

Summary Report

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Question Q236

Relief in IP proceedings other than injunctions or damages

Introduction

The availability of appropriate relief for infringement of IP rights (*IPRs*) is fundamental to their protection and the proper enjoyment of those rights by IPR holders.

While injunctions and damages may be seen to be two of the most important remedies for infringement of IPRs, Part III of TRIPS ('Enforcement of Intellectual Property Rights') provides for additional and important enforcement procedures. In addition to implementing TRIPS obligations, domestic systems have also developed through jurisprudence or legislation additional remedies for IPR infringement.

This question examined forms of relief in IP proceedings other than injunctions or damages, (defined for these purposes as **Additional Relief**) available in *inter partes* proceedings of a court (or like administrative body) following a finding on the merits of the case¹. The availability of a comprehensive suite of sanctions enhances the overall deterrent effect, and thereby strengthens IPRs and IPR systems.

A total of 38 reports were received by the Reporter General.

Reports were received from the national Groups of Argentina, Australia, Austria, Belgium, Brazil, Bulgaria, China, the Czech Republic, Egypt, Estonia, Finland, France, Germany, Hungary, India, Indonesia, Ireland, Israel, Italy, Japan, Latvia, Mexico, the Netherlands, New Zealand, the Philippines, Poland, Portugal, the Republic of Korea, Russia, Singapore, South Africa, Spain, Sweden, Switzerland, Turkey, the United Kingdom (**UK**) and the United States of America (**USA**). In addition, a report was received from an Independent Member, Trinidad & Tobago.

A summary of the responses follows below in parts I) and II). Reports received after 15 June 2013 are listed above but their content is not included in the summary.

In part III), an attempt has been made to draw some conclusions and provide guidance to the Working Committee.

¹ But excluding the enforcement measures referenced in Sections 3 to 5 of Part III of TRIPS, i.e. provisional measures, special requirements relating to border measures and criminal procedures; compulsory licences and punitive damages.

I) Analysis of current legislation and case law

1. What forms of Additional Relief are available in IP proceedings?

Some Groups answered this question on the basis that a particular form of Additional Relief is available in their jurisdiction if their national law expressly provides for it. The majority of Groups answered on the basis of what is *possible* in their jurisdiction, including under more general regulation or the powers of the court (or applicable administrative body), and notwithstanding that there may be little or no applicable case law or detailed judicial reasoning.

For Groups that took the narrower approach to the question, it *may* be that forms of Additional Relief that are not provided for expressly are nonetheless *available*. Therefore, it is possible that some responses may underestimate the availability of Additional Relief.

The scope of this question is limited to forms of Additional Relief that are available on the basis of *inter partes* proceedings on the merits of the case. Some Groups, as they were invited to do, provided additional information as to the availability of relief on a provisional or interim basis, or which may be achieved by way of agreement between the parties. This information provides a rich and comprehensive resource which has utility well beyond the life of this Working Question.

A number of Groups made use of the tabular format set out in Annexure B to the Working Guidelines which provided a non-exhaustive list of forms of Additional Relief. The responses in relation to the availability of those forms of Additional Relief are summarised immediately below.

Relief	Number	Approximate %
Declaratory relief	28	75%
Delivery up / destruction ^{2, 3, 4}	34	90%
Rectification ⁵	21	55%
Alteration of infringing goods	25	70%
Modification of technology	13	35%
Corrective advertising ⁶	19	50%

² These forms of Additional Relief (which also encompass confiscation) were effectively treated as one in the Working Guidelines. It emerged from the reports that delivery up and destruction may be treated differently. For example, in Argentina, delivery up is a subject-matter for agreement between the parties, whereas destruction may be ordered after a decision on the merits of the case. Similarly, neither Japan, Korea nor Russia provide the remedy of delivery up, but destruction may be ordered. Where a Group reported that either or both forms of relief are available under their national laws, that result is recorded.

³ A number of Groups reported that delivery up or destruction orders could encompass articles, materials or equipment used in connection with making, or embodying, infringing goods.

⁴ A number of Groups reported that the scope of possible orders in this context may go beyond goods in the possession of the infringer, extending to removal of infringing goods from channels of commerce. This reflects the language of TRIPS Article 46 and Article 24 of Directive 2004/48/EC of the European Parliament and Council of 29 April 1994 on the enforcement of intellectual property rights (*European Directive*).

⁵ Some Groups reported that recognition of IPRs by the court can, absent an express order, in effect, result in rectification of the relevant register. Some Groups also reported that the court may order assignment of rights to the rightful owner.

Relief	Number	Approximate %
Publication of judgment ⁷	29	80%
Order for inspection ⁸	12	33%
Order to provide information	26	70%
Account of profits ⁹	17	45%
Reasonable royalty ¹⁰	18	50%
Reparation ¹¹	13	35%

The Indonesian and New Zealand Groups reported that Additional Relief is seldom ordered in their jurisdictions.

As they were invited to do, a number of Groups reported further forms of Additional Relief beyond those listed in Annexure B to the Working Guidelines, including the following:

- Orders relating to legal costs – Australia, Japan, Netherlands, Philippines, Poland, Singapore, UK, US.
- Sale of infringing goods - Argentina, Egypt.
- Storage of infringing goods until expiration of the IPR - Finland.
- Certificate of contested validity - India, Singapore, UK.
- Closure of an establishment. In Egypt, in cases of infringement in relation to trade marks, copyright or geographical indications, the infringer's establishment may be closed for up to six months at the discretion of the judge, and *must* be closed in the case of recurrence. In Mexico, premises may be ordered to be shut down when various (arguably, more conventional) forms of Additional Relief are not sufficient to prevent infringing conduct.

⁶ Some Groups specifically exclude a forced apology from this category of Additional Relief, eg Portugal, Korea.

⁷ In some jurisdictions, courts publish non-confidential judgments as a matter of course, eg Australia, the United Kingdom (**UK**), the United States of America (**USA**), and (in anonymised form) the Netherlands. In many countries, the court (or applicable administrative body) must make orders as to whether a judgement will be published at all and if so, the manner and media in which it may be published, eg in whole or in part; newspapers, television.

⁸ In some cases, it was not entirely clear whether a Group was reporting that an order for inspection was available by way of provisional or interim relief only, or whether it is available as a substantive remedy relative to the merits of the case. Some Groups reported that this form Additional Relief is available in both circumstances. In the latter case, those results are reported.

⁹ This form of Additional Relief refers to the preparedness of the court to order that the infringer disgorge their wrongfully made profits to the IPR holder. It does not encompass the concept of lost profits the IPR holder may suffer by reason of the infringer's wrongful acts, eg the concept of lost profits under US law. As anticipated, a number of Groups reported that profits made from infringing use of an IPR are simply a measure of damages or method of calculating damages. Where that was apparent in the responses, those results are not included here.

¹⁰ As for an account of profits, the Working Guidelines recognised that in a number of jurisdictions, a reasonable royalty is merely a measure of damages, rather than being available as a separate or alternative form of monetary relief. Only the latter is reported here, where that was apparent from the responses.

¹¹ Some Groups reported the availability of monetary relief for reputational damage. This may fall within reparation principles.

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- Other monetary relief, eg penalties / payments / fines (other than damages / account of profits). Penalties may be ordered in the Netherlands. Administrative fines may be ordered in Brazil and the Philippines. In Poland, payments for a social cause as directed by the IPR holder may be ordered for infringement of copyright (moral rights) and unfair competition. Also for copyright infringement, a payment of at least double the probable value of the benefit received by the infringer may be ordered to be paid into the Polish Fund for Promotion of Creative Activity. The Russian Group also reported the availability of orders for compensation by way of fines and fixed fees.

2. *Are those forms of Additional Relief available for all types of IPRs? If not, please indicate what types of Additional Relief are available for what types of IPRs.*

A number of Groups reported that at least in principle, all or most forms of Additional Relief available in their country are generally available for all IPRs, eg, Australia, Israel (other than modification of technology – excluded for trade marks), Italy, the Netherlands, Singapore (other than corrective advertising – only available for trade marks), Spain, Sweden and the UK. Reasons include that statutes or regulations specifying relief in respect of particular IPRs are not exhaustive, therefore leaving open the possibility of forms of Additional Relief other than those expressly provided for, or the fact that the court (or other administrative body) has the power to make orders under equitable principles.

Some forms of Additional Relief may, by their nature, be available irrespective of the IPR in question. The Working Guidelines gave possible examples of declaratory relief and publication of judgment. In fact, the responses showed that this is not always the case. For example, no form of declaratory relief for any IPR is reported by the Latvian, Mexican or Russian Groups. Further, and by way of example only, in relation to declaratory relief, it would appear that:

- Argentina does not provide for declaratory relief in relation to copyright or confidential information/trade secrets;
- declaratory relief in Belgium is limited to declarations of non-infringement;
- in the Czech Republic and France, declaratory relief is available only in respect of patent infringement;
- declaratory relief is not available for copyright infringement in Turkey.

In relation to publication of judgement, the Group reports of Argentina, China, Indonesia, Latvia, Mexico and Russia did not refer to any provision for publication of judgment. Further, it would appear that Austria, Brazil, Egypt and Germany do not provide for publication of judgment in relation to misuse of confidential information/trade secrets.

Some forms of Additional Relief are, by their nature, more tailored to particular IPRs, or likely to have greater application depending on the IPR in question. For example, corrective advertising may be more applicable in a case of trade mark infringement than patent infringement. Rectification, arising most commonly in the context of correction of an error in a register, is more likely for that reason to be confined to registered IPRs.

The area of confidential information/trade secrets is notable in that various forms of Additional Relief are *less* likely to be available. This may be due to the nature of the subject matter, the way it is protected (under common law in a number of jurisdictions, eg Australia, South Africa, UK or under unfair competition regulation eg Poland, Spain, Turkey), or more fundamentally because

confidential information/trade secrets are not recognised as a species of IPR per se, eg Belgium, Estonia, Netherlands. This may also be the case in Argentina and the Philippines as neither Group reported any form of Additional Relief available for confidential information/trade secrets.

The Egyptian Group reported that Additional Relief in respect of confidential information/trade secrets is limited to confiscation/destruction of infringing goods. France, Finland, Germany, Ireland and Portugal do not provide for Additional Relief in the form of delivery up, destruction or confiscation for confidential information/trade secrets. In addition, in some countries certain forms of Additional Relief are simply not available for confidential information/trade secrets (although the same form of Additional Relief may be available for other IPRs in that country), as follows:

- Belgium – order to provide information;
- Czech Republic – reasonable royalty, order to provide information;
- Finland – alteration of infringing goods, modification of technology, monetary relief other than damages;
- India – account of profits;
- Ireland – alteration of infringing goods, modification of technology;
- Poland – order to provide information;
- Portugal – alteration of infringing goods, order to provide information.

In addition to the above, and more generally, it would appear that some other forms of Additional Relief are not available in particular jurisdictions at all, irrespective of the form of IPR¹², eg:

Additional Relief	Country
Delivery up/destruction	Japan, Korea, and Russia (but note that in each case destruction of infringing goods is an available form of Additional Relief)
Rectification	Czech Republic, Hungary, Japan (other than a separate Patent Office procedure applicable only to patents), Korea, Latvia, Mexico, Poland, Russia
Alteration of infringing goods	Belgium, Germany, Latvia, Mexico, Poland, Russia, Switzerland
Modification of technology	Argentina, Austria, Belgium, Brazil, Bulgaria, China, Egypt, Estonia, Germany, Hungary, Latvia, Mexico, Poland, Portugal, Russia, South Africa, Switzerland, Turkey
Corrective advertising	Austria, Belgium, Bulgaria, Czech Republic, Latvia, Mexico, Philippines, Russia, South Africa

¹² Conclusions have in some cases been drawn from the absence of a Group reporting that a particular form of Additional Relief *is* available in their jurisdiction. Note that this list does not include those forms of relief that may not be defined as Additional Relief for the purposes of this question, as a Group may have answered that the relief is unavailable within the scope of this question, ie because the form of relief is provisional or interim (as opposed to unavailable per se), eg orders for inspection or to provide information, account of profits, reasonable royalty, reparation.

To the extent not already covered above, some further variations as to the availability of Additional Relief for various types of IPRs, by reference to some of the forms of Additional Relief listed in Annexure B to the Working Guidelines, are noted below.

Delivery up/destruction

- Argentina and the US do not provide for delivery up or destruction of goods which infringe a patent.

Rectification

- Finland – available only for patents and utility models;
- Turkey – available only for copyright.

Alteration of infringing goods

- China – available only for trade marks and integrated circuit layout–designs;
- Czech Republic – available only for trade marks;
- Estonia – available only for copyright and neighbouring rights;
- India – not available for copyright (or confidential information – see above);
- Ireland – not available for copyright or patents (or confidential information – see above);
- South Africa – available only for trade marks;
- US – available only for trade marks.

Modification of technology

- Finland – not available for trade marks or designs (or confidential information – see above);
- Ireland – possibly available for patents (only);
- Japan – not available for trade marks or copyright;
- Israel – not available for trade marks;
- Philippines – not available for trade marks or copyright;
- Spain – not available for trade marks;

Corrective advertising

- China – most likely to be ordered in relation to copyright, although also available for patents and trade marks;
- Ireland – available only for trade marks in the context of comparative advertising;
- Poland – available only for copyright and confidential information;
- Turkey – available only for copyright and confidential information;
- US – available only for trade marks.

Order to provide information¹³

- Estonia – available only for trade marks;
- Turkey – not available for copyright or unfair competition (confidential information/trade secrets).

Account of profits¹⁴

- China – not available for integrated circuit layout-designs;
- India – not available for confidential information/trade secrets, geographical indications or semi conductor layout designs; for copyright, it is an additional form of relief rather than an alternative.

Reasonable royalty¹⁵

- Belgium – not available for confidential information/trade secrets;
- China – not available for integrated circuit layout-designs; available for patents where neither an account of profits nor actual loss can be proved; merely a measure of damages for trade marks and confidential information/trade secrets; no application to copyright; may also be used as an alternative to the grant of an injunction where an injunction would be contrary to the public interest or the balancing of both parties' interests cannot be achieved;
- Czech Republic – not available for confidential information/trade secrets;
- France – available as an alternative to damages for patents, but only as a method of calculating damages for trade marks, copyright, designs, and semi-conductor products; not available for confidential information/trade secrets or geographical indications;
- Germany – not available for confidential information/trade secrets, possibly available once a claim for damages has become time-barred;
- Japan – used as the amount of a claim for unjust enrichment and also as a basis for calculation of damages;
- Philippines – available for patents if damages are inadequate or cannot be readily ascertained;
- Poland – not available for unfair competition (confidential information/trade secrets);
- Sweden – in addition to providing for a reasonable royalty, the Swedish Group also reported a form of reasonable compensation for continued use of infringing goods, which is available for patents, copyright, designs and topographies for semi-conductor products;
- Turkey – not available for copyright or unfair competition (confidential information/trade secrets).

¹³ Selected from the responses of those Groups that reported that such relief is a form of Additional Relief in their jurisdiction as defined in this question, ie available in *inter partes* proceedings on the merits of the case.

¹⁴ See footnote 12.

¹⁵ See footnote 12.

Reparation¹⁶

- Argentina – not available for confidential information/trade secrets;
 - Japan – may be awarded when the infringing act is found to be tortious under the Civil Code;
 - Turkey – available for copyright only.
3. *Having regard to the types of Additional Relief available addressed by questions 1 and 2, what are the criteria for the grant of that relief? There may be different criteria for the different types of Additional Relief identified. Hence, the Groups are asked to address the individual criteria for each type of Additional Relief that is available in IP proceedings in their country.*

As requested, many Groups provided a detailed description of the criteria for the grant of Additional Relief in their country, broken down by IPR. This provides a significant reference resource for AIPPI, but does not readily lend itself to condensing into comprehensive summary form here. The analysis below focuses on some key themes, and some particular points of interest or distinction not already addressed in questions 1 and 2 above.

First, the working assumption is that infringement has been established. Secondly, for EU member states, the 'cornerstone' (to quote the UK Group) is the European Directive.

A number of Groups made the point that, even if the court (or applicable administrative body) has a broad discretion to order various forms of Additional Relief, it is constrained by what relief is sought by the IPR holder. Generally, the tribunal will not order a form of Additional Relief of its own volition.

Where the availability of Additional Relief is founded in equity, the court will consider the general principles applicable to equitable relief, including whether the IPR owner comes with 'clean hands' (ie that it must itself have acted honestly) and that it not have unduly delayed seeking relief. Other Groups referenced the underlying principles of proportionality and legitimate interest.

Groups which referenced particular criteria relating to some of the form of Additional Relief listed in Annexure B to the Working Guidelines are indicated in the brackets below, but this is by example only. It is not intended to be an exhaustive summary of all countries which apply those criteria. In addition, a number of Groups provided detailed descriptions of the criteria for the award of various other forms of Additional Relief available in their jurisdictions.

Declaratory relief

- The applicant must have a legal or legitimate interest in having the IPR established (Austria, Finland, Japan, the Netherlands, US).
- There should be some utility in granting the relief (India, UK); it should not be a hypothetical or philosophical dispute (Netherlands).
- There must be an uncertainty that a determination by the court would resolve (Singapore), with the added criterion (Sweden, Switzerland) that the uncertainty be detrimental to the applicant.

¹⁶ See footnote 12.

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- In relation to a declaration for non-infringement, some Groups reported that it is not necessary for there to be an assertion of infringement as a precondition to seeking the relief (Australia, Austria, India, Ireland, UK), whereas others reported that a declaration may be sought following an allegation of infringement that is not withdrawn within a specified period of time (China, Turkey).

Delivery up/destruction

- Many Groups reported a criterion of or analogous to proportionality (Australia, Austria, Belgium, Estonia, France, Ireland, Japan, Netherlands, Poland, Singapore, Spain, South Africa, Sweden) which may include consideration of other remedies that may be available to prevent ongoing infringement, and whether alteration of infringing goods is possible.
- Some Groups reported that this relief will not be ordered if rights have expired (France, Ireland, Switzerland) or more than 6 years have elapsed from the time of the infringing act or knowledge of its existence (Ireland, UK).
- Some Groups reported that this relief will not be ordered against end users (Germany) or those using the infringing goods for personal or domestic purposes (Italy, Poland).
- In Italy, destruction will only be ordered if it does not jeopardise the economy or the public interest.
- In the Philippines, conditions for an order for destruction include the making of an inventory and the taking of photographs of the infringing goods witnessed by appropriate public officers, retention of representative samples and a bond posted by the applicant.

Alteration of infringing goods

- A number of Groups reported that alteration may be accepted as an alternative to destruction or delivery up (India, Ireland, Italy, South Africa, UK).
- Available where the relief can be effected without substantially affecting the product (Spain – same criterion also for modification of technology).
- Subject to a requirement of proportionality (Sweden).

Modification of technology

- Subject to considerations of reasonableness and proportionality (Finland, Sweden).
- May be ordered as an alternative to destruction (Italy).

Corrective advertising

- Available when monetary damages alone are insufficient and corrective advertising is needed to restore the IPR holder's business reputation (Japan).
- Subject to a requirement of proportionality (Spain).
- Subject to the First Amendment, ie only that which is necessary to prevent deception or correct the effects of past deception (US).

Publication of judgment

- Assuming publication is not a given, a number of Groups reported considerations of proportionality (Finland, France, Italy, Spain, Sweden) and that the applicant have a

legitimate or sufficient legal interest in having the judgment published (Germany, Switzerland).

- In France, courts will give consideration to whether the infringing goods are still on the market, the length of time since the infringing acts occurred, whether the infringement has ceased and whether a patent has expired, but retain a general discretion to refuse publication if the court considers it unnecessary.

Order for inspection / to provide information

- A number of Groups reported that there is a high standard for obtaining this relief where carrying it into effect would involve disclosure of trade secrets (Finland, Netherlands, South Africa).
- A number of Groups reported proportionality, necessity, relevance and balancing considerations (Finland, German, Hungary, Ireland, South Africa, Sweden).
- In the Netherlands, an order may be subject to conditions of use in other proceedings.
- In Sweden, an order for inspection requires a deposit of security.
- In India, an order may be made where the information sought to be obtained would assist in identifying secondary infringers; in this regard a number of common law country Groups referenced *Norwich Pharmacal* orders, being orders requiring a non-party who holds information about infringing activity to divulge that information (India, Ireland, Singapore, UK).

Account of profits

- Where available as a form of Additional Relief, it may not be ordered against an innocent infringer in relation to patent or design infringement (Australia, UK).
- Will not be ordered in relation to trade mark infringement during a period of non-use by the trade mark holder (Australia).

Reasonable royalty

- May be ordered if a damages claim is time-barred (Germany).
- The court may be subject to FRAND considerations for a standard essential patent (India).

Reparation

- Compensation for moral tort requires serious impairment of personal circumstances (Switzerland).

4. *Is there any element of judicial discretion in relation to the grant of any form of Additional Relief addressed in questions 1 and 2? If so, how is that discretion applied?*

More than two-thirds of the Groups reported that there is an element of judicial discretion in relation to the grant of various forms of Additional Relief.¹⁷ The application of that discretion is generally underpinned by the themes described in response to question 3 above, noting that there are

¹⁷ In those countries where judgements are published as a matter of course, publication of judgement is generally not considered as a form of relief.

additional discretionary elements applicable to specific types of Additional Relief for specific forms of IPR which may vary considerably.

Where there is judicial discretion, the majority of Groups reported broad discretionary powers. A minority of Groups reported less (or no) discretion in relation to some forms of Additional Relief. For example:

- Argentina – publication of judgement is mandatory for trade mark infringement if requested by the plaintiff; destruction of infringing industrial models or designs is mandatory unless the owner elects to receive the infringing products as part payment for damages;
- Egypt – confiscation is mandatory following a finding of infringement in relation to patents, trade marks, layout designs for integrated circuits, undisclosed information, copyright and plant varieties; details of the circumstances in which an infringer's establishment must be closed are set out in response to question 1 above;
- Mexico – all forms of Additional Relief available are granted if the requirements for proof of infringement are met;
- South Africa – a delivery up order will follow a finding of infringement in relation to patents and designs, although the court has a discretion to decide whether an infringing product forms an inseparable part of the design; the court decides whether an infringing mark is capable of being removed from the relevant material or goods, in which case delivery up is avoided, but is otherwise mandatory;
- Spain – a declaration of infringement follows a finding of infringement when sought by the plaintiff; a statutory payment of not less than €600/day ('coercive indemnification') follows a finding of infringement of trade marks or designs.

5. *Are any particular forms of Additional Relief invariably ordered in certain circumstances? If so, what types of Additional Relief and in what circumstances? Does that occur pursuant to mandatory statutory regulation, or by reason of the practice of the relevant court (or applicable administrative body)?*

Two-thirds of the Groups reported that the forms of Additional Relief *available* in their jurisdictions are not *invariably* ordered in any particular circumstances. This is not surprising given the responses to question 4 above. In some jurisdictions it is common to include a claim of 'further or other relief' (or like words) to leave open the possibility of additional claims other than those expressly specified, eg Australia, UK. The Indian Group reported that the court may grant Additional Relief as it deems fit, in the interests of justice, equity and good conscience.

Other than as described in response to question 4 above as circumstances where the court may have little or no discretion, the Chinese Group reported that the court will almost invariably award relief sought by the IPR holder where infringement is established. The Korean Group reported that certain forms of Additional Relief are invariably ordered when infringement is established, ie declaratory relief, restitution for unjust enrichment, destruction of infringing goods, publication judgement and measures to restore reputation. Similarly, the Turkish Group reported that if infringement or unfair competition is established, the court will invariably order such Additional Relief as is sought by the IPR holder.

6. *Are there any specific considerations relevant to particular IPR holders? If so, what considerations are relevant and in respect of what IPR holders?*

Approximately two-thirds of the Groups reported that there are no specific considerations relevant to particular IPR holders in their jurisdiction, a number specifically commenting that no separate regime for non-practising entities (**NPEs**) exists.

Some Groups reported exceptions, eg:

- France – given the public policy rationale for the protection of geographical indications, these rights take priority over a trade mark registered prior to the recognition of the geographical indication;
- Japan – the following may be taken into consideration when determining the need for corrective advertising or other measures to restore reputation: size of business, fame of brand, quality of product, importance in the market to the relevant public, size of sales territory, duration of sales; or when determining the amount of a reasonable royalty: working and/or significance of a patented invention, efforts in relation to product/market development, market success, profit margins and internal standards for royalty rates.

Some Groups also noted that exclusive licensees have standing in IPR infringement proceedings.

7. *Can a court (or applicable administrative body) order any form of Additional Relief directly against a non-party to an IP proceeding?*

Approximately half the Groups reported that a court (or applicable administrative body) may not order any form of Additional Relief *directly* against a non-party to an IP proceeding. (This question 7 was not directed to orders for forms of Additional Relief that may simply *affect* a non-party to an IP proceeding.)

A further third of the Groups reported that, in general, an order for Additional Relief may not be made directly against a non-party, but there may be limited exceptions, primarily orders to provide information or documents in the course of a proceeding. (Although this may need to be treated with caution as it may be that Groups were not reporting on Additional Relief as defined for the purposes of this question, ie final relief on the merits.)

The remaining Groups reported that orders directly against non-parties are permissible in their jurisdiction.

8. *If yes to question 7:*

- (a) *in what circumstances;*
- (b) *what forms of Additional Relief may be ordered; and*
- (c) *in respect of what types of IPR infringement?*

Groups that reported the availability of orders against non-parties relating to the provision of information or documents included:

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- Austria – service providers governed by the Austrian e-Commerce Act may be required to transmit the names and addresses of the users of their services with whom they have agreements;
 - Belgium, Brazil, UK – orders requiring the submission of documents by non-parties may be made where such documents are relevant to the case;
 - France, Germany, Italy – orders may be made against non-parties found to be in possession of infringing goods or involved in their production; this is similar to the *Norwich Pharmacal* order available in a number of common law jurisdictions as noted in response to question 3 above;
 - Korea – copyright collection agencies may obtain orders for access to documents needed to calculate royalties where relevant works have been exploited; orders may be obtained against internet service providers involved in transmission of pirate works;
 - Spain, Sweden – similarly, a court may order that internet service providers be obliged to disclose information about specific subscribers who have infringed copyright.
9. *Is a court (or applicable administrative body), in making an order for Additional Relief against an IPR infringer who is a party to the IP proceeding, obliged to consider the impact of such order on any non-party? If so, how does the court (or applicable administrative body) fulfil that obligation?*

Approximately two-thirds of the Groups reported that the court (or applicable administrative body) is not *obliged* to consider the impact on a non-party of any order it makes for Additional Relief, although a number noted that, in the exercise of the tribunal's discretion, it may or generally would do so.

Some Groups reported that the tribunal is obliged to take the rights of non-parties into account for particular forms of Additional Relief. For example:

- Belgium, Estonia – in the case of destruction, recall and removal from the channels of commerce, the requirement to assess the proportionality of the measure must take into account the rights of non-parties;
- France – courts must take into account copyright when an order for Additional Relief is requested by a holder of a neighbouring right; where orders to provide information are requested, consideration must be given to whether confidential non-party data will be affected;
- Israel, Italy, Poland – the court is obliged to consider the impact on a non-party where a ruling affects it, particularly with regard to confidential information, trade secrets and privacy;
- Netherlands – as part of the proportionality assessment, the court will consider the effect of ordering Additional Relief on non-parties;
- Singapore – the court must notify and allow non-parties to intervene in making certain orders for delivery up and destruction;
- Sweden – orders to provide information/inspection require a balancing of interests which could include the interests of non-parties.

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- UK – the court should exercise the power to order disclosure against non-parties with caution, and by analogy to its obligations to consider the impact of a non-party when contemplating an injunction, similar considerations may apply when ordering Additional Relief.

10. *If yes to question 7 or 9, is the court (or applicable administrative body) obliged to give any relevant non-party an opportunity to be heard? If so, how is that effected?*

Seventy-five percent of the Groups responded that the court (or applicable administrative body) is not *obliged* to give any relevant non-party an opportunity to be heard, although a number reported that it is within the discretion of the tribunal to do so.

The Mexican and Swiss Groups were the only groups to report an absolute right on the part of non-parties to be heard. In other cases, any obligation to hear non-parties is confined to particular circumstances, and generally in the context of orders to provide information, eg Germany, Ireland, Portugal and possibly the UK.

II) Proposals for harmonisation

11. *What forms of Additional Relief should be available in IP proceedings, and for what types of IPRs?*

Thirty-four Groups responded to this question 11. It was somewhat difficult to draw conclusions due to the different approaches Groups took to responding. Some expressed the view that the forms of Additional Relief that *should* be available in IP proceedings were those *already* available in their own jurisdictions, thereby providing clear guidance by reference to their earlier responses.

Other Groups gave responses favouring harmonisation generally or in relation to particular forms of Additional Relief, but did not purport to provide a comprehensive list, nor confirm one way or the other whether the forms of Additional Relief already available in their jurisdictions should continue to be available. In those cases, the Reporter General assumes that those Groups did not intend to limit their recommendations only to the forms of Additional Relief already available in their jurisdictions. Accordingly, the summary below involves some extrapolation in relation to those responses.

Other Groups provided a seemingly exhaustive list of the forms of Additional Relief they consider should be available in IP proceedings, or referred specifically to the forms of Additional Relief available under the European Directive as being 'sufficient'. In either case, it was assumed for the purposes of the summary below that those Groups intended to exclude forms of Additional Relief that might nonetheless presently be available under their national law.

Based on the varying responses to this question 11, it was not possible to drill down to be more specific in relation to particular types of IPRs.

Relief	Approximate % ¹⁸	Comparison to question 1 (difference)
Declaratory relief	75%	75%(-)
Delivery up / destruction	90%	90%(-)
Rectification	50%	55%(↓)
Alteration of infringing goods	65%	70%(↓)
Modification of technology	35%	35%(-)
Corrective advertising	65%	50%(↑)
Publication of judgment	80%	80%(-)
Order for inspection	40%	33%(↑)
Order to provide information	70%	70%(-)
Account of profits	55%	45%(↑)
Reasonable royalty	40%	50%(↓)
Reparation	30%	35%(↓)

Notwithstanding some variation between the (in some cases, extrapolated) responses to this question 11 and the responses to question 1, any movement up or down (where applicable) is not great, suggesting that, in general, the status quo is preferred as regards the availability of various forms of Additional Relief.

Some Groups provided reasons where they did not recommend a particular form of Additional Relief, eg:

- the German Group does not consider claims for rectification, alteration of infringing goods or modification of technology to be necessary as these can be consequential upon injunctive relief or recall/removal from the channels of commerce;
- the Swiss Group considers an injunction provides sufficient protection, therefore rendering a claim for modification of technology unnecessary, and would apply the same principle in respect of a claim for alteration of infringing goods, provided the court has the discretion to order the removal of infringing trade marks (rather than destruction) where reasonable to do so;
- the Swiss Group also considers that a claim for corrective advertising is unnecessary if judgment is published as the latter achieves the purpose of public availability without the risk of unreasonable disparagement of the infringer (although, the Swiss Group would make an exception in this regard for violation of the *Unfair Competition Act*);
- the Swiss Group does not see the necessity of an order for inspection as a form of final relief.

¹⁸ Express as a percentage of the total number of 34 Groups who answered this particular question.

Related to the considerations expressed by the Swiss Group concerning publication of judgment, the UK Group proposed the following in relation to publication orders:

- they must not unacceptably restrict a party's freedom of expression by curtailing the ability to make statements of opinion or comment on the outcome of a case;
- the defendant should pay for the cost of publication;
- the party requiring the order should be responsible for effecting the publication;
- courts should give guidance on publication and where necessary prescribe wording to avoid disputes on content and circulation;
- claimants should be required to include proposed draft wording for publication orders as part of their case;

The UK Group also proposed that deliver-up/destruction orders should not generally be available after expiry of the IPR in question.

Some Groups proposed that other forms of Additional Relief should be available, eg:

- Brazil, Netherlands, Poland, Russia, Spain - fines or other monetary penalties;
- Finland - injunctions against third party intermediaries;
- Mexico, Netherlands and by implication, those Groups which considered the European Directive should dictate the forms of Additional Relief that should be available, ie Czech Republic, France, Hungary, Portugal – costs orders (in favour of the successful party);
- UK - orders to compensate third parties.

12. *What should the criteria be for the grant of the types of Additional Relief identified in response to question 11?*

While just under one-quarter of the Groups did not provide a substantive response to this question 12, those that did highlighted a number of related themes, such as the desirability of giving the court (or applicable administrative body) sufficient discretion to order relief appropriate in the circumstances of the case, ie appropriate relief where infringement is established but achieving a result variously described as 'fair and just', 'appropriate, reasonable and practicable', proportionate, effective to prevent infringement or generally complying with the principles expressed in the European Directive.

13. *Should there be any specific considerations relevant to particular IPR holders? If so, what should those considerations be and in respect of which IPR holders?*

Thirty Groups provided a substantive response to this question 13 that addressed whether there should be any specific considerations relevant to particular *IPR holders* (rather than any particular IPRs). Of those, 24 (80%) responded with an unequivocal 'no'. The remaining Groups (other than the Japanese Group) also answered in the negative, but referred the discretion of the court as being a check on circumstances where there is an abuse. While a small number of Groups specifically referenced NPEs, with the exception of the Japanese Group, no Group expressed the view that NPE status warranted treating that type of IPR holder differently.

The Japanese Group considers there should be specific considerations relevant to NPEs, but notes that care is needed given the definitional issues that arise as to who is an NPE, eg a university or public institution that holds patents but does not make or sell products, technology licensing organisations set-up to promote technology transfer, entities which buy patent rights to enforce against infringers.

The UK Group considers that courts should be restricted when dealing with standards essential patents where parties taking part in the standard have agreed to fair, reasonable and non-discriminatory (FRAND) terms. FRAND principles should be accommodated, where applicable.

14. *Should any particular form of Additional Relief be mandatory in certain circumstances? If so, what types of Additional Relief and in what circumstances?*

Thirty Groups provided a substantive response to this question 14. Of those, 24¹⁹ (75%) do not consider that any particular form of Additional Relief should be mandatory in any circumstances, many preferring that the court (or applicable administrative body) decide whether to order Additional Relief on a case by case basis.

Some Groups specify that the tribunal should not order Additional Relief beyond that requested by the IPR holder (eg, Korea, Switzerland) although the court should otherwise have discretion as to the nature and scope of Additional Relief to be ordered within the bounds of that requested by the IPR holder.

The French Group proposed a statement of a harmonised position, being that Additional Relief be granted (or not) on a case by case basis, in return for which the tribunal should provide a detailed explanation of the reasons which led to the grant or refusal of the relevant form of Additional Relief. This reflects an observation in the French Group's report that, in France, it is often the case that insufficient reasons provided in judgments as to why particular forms of Additional Relief were ordered or denied.

The New Zealand Group proposed that, while the ordering of Additional Relief should be a matter of judicial discretion based upon the particular facts of each case, legislative guidance might be appropriate to encourage the consideration of Additional Relief.

Of those Groups who considered that Additional Relief should be mandatory in certain circumstances, the German Group considers that the following forms of Additional Relief should invariably be ordered if the following criteria are met:

- declaratory relief – where there is any uncertainty that an IPR has been infringed;
- destruction – where the infringer has direct or indirect possession of infringing goods in Germany;
- recall/removal from the channels of commerce – on proof of IPR infringement;
- publication of judgment – where the IPR holder has a legitimate interest in publication (and similarly for a defendant if the claim is dismissed and the defendant has a legitimate interest in such publication);

¹⁹ This total includes the US Group which considers that while all non-confidential judgments should be published, no other form of Additional Relief should be mandatory.

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- order to provide information – on proof of infringement, if proportionate;
 - account of profits – for wilful or negligent infringement and possession of the relevant information by the infringer, if proportionate;
 - order for inspection – if necessary to substantiate claims and if proportionate. (The Reporter General notes that if this is proposed as an interim measure rather than following a finding on the merits, it is outside the scope of Additional Relief as defined by this question);
 - reasonable royalty – if a claim for damages has become time-barred.

The Chinese Group considers that, in certain circumstances, the court (or applicable administrative body) should be obliged to grant the Additional Relief sought by the IPR holder, and provides the example of a request by the patentee to destroy infringing products and devices used to manufacture infringing products, the rationale being that such order thereby prevents future infringing activities.

The Hungarian Group considers that, if infringement is established, the tribunal is justified in granting declaratory relief (as well as enjoining the infringing party) as a consequence of the nature of exclusive IPRs, but otherwise the court should have discretion in granting Additional Relief. The Finnish Group also supports that approach.

The Finnish Group also supports mandatory rectification and reasonable royalty where there has been wilful or negligent infringement. The Indian Group considers that orders for costs should be mandatory as a deterrent to frivolous litigation. The Polish Group considers that corrective advertising should be ordered in cases where wilful infringement is established.

The Mexican Group took the hardest position in this context with the proposal that any Additional Relief that could re-establish the image and goodwill of the IPR holder in the market should be mandatory upon a finding of infringement.

15. *Should a court (or applicable administrative body) be empowered to order any form of Additional Relief directly against a non-party to an IP proceeding?*

See 16 below.

16. *If yes to question 15:*

- (a) *in what circumstances;*
- (b) *what forms of Additional Relief should a court (or applicable administrative body) be empowered to order; and*
- (c) *in respect of what types of IPR infringement?*

Just over half of the Groups responded 'no' to this question 15.

The Singaporean Group would favour the tribunal being empowered to join the non-party to the proceeding so the non-party can be heard in relation to the ordering of any Additional Relief against it. The Swedish Group would also favour this approach²⁰.

The remaining Groups would favour empowering a court (or applicable administrative body) to order Additional Relief *directly* against a non-party as follows.

Group	Circumstances	Additional Relief	Type of IPR infringement
Egypt	Where the non-party is aware of or involved in the infringement		
Estonia	Pirate copies owned by or in the possession of third parties	Seizure, destruction or alteration (provided measure is proportional)	Copyright and neighbouring rights
Finland		<ul style="list-style-type: none"> • Order to securing evidence • Orders against intermediaries • Order to obtain information 	
France		<ul style="list-style-type: none"> • Rectification • Order to provide information 	
Germany	Persons possessing infringing goods, receiving infringing services, providing services used for infringing acts or participating in any of the foregoing	Order to provide information	All IPRs
India	Where the litigation would otherwise be frustrated	<ul style="list-style-type: none"> • Order to provide information • Order for inspection 	All IPRs
Ireland	Intermediaries that are not liable for infringement but who	Order to provide information	

²⁰ Although the Swedish Group would empower a tribunal to make orders directly against a non-party in the circumstances set out in the table.

Group	Circumstances	Additional Relief	Type of IPR infringement
	can disclose the identity of an infringer		
Israel	To enable the IPR holder to sue (particularly in the internet context)	Disclosure of the identity of a third party infringer	
Italy	Where a non-party is selling or producing infringing goods	<ul style="list-style-type: none"> • Order for inspection • Order to provide information 	All IPRs
Korea		<ul style="list-style-type: none"> • Order to provide information • Document production 	
Mexico	At the request of the IPR holder	<ul style="list-style-type: none"> • Delivery up/destruction • Seizure • Closure of premises • Order of intervention • Order to provide information²¹ 	All IPRs including unfair competition
New Zealand	Where the non-party has been knowingly involved in or wilfully blind to infringement	Any	All IPRs
Poland		Order to provide information	
Sweden	In general	Order to provide information	<ul style="list-style-type: none"> • Copyright • Trade mark • Patent (balancing the risk of a 'fishing expedition' for technical information)

²¹ The Mexican Group also advocates injunctions and Customs measures which are outside the scope of this question Q236.

Group	Circumstances	Additional Relief	Type of IPR infringement
Switzerland	<ul style="list-style-type: none"> • Where the infringer is the 'independent or dependent possessor' ('unselbstständiger oder selbständiger Besitzer') of the goods or is entitled to give instructions to the third party in relation to those goods, assuming the third party does not want to participate in the proceeding 	<ul style="list-style-type: none"> • Order to provide information • Order for inspection • Order to produce documents • Confiscation of infringing goods 	
UK	<ul style="list-style-type: none"> • Non-parties who have received infringing goods • Non-party involved in wrongdoing (innocent or not) • Where necessary to obtain evidence for use in a proceeding • Non-party has in their possession articles that, if disseminated, will infringe another party's IPRs 	<ul style="list-style-type: none"> • Order for disclosure • <i>Norwich Pharmacal</i> order • Order for inspection • Order to maintain the control of goods • Costs orders 	All IPRs

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17. *Should a court (or applicable administrative body), in making an order against an IPR infringer who is a party to the proceeding, be obliged to consider the impact of such order on any non-party? If yes, how should the court (or applicable administrative body) fulfil that obligation?*

Thirty-three Groups answered questions 17 and 18. Just over half consider that a court (or applicable administrative body) should not be obliged to consider the impact on non-parties of an order made against an IPR infringer. In that context, a number of the Groups noted that while the tribunal should not be *obliged*, it should certainly be *empowered* to consider such effect. Two Groups (Brazil and Latvia) do not consider that the tribunal should be obliged to consider the interests of a non-party *unless* the parties in the proceeding ask the court to do so.

The remaining Groups consider that a tribunal should be obliged to consider the impact on a non-party. The Chinese, Indian, Italian, Portuguese and US Groups advocate a broader public interest test. The US Group proposes that impact on the public interest can be addressed not only by the parties to the proceeding briefing the tribunal, but also by the tribunal accepting and considering amicus briefs.

By contrast, the UK Group considers that while the court should apply the same principles it considers for injunctions (as to how an order for Additional Relief might impact a non-party), the tribunal should be wary of public interest considerations. Should the circumstances warrant consideration of the public interest, this should be expressed in the relevant legislation.

The Italian Group also (along with the Philippines Group) considers that in relation to non-parties, considerations of rights to privacy and protection of confidential information need to be taken into account. The Dutch and Swedish Groups provide a general rationale in line with the principle of proportionality.

18. *If yes to question 15 or 17, should the court (or applicable administrative body) be obliged to give any relevant non-party an opportunity to be heard? If so, how should that be effected?*

Of the 14 Groups of who answered yes to question 15 or 17, 12 (85%) consider that the court (or applicable administrative body) should be obliged to give any relevant non-party an opportunity to be heard. Only the Italian and Dutch Groups did not consider that the tribunal should be so obliged. The Dutch Group considered this could potentially complicate the enforcement process. The lack of opportunity to be heard could be mitigated by the tribunal ensuring that any impact on a non-party is proportional.

19. *Please provide any other proposals in respect of harmonisation as to the types of Additional Relief that should be available in IP proceedings and the conditions in which such relief should be ordered.*

A number of Groups provided further proposals in relation to harmonisation.

- The Australian Group, noting that various forms of Additional Relief are already provided for in TRIPS, considers harmonisation efforts may be best focused on other forms not

included in TRIPS, such as rectification, alteration of infringing goods, modification of technology, corrective advertising, publication of judgement and orders for inspection.

- The Singaporean Group does not feel it is necessary to harmonise Additional Relief internationally due to the fact that each country has unique circumstances and the courts should always have discretion. It is submitted (by the Reporter General) that there may nonetheless be scope for harmonisation, at least along the lines proposed by the French Group (see response to question 14 above).
- The Swiss Group proposes that both the content and the enforcement of Additional Relief be harmonised, including by way of international agreements.

Various Groups also proposed particular forms of Additional Relief for harmonisation:

- Japan, Netherlands – costs awards – in this regard, the Dutch Group recommends a protocol to harmonise costs awards under Article 14 of the European Directive;
- Netherlands – use of evidence collected in a first proceeding in a second proceeding;
- US – availability of relief in non-judicial forums eg, post grant review and *inter partes* review, such as that offered by the US Patent and Trademark Office.

III) Conclusions

There will be broad support for the proposition that various forms of Additional Relief should be available, that being the case in most jurisdictions already.

As to what forms of Additional Relief should be available in particular circumstances and in relation to what IPRs, a general proposal such as that suggested by the French Group (see the response to question 14) may be an appropriate approach.

There is very little support for the proposition that there should be any specific considerations relevant to particular IPR holders. The majority of Groups do not consider that any particular form of Additional Relief should be mandatory in any circumstances. This is in keeping with the general preference that the court (or applicable administrative body) be empowered with sufficient flexibility to decide what is appropriate on a case by case basis.

The primary area of controversy may be in relation to whether a tribunal should be empowered to order any form of Additional Relief *directly* against a non-party, and if so when. However, even those Groups in favour of such orders being permitted, in general, confined the types of Additional Relief that might be ordered, as shown in the table under the response to question 16. There was a similar split of opinion in relation to whether or not a tribunal should be *obliged* to consider the impact on non-parties on an order made against an IP infringer. A potential solution may lie in ensuring sufficient discretion, such that the tribunal is *empowered*, if not *obliged*. An alternative solution may be to ensure that a non-party who may be impacted by an order has the opportunity to be heard, although this approach has its drawbacks in relation to adding to the complexity of the primary proceeding.

While this summary report focuses primarily on those forms of Additional Relief identified in the Working Guidelines, a number of Groups referenced costs orders. In jurisdictions where 'costs follow the event' and a successful party is likely to recover a significant portion of its legal costs, this may be uncontroversial. However, where this is not the case, there may be issues to explore around a position on this point.