

**MULTILATERAL TRADE  
NEGOTIATIONS  
THE URUGUAY ROUND**

RESTRICTED

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Group of Negotiations on Goods (GATT)

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Negotiating Group on Trade-Related Aspects  
of Intellectual Property Rights, including  
Trade in Counterfeit Goods

ENFORCEMENT OF TRADE-RELATED INTELLECTUAL PROPERTY RIGHTS

Submission by Australia

The following submission has been received from the Permanent Mission of Australia, with the request that it be circulated to members of the Negotiating Group.

INTRODUCTION

1. A GATT-based intellectual property agreement should oblige all signatories to provide:
  - (i) effective procedures for enforcing intellectual property rights covered by the agreement; and
  - (ii) appropriate means of redress or remedy against infringement of these rights.

BASIC OBJECTIVES

2. The aim of the enforcement negotiations should be to specify the essential elements which should be available to enable legitimate holders of intellectual property rights to enforce those rights. The specification of such elements should take account of differences in national legal systems, both internally and at customs entry points.
3. Measures for the enforcement of intellectual property rights should be effective in enabling right holders to take swift action against infringement of their intellectual property rights but should not be such that they prevent or restrict legitimate trade. Enforcement obligations should be framed so as to achieve the objectives of:
  - (a) reducing distortions and impediments to international trade caused by infringement of intellectual property rights;
  - (b) discouraging international trade in counterfeit and pirated goods;

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- (c) providing greater certainty and predictability in relation to right holders having access to enforcement procedures and remedies; and
- (d) ensuring that such procedures and remedies do not themselves become barriers or unnecessary obstacles to legitimate trade.

#### BASIC GATT PRINCIPLES

4. Enforcement obligations should embody the following basic GATT principles:

- non-discrimination/MFN: which should oblige signatories to accord to persons of other signatories any advantage relating to the enforcement of intellectual property rights granted to the persons of any other country. The agreement should specify non-discrimination as either prospective or retrospective from its entry into force, and the agreed option should apply to all signatories and all intellectual property rights covered by the agreement. Provision may need to be made for certain well-defined exceptions to the MFN principle to be specified in the agreement.
- national treatment: which should oblige signatories to give persons of other signatories and/or their products treatment no less favourable than that granted to their own persons and/or their products in like circumstances in terms of laws, regulations and administrative practices.
- transparency: which should require each signatory to make public promptly all laws, regulations, judicial decisions and administrative rulings pertaining to the enforcement of intellectual property rights in such a manner as to enable governments and traders to become acquainted with them.

#### GENERAL PRINCIPLES

5. The following general principles should be applicable, where appropriate, to both internal and point of entry enforcement of intellectual property rights.

##### (i) Fair and equitable procedures

6. Procedures should be available for intellectual property right holders (and any other person duly authorised by such holders) to initiate judicial and/or administrative civil proceedings. Such procedures should not be administratively or legally complicated, unnecessarily costly or time consuming, or subject to unreasonable time limits. They should normally include the right to all affected parties to:

- prompt and reasonable notice of the commencement of proceedings;
- an adequate opportunity to prepare their cases;

- effective means to present evidence to substantiate their claims, exercise their rights of defence and to communicate their views to the authorities;
- representation for all parties;
- reasoned decisions made without undue delay in a fair and open manner; and
- judicial review.

7. Enforcement procedures should be fair and equitable to all affected parties, and be no less favourable to foreigners than to nationals. The judicial and/or administrative proceedings should run their full course, unfettered from any external interference, and operate on the basis of established facts.

8. Information concerning procedures that apply and are to be followed in proceedings, should be made available to intellectual property right holders and other parties.

(ii) Provisional Measures

9. Provisional measures should be available for intellectual property right holders to take prompt action, upon request, through administrative or judicial proceedings to:

- cease the infringement of their intellectual property rights by any other party, including the grant of preliminary relief;
- prevent the infringement of any intellectual property right from commencing; and
- preserve the relevant evidence with regard to any alleged infringement.

10. If such provisional measures are in place as a result of an ex parte proceeding, a hearing of all parties should be held as soon as possible for the purpose of deciding whether to confirm, modify or revoke the provisional measures.

11. Provisional measures should be revoked or lapsed if proceedings are not commenced within a reasonable time.

(iii) Civil Remedies

12. Appropriate judicial and/or administrative civil remedies should be provided to intellectual property right holders in order to effectively stop or prevent the infringement of their intellectual property rights, and to deter further infringement. The range of remedies available should include:

- injunctions to prevent infringement from occurring or continuing;
- seizure, forfeiture and in appropriate cases destruction of infringing goods;
- appropriate and adequate compensation, including damages or an account of profits.

(iv) Criminal Sanctions

13. Criminal sanctions and penalties, in addition to civil remedies, should be provided in cases of deliberate trademark counterfeiting and copyright piracy on a commercial scale.

(v) Detention of Goods

14. Judicial and/or administrative procedures should be available for an intellectual property right holder to initiate action for competent authorities to detain counterfeit and pirated goods imported on a commercial scale and prima facie infringing the right holder's trademark or copyright. Such procedures should be subject to appropriate safeguards to ensure that such action does not constitute an impediment to legitimate trade or an abuse of enforcement measures.

(vi) Safeguards

15. Appropriate safeguards should be provided for persons who have been subjected to abuse or wrongful use of enforcement measures. Such measures may include:

- provisions for adequate compensation of any injury suffered because of an abuse or wrongful use of enforcement measures;
- provisions for intellectual property right holders to compensate importers for goods wrongfully detained at their request;
- provisions allowing release of detained goods in circumstances where intellectual property right holders have not taken timely appropriate steps to have a decision taken by the appropriate authorities on the merits of the case.

DEFINITIONS

Counterfeit Goods should mean

any goods, including packaging, bearing without authorisation a trademark which is identical to the trademark validly registered in respect of such goods, or which cannot be distinguished in its essential aspects from such a trademark and which thereby infringes the rights of the owner of the trademark in question under the legislation of the country of importation.

Pirated Goods should mean

any goods which are copies made without the consent of the rights holder or person duly authorized by him in the country of production and which are made directly or indirectly from any article where the making of that copy constitutes an infringement of a copyright under legislation in the country of importation.