurilateral treaties adopted after the TRIPS Agreement are generally vague and fundamentally concerned about right holders' interests. The responses proposed in Chapter 7 essentially rely on comparative intellectual property law and the implementation of the requirements deriving from due process and fair trial principles.

Chapter 8 analyses interim injunctions. International regulation of interim injunctions tends to allow a considerable margin of manoeuvre. This is recognition of the notable differences that exist across national legal orders with respect to provisional measures, which in turn respond to a set of factors, including States' different approaches to the right balance between protection of intellectual property, the public interest and fundamental rights. In practice, national courts still maintain extensive discretion with regard to the actual award of a preliminary injunction as well as the conditions applicable to each injunction awarded. The likelihood of success on the merits of the case, the harm avoided or caused if the injunction is granted, the balance of convenience and, in some national legal orders, the public interest are among factors regularly assessed when awarding an injunction. Chapter 8 analyses these factors, how they are regulated in international intellectual property law and the interaction between the public interest and fundamental rights when granting or rejecting interim injunctions.

The last chapter of Part III, Chapter 9, introduces the award of damages. In their quest to improve the enforcement of intellectual property rights, States have concluded multilateral, plurilateral and bilateral treaties that order compensating the right holder in case of intellectual property infringement and, in some cases, punishing the infringer and discouraging him and others from committing further infringements. However, the boundaries between compensation, punishment and deterrence are frequently vague. In this respect, the international regulation of

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damages illustrates some of the main difficulties arising from the process of global harmonization of legal standards concerning intellectual property enforcement. On the one hand, the promotion of conflicting standards at the international level shows the existence of limits to global harmonization. On the other hand, the potential clash between some forms of damages and fundamental rights becomes apparent, in particular the right to a fair trial and an overarching principle of proportionality in the human rights field.

Part IV focuses on border measures for the enforcement of intellectual property and their relationship with free trade principles and human rights norms. It also includes three chapters.

Chapter 10, ‘The Global Regime on Border Measures’, deals with the international regulation of border controls of goods protected by intellectual property rights. Since the TRIPS Agreement introduced the first comprehensive multilateral regulation on border measures relating goods protected by intellectual property rights, numerous plurilateral and bilateral treaties have expanded border measures. Chapter 10 states that border measures are the enforcement-related remedy most frequently regulated in post-TRIPS treaties. Originally focused on the control on importation of counterfeit and pirated goods, international obligations related to border controls have expanded to cover all customs situations and intellectual property categories. New regulations have expanded right holders’ rights in the context of border enforcement while paying little attention to the rights of other concerned parties. This expansion has had an impact on fundamental principles of the intellectual property regime as well as the international trade regime. It may also impact on fair trial standards, as this chapter sustains and Chapter 12 analyses in greater depth.

Chapter 11 studies the close relationship between border measures and free trade. The possibility of controlling products under any suspensive procedure, the increase in the number of intellectual property categories subject to border control and the application of the law of the country of customs procedures – even when there is no direct link between the goods and the country in question – may give place to a regime that is difficult to reconcile with basic intellectual property and free trade principles, including the principles of territoriality and freedom of transit. This chapter further develops the interface between border measures against goods allegedly infringing intellectual property rights and free trade norms and the way this tension has been addressed in different legal orders, in particular in the European Union. While the chapter generally rejects the control of transit, it proposes a number of reforms in order to enable the control of trademark counterfeited goods.

Chapter 12, ‘Border Measures and Human Rights’, introduces the positive, conflictive and ambiguous relations between border enforcement and human rights that can be identified through analysing customs norms and practices worldwide. Taking into consideration the multifaceted interactions described in Chapter 12 and the fact

that customs procedures may sometimes have contradictory effects when observed from the human rights perspective, this chapter not only presents the general framework but also addresses three different cases of interaction. The first of these relates to the impact of the implementation of border measures on access to vital products, particularly those that apply to products in transit. The second concerns arguments made in favour of border measures as an instrument to ensure consumer safety and whether these measures are acceptable, or even necessary, to implement a number of human rights. The third case of interaction touches upon ambiguous relations and pays particular attention to border measures regulation of poor normative quality.

Part V focuses on criminal enforcement of intellectual property rights, its international regulation and the relationship between criminal enforcement and human rights.

National and regional differences on criminal enforcement have determined the development of a global regime on criminal enforcement of intellectual property rights consisting of norms limited both in number and scope. Despite the recent promotion of new international norms on criminal enforcement, this area of law is the least harmonized when compared to civil and border enforcement. This is changing due to the adoption of new trade agreements that contain obligations on criminal enforcement. Chapter 13, ‘The Global Regime on Criminal Enforcement’, identifies the norms on criminal enforcement adopted in those treaties and analyses both the reasons that favour and those that militate against the use of criminal sanctions to respond to intellectual property infringement. This chapter holds that there is no correlation between strengthened use of criminal enforcement and higher ratios of efficiency in intellectual property enforcement, that criminal sanctions should apply only in cases of infringements endangering chief legal interests, that individual infringers must be distinguished from large-scale organized crime networks and that criminal sanctions must be the last resort given their severe effects on individual freedoms and social interests.

Chapter 14 analyses the interface between criminal enforcement and human rights and the pressure on a number of fundamental rights that the expansion of criminal enforcement norms by means of international treaties has introduced. This chapter focuses particularly on the impact that the expansion of criminal measures has on basic principles of justice and the right to a fair trial. Emphasis is placed upon the principle of legality and one of its four main pillars, namely the principle of legal certainty. The analysis of key terms contained in the definitions giving way to new criminal offences reveals that the principle of legal certainty is not satisfied in a number of recent treaties. Importantly, this chapter also holds that the current pressure put on human rights norms relates to an ongoing debate on the goals, functions and scope of criminal law to respond to specific intellectual property infringements. This debate is taking place at both the internal and international levels.

III

*The Global Regime for the Enforcement of Intellectual Property Rights* proposes a dynamic concept of enforcement, i.e. enforcement understood as a weighting and balancing process for the implementation of norms. From this standpoint, enforcement does not amount to a preset state of things or a situation where a homogeneous implementation of the same norms exists. To the contrary, enforcement entails balancing different and frequently competing interests. To enforce also means taking into consideration the public interest, fundamental rights, competition and free trade principles. Differentiation between primary and secondary norms, their interaction and independence, is also a key factor in such a weighting and balancing process.

Other factors must be taken into account when approaching enforcement from an international perspective. New international treaties include vague and incomplete provisions relating to intellectual property enforcement. Likewise, by means of legal transplantation selected national intellectual property statutes are partially exported. Unfortunately, they rarely take into account local circumstances and the overall balance normally existing in the original norm. These trends militate against a dynamic and multifaceted concept of enforcement. Instead, they reflect a poor understanding of the legal system and may ultimately run against the objectives pursued in those very same treaties and transplants. In a way, they reduce the diversity of elements of relevance in the weighting and balancing process necessary for the enforcement of intellectual property rights.

Contrary to current legislative practices, the judiciary has in general a much richer vision of the compounded elements of the legal system. Relevant contemporary jurisprudence favours differentiation between primary and secondary norms and the consideration of the public interest, fundamental rights, free trade and competition principles when adjudicating intellectual property cases, in particular cases relating to enforcement. In this sense, the judiciary also favours a dynamic concept of enforcement and guides intellectual property reform. This is naturally not always the case, and the judiciary cannot always withstand deeper trends and stronger pressures, including those that have been affixed in national and international law. In this last regard, *The Global Regime for the Enforcement of Intellectual Property Rights* holds that a number of international and national norms touching upon intellectual property enforcement need to be re-assessed and amended so as to introduce missing elements deriving from fundamental principles of justice. When conducting this exercise, comparative intellectual property law and rules and principles deriving from other areas of law, in particular fundamental rights law, become particularly useful.