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BUSINESSEUROPE COMMENTS TO THE COMMISSION REPORT ON THE ENFORCEMENT OF INTELLECTUAL PROPERTY RIGHTS

GENERAL COMMENTS

BUSINESSEUROPE welcomes the opportunity to provide its comments to the Commission report on the application of directive 2004/48 of the European Parliament and the Council of 29 April 2004 on the enforcement of intellectual property rights (enforcement directive).

It is essential for the European Union (EU) to ensure protection and enforcement of the intellectual property of Europe's innovators as this goes to the heart of its ability to compete in the global economy.

BUSINESSEUROPE has always taken the stance that efficient enforcement mechanisms and procedures are essential to a well-functioning intellectual property (IP) system. Well-functioning IPR enforcement mechanisms are the best means to fight against counterfeiting and piracy, make sure that right holders and the society as a whole can fully enjoy the benefits of the IP system, address the health and safety threats and the loss of jobs resulting from counterfeiting and piracy, and protect consumers' rights to make informed purchasing decisions.

The enforcement directive has provided a broadly harmonised civil framework in Europe regarding IPR infringements. It has been an important and necessary tool for right holders and BUSINESSEUROPE does not consider an overall overhaul necessary. However, a uniform implementation of the directive should be ensured, as divergencies among Member States still exist.

There are some specific issues that BUSINESSEUROPE would like to highlight in the context of a possible future revision of the directive.

SPECIFIC COMMENTS

SCOPE:

The scope of intellectual property rights covered by this directive should be coherent with the EU's policy objective internally and externally to protect all intellectual property rights.



This should be done in such a way that whatever is covered by the Paris Convention for the protection of industrial property and the Trade Related Aspects of Intellectual Property (TRIPs) Agreement is also covered by the enforcement directive.

This could be done for example by amending the second sentence of Article 1 of the enforcement directive as follows:

“For the purposes of this Directive, the term ‘intellectual property rights’ includes

- all categories of intellectual property that are the subject of the Agreement on Trade-Related Aspects of Intellectual Property Rights;
- all categories of industrial property that are the subject of the Paris Convention for the Protection of Industrial Property;
- the *sui generis* right of a database maker;
- rights derived from supplementary protection certificates;
- plant variety rights; and
- trade names, in so far as these are protected as exclusive property rights in the national law concerned.”

PRIVILEGE:

The enforcement directive has introduced several obligations to provide information, but has omitted to balance those obligations with provisions on professional privilege. In common law countries, discovery obligations are balanced by privilege, but at European level, the enforcement directive could result in obligations to provide information where there are no provisions on privilege.

The European Patent Convention 2000 or EPC 2000 (European Patent Convention as revised by the Act Revising the Convention on the Grant of European Patents signed in Munich on 29 November 2000) does contain some provisions on privilege as do some national laws.

However, there is not yet a general provision at EU level that covers all above-mentioned IP rights and all IP attorneys. Obviously, communications exchanged with people working under the responsibility of an IP attorney (e.g. trainee IP attorneys, support staff, prior art searchers) should be covered by the IP attorney privilege. The notion “IP attorney” should not be limited to those working in private practice, but also to in-house counsels, independently of the privilege rules for attorneys existing in each Member State, which can be achieved by generally referring to any person entitled to act as representative under Article 134 of the European Patent Convention.

To cover this gap, the following new article could be included in the enforcement directive:

“Attorney-client privilege

1. Where professional advice is or has at any time been sought from an IP attorney by any party on a matter relevant to intellectual property rights, any confidential communications between the IP attorney and the party or any other person shall be



permanently privileged from disclosure, unless such privilege is expressly waived by the party.

2. Any documents, materials, or information including work product produced in connection with communications referred to in paragraph 1 shall be likewise privileged.

3. The term 'IP attorney' referred to in paragraph 1 includes any person entitled to act as a representative under

(i) Article 134 of the European Patent Convention; or

(ii) Article 93 of the Council Regulation (EC) No 207/2009 of 26 February 2009 on the Community trade mark; or

(iii) Article 78 of the Council Regulation (EC) No 6/2002 of 12 December 2001 on Community designs; or

(iv) the law of a non-EU jurisdiction on professional representation with regard to intellectual property rights.

4. Confidential communications exchanged with people working under the responsibility of an IP attorney are likewise privileged.

5. This directive does not prejudice provisions on confidentiality and privilege in the European Patent Convention."

An important side-effect of such a provision is that it would clearly help European industry to invoke privilege in US courts for communications exchanged with their European IP attorneys.

DIGITAL ENVIRONMENT:

The increased use of the Internet has brought additional challenges for the enforcement of intellectual property rights compared to the situation when the enforcement directive was adopted.

Infringements of intellectual property rights in both the offline and online world must be addressed. Closer cooperation between all authorities and actors involved including intermediaries is necessary. Any future revision of the enforcement directive should ensure coherence with the relevant provisions of the e-commerce directive including who qualifies for the liability exemptions and also with the relevant provisions of the data privacy directives.

At the same time it will be key to increase the availability of legal content in the digital environment - this has been done to good effect for e.g. in the UK where there are now close to seventy different downloading services to meet a variety of consumer demand - and improve preventive activities such as education and awareness raising campaigns primarily on copyright (for example in Finland <http://www.dwnld.fi/fi/>).