Brexit: IP one of the ‘least affected’ areas

The panel on Brexit yesterday could not have been more timely: as demonstrators gathered in front of the nearby UK Supreme Court to protest against the temporary suspension of Parliament, the speakers in the QBE Centre kicked off a discussion on how Brexit will affect IP.

Adam Williams, director of international policy at the UKIPO, began the session by telling audience members that his office has been working diligently to ensure a smooth transition for Brexit.

Mr. Williams went on to explain that Parliament has only granted his office permission to fix any gaps in legislation and not to tinker with policy changes.

The panelists said patents will be the area of IP least affected by Brexit because of pre-existing international harmonisation.

“Our real focus is trademarks and designs,” Mr. Williams said. “After leaving the EU, coverage of these rights will no longer extend to the UK. In the event of no-deal we are committed to giving owners rights similar to the EU rights they had before. Similar arrangements are being made as part of the withdrawal agreement.”

One area of concern for patent owners in the event of a no-deal Brexit is supplementary protection certificates (SPCs).

Mr Williams said: “We recognise that while not many are issued, we know how valuable they are to pharmaceutical companies. In the event of a no-deal we will maintain a functioning SPC regime along the lines of the current system with the same rules and same timing periods and rights for those certificates.”

Ewan Nettleton, senior patent counsel for oncology at Novartis in Switzerland, said he was very pleased with all the provisions made by the UKIPO in preparation for Brexit. As SPCs are of particular importance to his industry, he emphasised that many of the same rights will be extended after Brexit.

“For us at Novartis, thanks to Adam’s diligent work, I am here to say we feel less uncomfortable. It appears that IP is one of the least affected areas by Brexit,” he said.

The Unified Patent Court (UPC) was discussed as a potential Brexit-related concern. With the UPC’s fate lingering in Germany’s Constitutional Court, audience members speculated on how the timing of the court’s decision might be affected by Brexit.

Responding to an audience member’s concern, Mr. Williams said any conversation about whether or not the UK – which has ratified the UPC Agreement – would be part of an operational UPC would depend on when Germany issues a decision.

“...In a perfect world you will like us to have the discussion while we are in the EU; logically that is a more pleasant environment. If we exit in October ... the conversation is in a more different atmosphere. We are sure of the benefits of the UK to be part of the UPC. My experience says if there is a political will you will find a legal solution.”

Mr. Nettleton added that from an industry perspective the UPC would be much stronger with UK involvement.

“It was a surprise to me that I heard the UK would still want to participate in the UPC after Brexit. But then again, after Brexit, nothing can surprise you,” he said.

---

Copyright in artificially-generated works

Human beings are essential for the creation of an original work of art. Or at least they are according to the plenary session on copyright and AI. Working examples of the final version outlined specific criteria for where and how a human must intervene for the work to receive protection.

The first working example states it is not enough for a human being to simply be the creator of the AI. If a human being feeds data into the AI, the produced work can receive copyright protection, but only if the data used was of human origin.

Therefore, it would seem that Beethoven’s ninth symphony is acceptable (although the resolution doesn’t muse on this), but randomly bunged out notes from a machine are not, no matter how harmonious they may be. The last examples stipulate that neither a human nor a non-human can select one work among many AI-generated outputs for copyright protection.

Originality is important for good art, and it is a necessary requirement for AI-created copyright eligibility. The right to copyright extends to all AI-generated works that fulfil the necessary requirements of human intervention and originality, and should be identical to other works already protected by copyright laws. In particular, the resolution focuses on economic rights, moral rights, initial ownership, and terms of protection.

The last article of the resolution states that AI-generated outputs may be eligible for rights other than copyright protection, even without human intervention. The resolution concludes: “As AI is still developing, it is too early to take a position on the question whether AI-generated works not covered by such existing protection should be eligible for exclusive rights as a related right or as exclusive rights under copyright (not in the meaning of the revised Berne Convention).”

Consumer survey evidence

Yesterday’s resolution on consumer survey evidence achieved unanimous consensus quickly, which is something that doesn’t always happen when it comes to study questions at AIPPI. The resolution had sought to establish whether consumer survey evidence should be admissible in trademark proceedings and, if so, in what types of proceedings.

AIPPI resolved such consumer survey evidence should be admissible but not mandatory in any type of trademark proceedings, including administrative and court proceedings. It further resolved that consumer survey evidence should be admissible to prove or help prove any facts or circumstances relevant in trademark proceedings, in particular reputation, distinctiveness and confusion.

It was agreed there should be non-binding guidelines for the setup of consumer surveys that should address items such as the aim of the survey, methodology, number and selection of respondents, and form and order of the questions. Furthermore, there should be no predetermined percentage of responses required to have a fact or circumstance deemed as sufficiently proved by a consumer survey. However, courts or administrative authorities should not be involved in the setup of a consumer survey.

Finally, it was agreed the weight or value of consumer survey evidence should be assessed on a case-by-case basis and take...
AIPPI China: Meet the staff

Vice-president Chuanhong Long and secretary general Richard Li tell Karry Lai about the group’s achievements over the past 12 months, IP developments in China and what’s in store for AIPPI 2020 in Hangzhou.

What have been the highlights for AIPPI China?
Mr. Long: To increase communication and cooperation between China and AIPPI, we helped to organise a visit for AIPPI Bureau members in May 2019, including AIPPI president Renata Righet. The highlight was the visit to the new IP court of the Supreme People’s Court of China in Beijing, Justice Luo Dongchuan, vice-president of the Supreme Court and chief judge of the IP court, personally received the visitors and explained the significance of the IP court in China’s IP reform.

Mr. Li: The AIPPI trilateral meeting of the Chinese, Japanese and Korean groups was held in Zhuhai in June 2019 to increase cooperation between the three groups. Each group provided a comprehensive update on law amendments, practice developments and significant court cases in their respective jurisdictions. It was an excellent opportunity to exchange ideas and increase cooperation between the groups.

What are the biggest challenges and how will these inform your goals for next year?
Mr. Long: The number of IP professionals in China has grown by leaps and bounds in the past few years. We now have more than 20,000 registered patent attorneys. There are even more trademark professionals. However, attracting more Chinese IP professionals to join AIPPI is still a challenge because of the language barrier; the annual AIPPI Congress is primarily in English so many of these professionals have a hard time understanding everything.

Mr. Li: We are working closely with IP professionals, especially the younger members, to encourage them to use English by providing networking platforms and professional speaking opportunities so they can develop their language and networking skills.

What have been the biggest IP developments in China in the past six to 12 months?
Mr. Long: One is the establishment of an IP court within the Supreme People’s Court on January 1, 2019. The IP court hears second instance IP cases that involve technical issues. The creation of the IP court can help create more consistency in IP judgments, strengthen the judicial protection of IP rights and optimise the legal environment to promote scientific and technological innovation.

Mr. Li: Parties can appeal to the IP court of the Supreme Court if they are not satisfied with the first-instance judgment and for adjudication on civil cases or administrative cases involving more technical issues for invention patents, utility model patents, new varieties of plants, layout designs of integrated circuits, technical secrets, computer software and design patents (only administrative cases).

Mr. Long: Another highlight is the fourth amendment to China’s Trademark Law which was passed by the Standing Committee of the National People’s Congress on April 23, 2019. The changes help to strengthen trademark protection against infringement by raising the highest statutory damage to RMB5 million ($714,000) from the previous RMB3 million.

Mr. Li: Malicious trademark infringement could be subject to punitive damages up to five times of damages determined according to the losses of the rights holder, or the illegal profits of the infringer. Additionally, the materials and tools used to manufacture the counterfeit goods have to be destroyed. Counterfeit goods are prohibited from entering commercial channels, even if the counterfeit trademarks are removed.

AIPPI Hangzhou 2020 Study Questions
- Inventorship of inventions made using artificial intelligence (AI): How to develop patent law in accordance with progress in AI?
- Descriptiveness as a defence in trademark proceedings: What are the conditions under which descriptive use should be available?
- IP rights in data: How to increase the scope of protection given the increasing role of data in all forms of innovation?
- Claimant/plaintiff: Are co-owners in a position to enforcing a patent?

Managing Intellectual Property

Euromoney Trading Limited
8 Bouverie Street, London, EC4Y 8AX
United Kingdom
Tel: +44 20 7779 8682
Fax: +44 20 7779 8500
Email: ed.coriollegalmedia@group.com

EDITORIAL TEAM
Editor Ed Conlon
Reporters Karry Lai, Charlotte Kilpatrick

PRODUCTION
Production manager Luca Ercolani
Web production editor Josh Pasanisi

ADVERTISING
Asia manager Matthew Siu matthew.siu@euromoneyasia.com
EMEA manager Nick Heath nick.heath@euromoneyasia.com

Managing Director, Legal Media Group
Tim Wakefield

SUBSCRIPTION HOTLINE
UK Tel: +44 20 7779 8999
US Tel: +1 212 224 3570

Photography
Simon Callaghan Photography

The AIPPI Congress News is produced by Managing Intellectual Property in association with AIPPI. Printed in London by Pureprint Group Limited, the AIPPI Congress News is also available online at www.managingip.com
© Euromoney Trading Limited 2019

No part of this publication may be reproduced without prior written permission. Opinions expressed in the AIPPI Congress News do not necessarily represent those of AIPPI or any of its members.
IP offices update on progress

A t yesterday’s session “Meet the IP Offices,” representatives from the IP offices of China, the US, the UK and the EU shared insights on the progress they have made to ensure that stakeholders can have more efficient and better quality services. The IP offices are also cooperating more globally to share best practices and to streamline their processes.

Maria Hoffmann, associate commissioner for international programmes at the USPTO, highlighted the work done through the Global Dossier Program, which pulls together related applications that were filed in participating IP offices so that stakeholders can access, follow and track applications. The goal is to have more technical harmonisation through more information exchange. Another project is the Access to Relevant Global Dossier Program, which pulls together for international programmes at the USPTO, more globally to share best practices and to highlight the work done through the streamline their processes.

Highway, which has been expanded to progress made on the Patent Prosecution

Other steps to encourage cooperation include IP attaché and patent cooperation services. The IP offices are also cooperating to ensure that stakeholders can have more efficient and better quality services. The IP offices are also cooperating more globally to share best practices and to streamline their processes.

In C hina, considerable progress has been made in IP rights protection over the past four decades. Junjian Hu, director of the IP utilisation promotion department at CNIPA, talked about the steps the country has made in this area in the last few years. Right now, CNIPA is working hard to engage stakeholders on how best to amend its copyright and patent laws to bring them in line with international standards. In terms of the administration of the IP office, the largest change has been the restructuring of SIPO, the office’s former name, into CNIPA in 2018. CNIPA now has centralised the administration of IP rights to improve the efficiency of IP administration and protection. Mr. Hu added that Premier Li Keqiang and President Xi Jinping have, time and again, emphasised the importance of IP protection, demonstrating the leadership’s support for IP rights.

For the UK, a top priority is to make IP mainstream. “When we did a survey on what people on the streets of the UK thought of IP, people felt that the word ‘intellectual’ is elitist; we want to change that,” said Tim Moss, CEO at the UKIPO. Most people felt that IP “sounded like posh people’s houses,” added Steve Rowan, vice president at the EPO.

To change people’s mindsets about IP, the UKIPO is raising awareness through public education programmes, supporting businesses on IP audits and encouraging more diversity in the next generation to study science, technology, engineering and maths subjects.

According to Mr. Moss, Brexit is another looming issue for the UKIPO and the biggest challenge for IP will be the need to create two million rights overnight and ensure the continuity of IP rights when the UK leaves the EU. Another focus area is to increase capacity in order to target the backlog at the office. Looking ahead, the UKIPO is taking a more digital and data-focused approach that will help it become more customer-centric by changing the way data is examined. The role that AI plays in IP ownership, liability and inventorship will also be one to watch.

Mr. Rowan assured the audience that UK users will continue to have full access to the EPO and that UK attorneys will continue to have full access rights after Brexit. Looking beyond the UK, Asia is an area that the EPO is also looking at, especially given that 53% of EPO applications are from outside the EU. A total of 45% of search reports refer to Asian documents, so access to Asian prior art is important. Like other IP offices, the EPO is continuing to make efficiency a top priority for users. It has had success in cutting down the median search time to 4.4 months, examination to 22 months, and 18 months for opposition.

IP damages for acts other than sales

For the study question on IP damages for infringing acts other than sales (such as importing and warehousing), a plenary session resolved yesterday that regardless of whether injunctive relief is available, damages should be available as a potential remedy. Damages for all types of infringing acts should be determined using the same principles. The rights holder is allowed to receive full compensation for all damage caused by the infringing acts, but a causal nexus between such acts and the damage must be established.

It was also resolved that the principles stated in the Sydney Resolution, which focuses on the quantification of damages by reference to sales of products by the infringer and/or the rights holder, should be followed. When quantifying damages for infringing non-sales acts relating to specific products, any potential subsequent sales of the same specific products could be used as a benchmark for the quantification. According to the Resolution, the relevant court should apply its normal fact-finding procedures and standard of proof to determine the extent of any potential subsequent sales.

Voting during a plenary session

The Resolution, when assessing damages for non-sales infringements in relation to a process that is protected by a patent, the relevant court should also take into account the economic effect on the rights holder of both the use of the process and the products that may or may not result from the process. While full compensation of the rights holder is desired, double recovery should be avoided through effective and proportionate procedures.

Finally, it was decided that without prejudice to any rules in relation to exhaustion and res judicata, there should be no fracking.

Plausibility

Today, a plenary session will vote on the fourth study question of the Congress – on plausibility. The question is whether plausibility should be considered as a further patentability requirement and, if so, how to define its preconditions.

Given the potentially extremely broad and sweeping implications of this notion, the resolution states, its scope is limited to the sub-issues of 1) the general credibility of the invention, 2) the general prohibition of speculative patent claims, and 3) specific restrictions regarding ‘prophetic’ examples.

The resolution says that there should be no standalone ground of patentability or validity based on plausibility because the introduction of this separate requirement would create legal uncertainty “without a commensurate benefit”. If credibility of the claimed invention is considered with respect to patentability and validity, the resolution adds, the threshold should be low and narrowly understood. The patentability and validity requirements must prohibit purely speculative claims, and plausibility considerations should not prevent the presence of prophetic examples in the specification, it adds.

It goes on to say that if plausibility is to be considered, it should be evaluated as of the priority date, before concluding that patent offices should agree on the basic principles and issue guidelines regarding possible issues surrounding plausibility.

The resolutions will be voted on at the Executive Committee II today.
Avoiding the cliff edge: UKIPO’s Brexit preparations

Tim Moss, chief executive of the UK Intellectual Property Office, tells Max Walters about Brexit planning, the Unified Patent Court and expanding the office’s international reach.

“It is in no one’s interests for there to be a cliff edge scenario,” says Mr. Moss.

He adds: “They will be fully independent UK rights which can be challenged, assigned, licensed or renewed, separately from the original EU right.”

Mr. Moss says the UKIPO will publish guidance in every language of EU member states so that rights owners will have access to all the necessary information.

The UKIPO has seen increased demand for UK trademark and design rights since before the referendum. Trademark applications in the UK have more than doubled since 1995 and design filings have increased sharply since 2014.

However, this is not just down to pre-Brexit jitters.

“There are a whole range of factors that have influenced this behaviour,” Mr. Moss says. “We put this down in a large part to better online filing, enhanced service delivery and an increased awareness of IP in general.”

One area where the UKIPO might have its work cut out is on pending EUTM applications.

Applicants with pending EUTMs at the point of exit – of which there may be many thousands – will have to file a new application if they also want protection in the UK. To claim the earlier filing date, applications must be submitted to the UKIPO within nine months of exit day.

Mr. Moss says the UKIPO has hired 60 new examiners to make sure the office can deal with any increased demand. However, he is confident demand will not be too high.

“We don’t expect every applicant with a pending case to apply to us, and we expect the number of applications we receive to be spread out over this nine-month period,” he says.

UK and the UPC

Although the European patent framework is largely unaffected by Brexit, one major question mark surrounds the planned Unified Patent Court (UPC).

The court’s ability to operate is still uncertain. A Constitutional complaint in Germany – one of the three nations that must ratify the UPC before it can come into force – is holding up proceedings, and the German government has said it won’t ratify the UPC Agreement until the effects of Brexit are known.

The UKIPO has confirmed that the UPC will not be operational before the UK leaves the EU on October 31 but that it will seek to remain a member of the system after Brexit.

Mr. Moss remains confident that the UK’s desire to continue in the unitary patent system and the UPC with our European partners, he says.

If the UPC comes into operation but the UK is forced to withdraw, the UKIPO said it would be fully independent UK rights which can be challenged, assigned, licensed or renewed, separately from the original EU right.

Mr. Moss says the UKIPO will publish guidance in every language of EU member states so that rights owners will have access to all the necessary information.

The UKIPO has seen increased demand for UK trademark and design rights since before the referendum. Trademark applications in the UK have more than doubled since 1995 and design filings have increased sharply since 2014.

However, this is not just down to pre-Brexit jitters.

“There are a whole range of factors that have influenced this behaviour,” Mr. Moss says. “We put this down in a large part to better online filing, enhanced service delivery and an increased awareness of IP in general.”

One area where the UKIPO might have its work cut out is on pending EUTM applications.

Applicants with pending EUTMs at the point of exit – of which there may be many thousands – will have to file a new application if they also want protection in the UK. To claim the earlier filing date, applications must be submitted to the UKIPO within nine months of exit day.

Mr. Moss says the UKIPO has hired 60 new examiners to make sure the office can deal with any increased demand. However, he is confident demand will not be too high.

“We don’t expect every applicant with a pending case to apply to us, and we expect the number of applications we receive to be spread out over this nine-month period,” he says.

Beyond Brexit

Despite what some may think about the UK, Brexit is not the only talking point on these shores.

Mr. Moss says the UKIPO is also working on improving its patent examination process – with efforts at reducing the backlog. As of the end of July, the UKIPO had approximately 22,000 pending patent examinations.

“We have met 96% of requests for an accelerated two-month turnaround for search, publication and examination against a target of 90% and we delivered 87% of patent searches within six months,” Mr. Moss says.

He adds: “We continue to make progress in reducing our patent backlog, completing 92% of examinations in less than 48 months from the request.”

 securing trademarks and designs

Mr. Moss says legislation ensures that rights owners with an existing EU trademark (EUTM) or registered Community design (RCD) will have a new UK equivalent right that will come into force after the UK leaves the EU.

The process should work smoothly, Mr. Moss says, because international rights that designate the EU are currently enforceable in the UK so the UKIPO already holds comprehensive and accurate records of those rights.

“Holding information makes it possible for the UKIPO to create new comparable rights using the same information. From exit day, all existing EUTMs and RCDs will be treated as if they had been applied for and registered under UK law,” Mr. Moss says.

The UK rights will retain the filing dates recorded against the corresponding EU rights and will also inherit any priority and/or seniority dates, Mr. Moss says.

He adds: “They will be fully independent UK rights which can be challenged, assigned, licensed or renewed, separately from the original EU right.”

Mr. Moss says the UKIPO will publish guidance in every language of EU member states so that rights owners will have access to all the necessary information.

The UKIPO has seen increased demand for UK trademark and design rights since before the referendum. Trademark applications in the UK have more than doubled since 1995 and design filings have increased sharply since 2014.

However, this is not just down to pre-Brexit jitters.

“There are a whole range of factors that have influenced this behaviour,” Mr. Moss says. “We put this down in a large part to better online filing, enhanced service delivery and an increased awareness of IP in general.”

One area where the UKIPO might have its work cut out is on pending EUTM applications.

Applicants with pending EUTMs at the point of exit – of which there may be many thousands – will have to file a new application if they also want protection in the UK. To claim the earlier filing date, applications must be submitted to the UKIPO within nine months of exit day.

Mr. Moss says the UKIPO has hired 60 new examiners to make sure the office can deal with any increased demand. However, he is confident demand will not be too high.

“We don’t expect every applicant with a pending case to apply to us, and we expect the number of applications we receive to be spread out over this nine-month period,” he says.

UK and the UPC

Although the European patent framework is largely unaffected by Brexit, one major question mark surrounds the planned Unified Patent Court (UPC).

The court’s ability to operate is still uncertain. A Constitutional complaint in Germany – one of the three nations that must ratify the UPC before it can come into force – is holding up proceedings, and the German government has said it won’t ratify the UPC Agreement until the effects of Brexit are known.

The UKIPO has confirmed that the UPC will not be operational before the UK leaves the EU on October 31 but that it will seek to remain a member of the system after Brexit.

Mr. Moss remains confident that the UK’s desire to continue in the unitary patent system and the UPC with our European partners, he says.

If the UPC comes into operation but the UK is forced to withdraw, the UKIPO said it would be fully independent UK rights which can be challenged, assigned, licensed or renewed, separately from the original EU right.

Mr. Moss says the UKIPO will publish guidance in every language of EU member states so that rights owners will have access to all the necessary information.

The UKIPO has seen increased demand for UK trademark and design rights since before the referendum. Trademark applications in the UK have more than doubled since 1995 and design filings have increased sharply since 2014.

However, this is not just down to pre-Brexit jitters.

“There are a whole range of factors that have influenced this behaviour,” Mr. Moss says. “We put this down in a large part to better online filing, enhanced service delivery and an increased awareness of IP in general.”

One area where the UKIPO might have its work cut out is on pending EUTM applications.

Applicants with pending EUTMs at the point of exit – of which there may be many thousands – will have to file a new application if they also want protection in the UK. To claim the earlier filing date, applications must be submitted to the UKIPO within nine months of exit day.

Mr. Moss says the UKIPO has hired 60 new examiners to make sure the office can deal with any increased demand. However, he is confident demand will not be too high.

“We don’t expect every applicant with a pending case to apply to us, and we expect the number of applications we receive to be spread out over this nine-month period,” he says.

Beyond Brexit

Despite what some may think about the UK, Brexit is not the only talking point on these shores.

Mr. Moss says the UKIPO is also working on improving its patent examination process – with efforts at reducing the backlog. As of the end of July, the UKIPO had approximately 22,000 pending patent examinations.

“We have met 96% of requests for an accelerated two-month turnaround for search, publication and examination against a target of 90% and we delivered 87% of patent searches within six months,” Mr. Moss says.

He adds: “We continue to make progress in reducing our patent backlog, completing 92% of examinations in less than 48 months from the request.”

Despite these improvements, the UKIPO’s annual report, published earlier this year, showed a slight dip in patent applications compared to the previous year. In 2018/19 there were 20,171 filings, down from 22,108 the year before (2017/18).

“Patent levels do fluctuate from year to year,” explains Mr. Moss.

He says the 2017/18 figure was the highest level of applications in more than 25 years. “Overall, patent applications to the UK continue to be at a very high level historically.”

Mr. Moss adds that although applications at the UKIPO have gently declined recently, filings at the EPO are rising, particularly those designating the UK.

“This may suggest that applicants are choosing to seek protection through alternative routes. This is also reflected in the increase of international applications filed using the Patent Cooperation Treaty, which allows patent rights across many countries from a single filing,” Mr. Moss says.

A global outlook

Mr. Moss says the UKIPO is also keen to expand its international reach, pointing to the office’s overseas attaché network as an example.

The attachés, who also work with the Foreign and Commonwealth Office and the Department for International Trade, are based at High Commissions and Embassies across the world.

The UKIPO already has attachés in China, India, the ASEAN region and the Americas, and is considering an expansion into “key markets” in the Middle East and Africa.

“This gives the UKIPO a distinct advantage in having staff who know and understand the different IP challenges across the world, while being committed to driving improvements in both UK trade and business confidence.”

Mr. Moss adds: “I’m very proud that the UK is regarded as a world leader in IP. We want to increase our opportunities to support UK businesses and influence policy decisions as part of our international engagement.”
Your reliable partners for intellectual property matters in Pakistan, South East Asia, Arabian Gulf, Middle East & Africa

UNITED TRADEMARK & PATENT SERVICES

International Intellectual Property Attorneys

Trademark, Patent, Design, Copyright, Domain name registration, litigation & enforcement services

Pakistan Office
85 -The Mall Road, Lahore 54000 Pakistan  (Opposite Ferozesons books store / adjacent radio time center)
Email: UnitedTrademark@UnitedTm.com  Websites: www.utmpts.com and www.unitedip.com

Gulf, Middle East, South & East Asia and African Offices

DUBAI (UAE)
Suites 401-402, Al-Hawai Tower Sheikh Zayed Road, Dubai
Tel : +971-4-3437 544
Fax: +971-4-3437 546
Email: Dubai@UnitedTm.com

OMAN
Suite No. 702, 7th Floor
Oman Commercial Centre, Ruwi
Tel : +968-24-787555, 704788
Fax: +968-24-794447
Email: Oman@UnitedTm.com

SRI LANKA
105, Hunupitiya Lake Road, Colombo 02,
Sri Lanka.
Tel : +94 11 4322790-1
Email: srlanka@UnitedTm.com

JORDAN (Amman)
Suite 7, 2nd Floor
Chicago Building, Al Abdali
Tel : +962-6-5683088
Fax: +962-6-5683089
Email: Jordan@UnitedTm.com

QATAR
Villa # 40, Al Amir Street
Al Mirqap Area, Doha, Qatar
Tel : +974-444 3083, 444 3093
Fax: +974-444 7311
Email: Qatar@UnitedTm.com

SAUDI ARABIA
Behind Maktaba Al Shawkaf
30th Street-Olaya, Riyadh 11444
Tel : +966 -11- 4616157, 4655477
Fax: +966 -11- 4616156, 4622134
Email: SaudiArabia@UnitedTm.com

SUDAN (Khartoum)
Flat No.1, 3rd Floor, Al Hurriya St.
Shalk Al Deen Brothers Bldg.
Tel : +249-183-740634
Fax: +249-183-796051
Email: sudan@UnitedTm.com

TANZANIA
Shaari Moyo Area,
Pugu Road
Dar-Es-Salaam
Tel : +255-222862900
Email: Tanzania@UnitedTm.com

LEBANON
6th Floor, Burj Al-Ghazal Bldg.,
Tabaris, Beirut, Lebanon
Tel : +961-1-21 5373
Fax: +961-1-21 5374
Email: Lebanon@UnitedTm.com

MOROCCO
58, Rue Ibn Batouta,
PPT. No. 4, 1er Estate,
Casablanca, Morocco
Tel : +212-522206096
Email: Morocco@UnitedTm.com

SHARJAH (UAE)
Suite 203, Al Buhairah Building
Buhairah Comiche, Sharjah
Tel : +971-6-5722742
Fax : +971-6-5722741
Email: UAE@UnitedTm.com

YEMEN
6th Floor
Ideal Clinic Building
Hadda Street, Sana’a, Yemen.
Tel: +967 151 9642
Email: yemen@UnitedTm.com
How to tackle “sneaky” counterfeiters with customs actions

The general counsel at a US-based beauty and wellness company told an audience yesterday how to take on increasingly “sneaky” counterfeiters.

Matthew Wagner, general counsel at PDG Brands, discussed strategies for recording IP rights with US Customs and Border Protection (CBP) and shared stories from China.

During the session, “Seize the Day – Customs and Border Control”, Mr. Wagner began by saying that between 4.2 million and 5.4 million jobs could be lost by 2022 as a result of counterfeit trading and piracy.

Just 38,000 of the millions of US brands have active trademark or copyright registrations in the CBP system, said Mr. Wagner. “Industry doesn’t take enough advantage of the programme,” he added.

Providing tips on using the system, he said that pending copyright applications – but not pending trademark filings – can be submitted. He also advised companies to “get to know your CBP office and educate them about your goods”.

Sharing a challenging recent experience, Mr. Wagner explained that CBP detained some of his company’s goods for which there was no recordation – as the brand in question had not suffered from counterfeit trading, PDC then had to prove ownership of the brand, hire outside counsel and even incur penalties from vendors because of late delivery.

On a more positive note, he recalled a story from China, which is still the world’s primary counterfeit trading source. PDC had received information that someone was trying to record its brand with Chinese customs before seeking to export counterfeit goods.

By recording its rights first, “we beat them to the punch,” Mr. Wagner said.

He explained some strategic recommendations that the CBP could implement to clamp down on counterfeiters. These include permitting exclusive licensees to submit and record IP rights, accepting design patents, using up to date technology to access databases used to track legitimate goods, and improving the sharing of data.

The session then heard from Woll Meier-Ewert, counsellor at the World Trade Organization’s IP Division. He said that one of the “obscure provisions” of TRIPS is that signatory countries are supposed to maintain contact points for exchanging information on trade in IP-infringing goods.

“Say you have a licence and you go into a shop, you do not want to know if somebody got it 10% cheaper right after you. You do not want to know that. But if they had it 50% cheaper, you might want to know. There is a human desire to keep things transparent.”

Claudia Tapia Garcia, director of IPR policy and legal academic research at Ericsson, expanded on the metaphor by saying she might also like to know if the shop-keeper was discriminating against her, but would not be comfortable offering up her personal information to find out.

“By the way, that is most of the cases,” she added.

“Tying up the discussion on FRAND, an audience member asked what would be the perfect scenario to reach an agreement between two parties.”

“The most important thing is that the High Court and Court of Appeal said it was okay for the High Court to award an injunction conditionally.”

Adrian Howes, Nokia

PDG Brands, discussed strategies for recording IP rights with US Customs and Border Protection (CBP) and shared stories from China.

Finding the perfect FRAND deal

Speakers yesterday discussed FRAND from almost every angle; the only topic not up for discussion was what exactly the FRAND rate should be.

Transparency, arbitration, litigation, jurisdiction, and discrimination were just some of the other aspects of FRAND examined during the session.

Adrian Howes, head of IP and standards at Nokia in the UK, began by describing the importance of the well-known Unwired Planet v Huawei case being heard by the UK Supreme Court in October. At the heart of the matter, he said, is the discussion of whether the UK court has the authority to grant a global FRAND rate.

“That case is the biggest concern because that seems to extend the jurisdiction of the court,” said Mr. Howes. “The reason why the first instance judge came to that conclusion was that the industry is licensing on a global portfolio basis.”

According to Mr. Howes, one potential benefit of the UK lower court’s decision in the case was the possible avoidance of companies having to negotiate multiple rounds of FRAND deals.

“The most important thing is that the High Court and Court of Appeal said it was okay for the High Court to award an injunction conditionally. The condition was that Huawei accept a global portfolio licence accepted by the court.”

If the UK Supreme Court upholds the ruling, the implications of this decision would mean Huawei would have to accept a global licence rate or an injunction.

“I suppose one comment to make is it prevents something that could happen in Germany, that is if the offer was found not to be FRAND the patent owner has to again and again to reach an agreement. There you have a process where you keep trying until you peg it right,” mused Mr. Howes.

“Finding the perfect FRAND negotiation when there’s not much transparency between parties was another topic of discussion. As many negotiations are reached in arbitration and are subject to confidentiality agreements, it can be very difficult for implementers to know if they are getting a fair deal compared to their competitors.”

Describing the perfect balance of FRAND ignorance, Mr. Howes provided a shopping metaphor for the audience.

“Say you have a licence and you go into a shop, you do not want to know if somebody got it 10% cheaper right after you. You do not want to know that. But if they had it 50% cheaper, you might want to know. There is a human desire to keep things transparent.”

Claudia Tapia Garcia, director of IPR policy and legal academic research at Ericsson, expanded on the metaphor by saying she might also like to know if the shop-keeper was discriminating against her, but would not be comfortable offering up her personal information to find out.

“But in order to avoid discrimination I have to give up my phone number and personal information; maybe I don’t want to. Maybe that is why when we go to court and judges want to disclose information, everybody sends letters to the judge asking them not to do that.”

“Finding the discussion on FRAND, an audience member asked what would be the perfect scenario to reach an agreement between two parties.”

“A licensor and licensee who behave themselves,” responded Ms. Tapia Garcia.

“The way, that is most of the cases,” she added.
Receptions were held between September 15 and 17.
<table>
<thead>
<tr>
<th>Time</th>
<th>Event</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>09:00 – 12:30</td>
<td>Plenary Session for proposed Resolution (4): Study Question on Plausibility</td>
<td>Whittle/Fleming</td>
</tr>
<tr>
<td>09:00 – 12:30</td>
<td>Panel Session XII - MOCK: Designs on trial</td>
<td>St James</td>
</tr>
<tr>
<td>09:00 – 10:30</td>
<td>Panel Session XIII: A platform for discussion: liability &amp; safe harbour</td>
<td>Westminster</td>
</tr>
<tr>
<td>10:30 – 11:00</td>
<td>Coffee break</td>
<td>Exhibition Area</td>
</tr>
<tr>
<td>11:00 – 12:30</td>
<td>Hot Topics</td>
<td>Westminster</td>
</tr>
<tr>
<td>12:30 – 14:00</td>
<td>Lunch 3: Africa and innovation</td>
<td>Churchill</td>
</tr>
<tr>
<td>12:30 – 14:00</td>
<td>Networking Lunch</td>
<td>Central Hall Westminster</td>
</tr>
<tr>
<td>14:00 – 17:00</td>
<td>Executive Committee II</td>
<td>Whittle/Fleming</td>
</tr>
<tr>
<td>15:30 – 16:00</td>
<td>Coffee break</td>
<td>Exhibition Area</td>
</tr>
<tr>
<td>20:00 – 02:00</td>
<td>Closing Dinner &amp; After Party</td>
<td>Alexandra Palace</td>
</tr>
</tbody>
</table>

**SAVE THE DATES!**

Details of upcoming AIPPI World Congresses:

- **Hangzhou, China: September 26-29, 2020**
- **San Francisco, USA: September 25-28, 2021**
- **Istanbul, Turkey: 2022; date to be determined**
- **Yokohama, Japan: 2023; date to be determined**