
Piata Financiara

Specific procedural remedies regulated by the Directive no. 2004/48/CE for the protection of intellectual property rights

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The expansion of the counterfeiting and piracy activities (especially as regards trade marks) required the implementation of specific regulations meant to fight against such phenomena. The Directive No. 2004/48/CE of the European Parliament and of the EU Council on the observance of intellectual property rights was adopted in order to enlarge and clarify the means of protection of the intellectual property rights (such as copyright, rights over patents, rights over trade marks and geographical indications, etc.). This regulation was transposed into Romanian law by Emergency Government Ordinance No. 100/2005 on the enforcement of industrial property rights and by the Emergency Government Ordinance No. 123/2005 for amending and completing Law No. 8/1996 on copyright and ancillary rights. Among the most interesting contributions of this directive to national law, it should be noted the acknowledgement of the capacity to stand as claimant, in the field of the protection of intellectual property rights, of any persons authorized to use such rights (not only the titleholders), **especially the licensees**. The above mentioned text does not distinguish between the exclusive licensees and the non-exclusive licensees. This provision represents a significant evolution compared to the previous internal regulations in this field.

The Regulation of the means of proof

The Court may order through an emergency injunction ("*ordonanță președințială*") the preservation of the relevant evidence under certain conditions that must be cumulatively met: (i) the evidence reveals that an infringement of an intellectual property right has occurred or that such infringement is imminent and (ii) the protection of confidential information is ensured. These measures are undertaken, **even without summoning the other party**, whenever any delay is likely to cause irreparable prejudice to the right holder or when there is a risk of destruction of the infringing goods. The measures used to protect the evidence are **subject to the lodging by the claimant of a bond** (guarantee) intended to cover any potential prejudice suffered by the respondent should the measures be cancelled. This provision is a derogation from the common law, as according to the Romanian Civil Procedure Code, emergency injunctions are granted without filling a guarantee. This additional safety measure is meant to discourage the applicants who would be tempted to use this procedural measure for the sole purpose of blocking the competitors' activity.

Also, if the claimant does not initiate proceedings on the merits of the case against the respondent within 20 business days or 31 calendar days (whichever is longer), from the service of the emergency injunction decision, the respondent may ask the cancellation of the measures used to protect the evidence.

Interim Measures

The Court may order to the alleged infringer or to its agent (the services of whom are used by a third party in order to infringe the protected rights): (i) to temporarily cease the alleged infringement or (ii) to lodge a bond ensuring the compensation of the protected right holder in case the infringement is proved to be real, but without ceasing the said infringement.

This last option (the lodging by the respondent of a guarantee in case the counterfeiting would be ascertained by a decision given on the merits of the case) represents an innovation in the Romanian civil procedure law, being a real reversal of the duty to lodge a bond.

In addition to one of the above-mentioned measures, the court, upon the applicant's request, may also order **the seizure of the goods** supposed to prejudice a protected right, in order to block their entry into or movement within the commercial circuits.

Decisions on the Merits of the Case

Pursuant to a decision on the merits of the case, the court may order the defendant to terminate the infringements of the protected right, as well as to permanently withdraw from the commercial circuit, or to destroy the counterfeit goods and the materials used for their fabrication.

Instead of the corrective measures or the interdictions, upon the defendant's request, the court may order the payment of pecuniary **compensation** without being necessary to obtain the applicant's consent, should certain conditions be met (mainly the infringement must have been committed "unintentionally or without negligence"). Such legal provision constitutes an absolute novelty in our legislation, as it **allows the respondent to continue the infringement, compensating the right holder**. Such measures could indeed be useful when the measure of withdrawing the counterfeit products from the market or of destroying them is deemed by the court as inappropriate under the relevant circumstances. Besides the above-mentioned measures, the holder of the intellectual property right that was breached may obtain damages to compensate the prejudice suffered, provided it can prove such prejudice, according to the general tort rules. The Directive brings new aspects as regards the assessment of the prejudice, offering **alternative solutions**.

The first solution is that the court takes into account the usual elements, such as the adverse economic consequences (both the actual loss, and the lost profits), and also the moral prejudice.

The second possibility consists in establishing a **lump sum calculated based on the royalties that would have been due if the infringer of the protected right had asked the holder's consent to use the relevant right** (for example, by granting a license over a registered mark). We believe that this later method is very useful when the holder of the intellectual property right that was infringed cannot prove a certain prejudice (for example, the holder of a counterfeit mark did not have a reduction of its sales further to the counterfeiting).

Publicity

The Court may order, upon the applicant's request and at the expense of the person whose protected right was infringed, some measures for the publicity of the information regarding the court decision. This kind of provision is not completely new in the Romanian legislation. Article 54 paragraph 2 of the Decree No. 31/1954 regarding the individuals and the legal entities, as well as Article 11 of the Law No. 11/1991 regarding the fight against unfair competition have already offered the possibility to publish the decision in the press. The Directive goes further as it grants the judge the possibility to order also **the display of the decision** (which according to the display selected, may neutralize the effect of the respondent's own publicity), as well as **the major scale publicity** (for example by broadcasting the contents of the court decision on television). Moreover, this also represents an important pecuniary sanction, due to the high costs of such publicity that will be incurred by the respondent.