




# Private International Law Issues in Online Intellectual Property Infringement Disputes with Cross-Border Elements

An Analysis of National Approaches

2015



**WIPO**  
WORLD  
INTELLECTUAL PROPERTY  
ORGANIZATION



# **Private International Law Issues in Online Intellectual Property Infringement Disputes with Cross-Border Elements**

An Analysis of National Approaches

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\* The views expressed in this study are those of the author and do not necessarily reflect those of the WIPO Secretariat or any of the Organization's Member States.

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## EXECUTIVE SUMMARY

While the challenges relating to the interaction of private international law (“PIL”) and intellectual property (“IP”) law are not new, the increased opportunities for infringement of IP rights in the digital environment has made the challenges more acute. To complement previous and current initiatives dealing with the interface between PIL and IP law, an empirical study was undertaken of 56 cases from 19 jurisdictions dealing with cross-border online IP infringement.

Analysis of the data produced by that study shows that the *typical* cross-border online IP infringement case has the following features:

- It will concern either online marketing using a trademark (registered or unregistered) or online distribution of material protected by copyright (or a related right).
- It will be brought by a local plaintiff against a foreign defendant, in relation to a foreign action that has caused local damage to a local IP right.
- It will be a civil action, brought against the defendant as the primary infringer.
- The validity of the IP right will not be challenged, and there will be no parallel proceedings in other jurisdictions.
- The plaintiff will be seeking the remedies of injunction and damages, to be enforced locally.
- The court will expressly consider whether it has jurisdiction to hear the case, will find that it does, and in doing so will have resolved the issue by considering whether local consumers have been targeted (in online marketing cases) or can access the material (in online distribution cases).
- The court will apply local law, without expressly considering whether the law of some other country should apply instead.

Current initiatives are seeking to develop a set of harmonized PIL rules for application by national courts to transnational IP disputes.

There is scope for WIPO to complement these initiatives and possibly ameliorate some of the potential shortcomings of the proposed harmonized PIL rules, through various educative activities and further research. In addition, there is scope for WIPO to further the objective of more efficient resolution of online IP infringement disputes in ways other than through the development of PIL rules – in particular, by seeking to harmonize, through “soft law”, national law principles on what constitutes IP infringement in the online environment.

As it happens, soft law has already been developed by WIPO that is applicable to one of the typical cross-border online IP infringement scenarios. What is missing is an online copyright infringement equivalent to the WIPO Joint Recommendation Concerning Provisions on the Protection of Marks, and Other Industrial Property Rights in Signs, on the Internet. Given that online distribution of copyright material is the most prevalent of the cross-border online IP infringement scenarios, a copyright equivalent of the WIPO soft law on online trademark infringement would be of great value.

## 1. INTRODUCTION

### (a) Background and objective

1.1 The challenges relating to the interaction of private international law (“PIL”) and intellectual property (“IP”) law are not new. However, the increased use of IP in the digital environment has increased the frequency of IP infringements that raise PIL issues, which in turn has made the challenges in this area more acute. It is not surprising, therefore, that the past decade has seen numerous initiatives aimed at increasing the efficiency of the resolution of cross-border IP disputes.<sup>1</sup> These initiatives, led by academics grounded strongly in PIL doctrine, have sought to develop and codify PIL rules for application to all cross-border disputes about IP, not just infringement disputes.

1.2 The objective of this report is to contribute to the understanding of the issues at the interface between PIL and IP through an empirical study, and to identify possible future activities in this area for the World Intellectual Property Organization (“WIPO”), bearing in mind its mandate and expertise. The report seeks to achieve this objective by undertaking a comprehensive analysis of the factual and legal features of cases, drawn from a range of jurisdictions, dealing with online IP infringement with cross-border elements. Based on that analysis, observations are made about the typical features of such cases and the practical consequences for the interface between PIL and IP. In conclusion, the initiatives in the area of PIL and IP are analysed in the context of those observations, and possible future activities by WIPO are proposed.

1.3 The report has a number of features that make a distinctive contribution to the topic. Whereas most of the initiatives to date have looked at the full range of instances at the PIL and IP interface, this study focuses on one particular instance only – cross-border online IP infringement. While a “cross-border” element is, by definition, present in any case giving rise to PIL issues, those issues can arise in cases not concerned with infringement (e.g. in cases concerned with validity or ownership), and in cases where infringement occurs otherwise than online (e.g. through distribution of tangible products in the off-line environment). The focus of this study on infringement, and on online infringement in particular, has been chosen for a number of reasons. First, infringement is arguably the most important legal issue with respect to any IP right, given that the purpose of the grant of an IP right is to provide the owner with exclusivity over the protected IP. Secondly, online infringement (i.e. infringement that occurs via the Internet) is arguably the most challenging scenario for application of PIL rules to IP, given that it provides the potential for “ubiquitous infringement”.<sup>2</sup>

1.4 Another distinctive contribution of this report is that, whereas most of the analyses of the case law on the interface between PIL and IP to date have been qualitative, this study undertakes analyses that are quantitative as well as qualitative. By including a quantitative analysis, the report is able to identify patterns of behaviour by parties and courts involved in cases concerning PIL and IP issues. This, in turn, enables observations to be drawn about the practical significance and practical consequences of theoretical issues – something previous initiatives undertaking mainly qualitative analyses have not been able to do. A third contribution of this report is that, whereas previous analyses of cases dealing with PIL and IP issues have focussed on the major jurisdictions (especially the US, Europe, Japan), the cases analysed in this study are drawn from many smaller jurisdictions as well from major jurisdictions. By including in the analysis cases from smaller as well as larger jurisdictions, the report is able to offer observations that can be expected to have greater universality in relevance and application.

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<sup>1</sup> See the initiatives identified in section 4(a), below.

<sup>2</sup> See the definition and discussion of ubiquitous infringement at paragraph 3.16, below.

## **(b) Methodology**

1.5 In the second-half of both 2013 and 2014, the WIPO Secretariat administered a questionnaire<sup>3</sup> to experts in 25 countries.<sup>4</sup> The experts were asked to provide “leading court judgments (between three to five cases) in your country, involving private international law aspects in online intellectual property (IP) infringement disputes with cross-border elements”. For each case, the national expert was requested to provide the following information:

1. Case reference
2. Brief summary of the facts of the case
3. Type of IP right (copyright, trademark, patent, etc.) involved
4. Whether the case involved civil or criminal infringement
5. A brief description of the cross-border elements
6. Whether the defendant was the primary infringer or a secondary infringer
7. Whether validity issues were raised
8. Whether applicable law was raised as an issue and/or what law did the court apply
9. Whether provisional measures / preliminary injunctions were issued
10. Remedies sought and granted
11. Whether issues of private international law were sought and/or addressed, either expressly or in an implied manner
12. Whether there were parallel proceedings (within the same or in different jurisdictions)
13. Whether the judgment included orders requiring enforcement in a jurisdiction where the case was not heard; and if so, whether such orders were recognized and enforced in such jurisdiction
14. Whether special private international law considerations were made with respect to the online aspect of the infringement
15. Other relevant facts or comments

1.6 The WIPO Secretariat staff collected each expert’s response to the questionnaire, and communicated it to the author at various times between late 2013 and early 2015. The experts from four countries<sup>5</sup> reported that there were no cases within their jurisdiction addressing PIL issues in online IP infringement with cross-border elements. Responses were not received from five countries.

1.7 In addition to administering the survey, the WIPO Secretariat identified court judgments dealing with PIL issues in cross-border online IP infringement from four other group of courts: the Court of Justice of the European Union, and the national courts in France, the UK and the US. The WIPO staff analysed the identified judgments against the issues contained in the WIPO questionnaire, and the resulting information was sent to the author in late 2013 and in early 2015.

1.8 The empirical data received from the national experts and from the WIPO Secretariat were extracted, categorised and recorded into a spreadsheet, and then reviewed and

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<sup>3</sup> A copy of the Questionnaire is set out at Annex 1.

<sup>4</sup> The countries to which the questionnaire was sent were: Argentina; Australia; Belgium; Brazil; Canada; Chile; China; Colombia; Denmark; Germany; India; Israel; Republic of Ireland; Italy; Republic of Korea; Malaysia; Mexico; The Netherlands; New Zealand; Nigeria; Russian Federation; Singapore; South Africa; Switzerland; and the United Arab Emirates.

<sup>5</sup> The four countries reporting no cases were: Colombia; Nigeria; Singapore; and the United Arab Emirates.

analysed by the author.<sup>6</sup> A total of 57 cases were reported by the national experts in the surveyed countries, and 23 cases were identified by the WIPO secretariat in the reviewed jurisdictions – providing an initial pool of 80 cases. Of those 80 cases, 12 from the surveyed countries and 12 from the reviewed jurisdictions were excluded from the analysis, because they did not unambiguously concern online IP infringement in a cross-border context. A case was excluded if any one of the following conditions were met: it did not concern an IP right,<sup>7</sup> as that concept is defined in this report;<sup>8</sup> it did not concern infringement;<sup>9</sup> or it did not concern online activity.<sup>10</sup>

1.9 Exclusion of the 24 cases that were not unambiguously concerned with cross-border online IP infringement left a set of 56 cases for evaluation – 45 from the surveyed countries, and 11 from the reviewed jurisdictions. Details of these 56 cases are set out in Annex 2. The number of cases from each of the surveyed countries (with reporter named) and the reviewed jurisdictions that make up this set shown below:

<b>SURVEYED COUNTRY (REPORTER)</b>			
Australia (Andrew F. Christie)	2	Italy (Anna Carabelli)	3
Belgium (Alain Strowel)	3	Netherlands (Wolters Wefers Bettink)	3
Brazil (Gabriel Leonardos)	3	New Zealand (Warwick Smith)	3
Canada (Christopher J. Pibus)	3	Republic of Korea (Ik Hyun Seo)	3
Chile (Marcos A. Morales, Rodrigo Velasco Santelices)	1	Switzerland (Jacques de Werra)	4
China (Jacob Chen)	5	<b>REVIEWED JURISDICTION</b>	
Denmark (Knud Wallberg)	1	EU Court of Justice	2
India (Pravin Anand)	6	France	4
Ireland (Alistair Payne)	2	United Kingdom	3
Israel (Jonathan Agmon)	3	United States of America	2

### **(c) Data robustness**

1.10 The 56 cases evaluated in this study are drawn from 19 jurisdictions – 18 countries, and one regional grouping (the European Union). The number of cases per jurisdiction ranged from one to six, with an average of 2.9 and a median of 3. The cases were not randomly selected; rather, they were identified by the experts in the surveyed countries, and by the WIPO secretariat staff, on the basis that they appeared to satisfy the relevant criteria (as elaborated above). While there is the potential for a selection bias in the set of cases that are evaluated in this study, there is reason to believe that likelihood of such bias is small, and that the effect of such bias, if present, is slight. The experts in the surveyed countries were asked to provide information on “between three to five cases”. In only two surveyed countries was the number of reported cases equal to or greater than five.<sup>11</sup> For those surveyed countries in which the reported numbers of cases was less than five, there is a reasonable prospect that those reported cases comprised, as at the date of completion of the survey, most or all of the population of cases concerning PIL issues in cross-border online IP infringement in that country. Thus, there is good reason to believe that the evaluated cases

<sup>6</sup> The author gratefully acknowledges the assistance of Cindy Bors and Fiona Rotstein with the initial analysis of the data.

<sup>7</sup> An example of a case excluded on this basis is one concerned with an action to prevent a breach of privacy.

<sup>8</sup> See the discussion of the different types of IPR in section 2(a)(i), below.

<sup>9</sup> An example of a case excluded on this basis is one concerned with a claim to ownership of an IP right, but not with infringement of it.

<sup>10</sup> An example of a case excluded on this basis is one where the infringement occurred solely in the off-line environment.

<sup>11</sup> Not surprisingly, those two countries were the two most populous of the surveyed countries – China and India.



in the surveyed countries are representative of the population of cases concerning PIL issues in cross-border online IP infringement in those countries. Because the WIPO secretariat staff did not purport to undertake an exhaustive identification of cases in the reviewed jurisdictions, it is not assumed that the identified cases comprise, as at the date of the review, all of the cases concerning cross-border online IP infringement in those jurisdictions. Nevertheless, there is no reason to believe that the cases from the reviewed jurisdictions are not reasonably representative of cases concerning cross-border online IP infringement in those jurisdictions, even if they do not comprise the population of such cases.

1.11 The original terms of reference for the study envisaged the extraction of general principles and approaches for each surveyed country, and the identification of commonalities and differences across those countries. However, the relatively high level of generality at which the cases were reported in the survey responses, together with the small number of evaluated cases per country relative to the number of countries covered and the number of data points captured from the evaluated cases, made comparison of general principles and approaches on a country-by-country basis impractical within the project's time and budgetary constraints, and potentially lacking in robustness. However, by treating the evaluated cases as a single set, it was possible to extract general principles and approaches to PIL issues in cross-border online IP infringement cases that, given the relatively large size and representative nature of the set, can be assumed to be reasonably robust. Accordingly, it is asserted that the conclusions drawn in this report about the approaches to PIL issues in cross-border online IP infringement cases are highly representative of the actual approaches adopted across a wide range of jurisdictions.

## 2. ANALYSIS OF NATIONAL APPROACHES TO PIL ISSUES IN CROSS-BORDER ONLINE IP DISPUTES

2.1 The responses to the questionnaire by the national experts in the surveyed countries, and the information extracted by the WIPO Secretariat from the cases in the reviewed jurisdictions, were aggregated and analysed. This section of the report provides a summary of the aggregated information on an issue-by-issue basis, to identify the general principles and approaches adopted across the various countries.

2.2 The numerous pieces of information obtained from the evaluated cases were grouped into four general issues. The four general issues, and the various sub-issues contained therein, are:

- (a) **Facts:** type of IP right; fact scenario; cross-border elements.
- (b) **Claim:** whether civil or criminal infringement; whether primary or secondary infringement; whether validity in issue; whether parallel proceedings.
- (c) **Orders:** whether provisional measures issued; remedies sought and granted; whether order made for foreign enforcement.
- (d) **Private International Law (PIL) issues:** applicable law; other PIL issues; special PIL considerations for online infringement.

**(a) Facts****(i) Type of Intellectual Property Right**

2.3 The subject matter of the evaluated cases included three traditional intellectual property rights (“IPRs”) and a conglomeration of various non-traditional, quasi-IPRs. The traditional IPRs observed in the evaluated cases are: copyright or related right (including database right); registered trademark; patent. The quasi-IPRs are a group of disparate rights that have the commonality of preventing conduct of one sort or another that, loosely, would be considered misleading in some respect. The rights that have been included in this type of IPR are: the right to prevent commercial disparagement; the right to prevent misleading and deceptive conduct; the right to prevent passing off; the right to prevent unauthorised use of personality; the right to prevent unfair competition; the right to prevent unauthorised use of an unregistered mark. The occurrence in the evaluated cases of each type of IPR is shown in Table 1, below.<sup>12</sup>

**Table 1: Occurrence of IPR Type**

<b>IPR type</b>	<b>Activity prohibited by the right</b>	<b>Occurrence</b>
Registered Trademark	Infringement of a trademark registration	26
Copyright and related rights	Infringement of a copyright or a related right (inc. a database right)	21
Right to prevent misleading conduct	Commercial disparagement; Misleading/deceptive conduct; Passing off; Unauthorised use of personality; Unfair competition; Unauthorised use of unregistered mark	13
Patent	Infringement of a patent	2

2.4 The IPRs that were most commonly the subject of the action for online infringement were a registered trademark and a copyright or related right. Nearly three-quarters (71%) of cases concerned a single IPR type. In the 16 cases concerning more than one IPR type, the most common combination of IPRs was, not surprisingly, of registered trademark and misleading conduct (eight cases).

**(ii) Fact scenario**

2.5 The cases were evaluated to identify the relevant facts, as alleged by the plaintiff. Almost all of the various fact patterns observed in the evaluated cases could be grouped into one of three general types: (i) online marketing of goods or services, using either a registered trademark or unregistered mark in which a reputation exists (“online marketing”); (ii) online distribution of material, being material that is protected by copyright or a related right, such as database right (“online distribution”); and (iii) registration and/or use of a domain name, containing either a registered trademark or an unregistered mark in which a reputation exists (“domain name registration/use”). In addition, two cases concerned infringement of patent by offering, from a website, supply of patented goods. These groupings, and their occurrences in the evaluated cases,<sup>13</sup> are shown in Table 2, below.

<sup>12</sup> Because the evaluated cases sometimes dealt with more than one IPR type, the number of occurrences of each IPR type exceeds the number of cases evaluated.

<sup>13</sup> Because the evaluated cases sometimes dealt with more than one fact scenario, the number of occurrences of each fact scenario exceeds the number of cases evaluated.

**Table 2: Occurrence of Fact Type**

<b>Fact type</b>	<b>Description of claim</b>	<b>Occurrence</b>
Online marketing	Infringement of registered trademark, or engaging in misleading conduct, by use of a mark on a website offering goods or services	29
Online distribution	Infringement of copyright or of related right (inc. database right), by making protected material available from a website	22
Domain name registration/use	Infringement of registered trademark, or engaging in misleading conduct, by registration and/or use of a domain name containing a mark	14
Other	Infringement of patent by offering, from a website, supply of patent-protected goods	2

2.6 The fact types that were most commonly the subject of the action for online infringement were online marketing and online distribution. Not surprisingly, the occurrence of the four fact types closely matched the occurrence of the four related IPR types.

**(iii) Cross-border elements**

2.7 Four general types of cross-border element could be discerned in the evaluated cases: the location of the infringing act; the location of the parties to the case; the location of the infringed IPR; and the location of the damage caused by the infringement. The occurrences of these elements in the evaluated cases are shown in Table 3, below.<sup>14</sup>

**Table 3: Occurrence of Cross-border Elements**

<b>CBE Type</b>	<b>Description of cross-border element</b>	<b>Occurrence</b>
Action location	Act giving rise to infringement occurred outside local jurisdiction	49
Party location	At least one of the parties is domiciled outside local jurisdiction	48
IPR location	Infringed IPR is located outside local jurisdiction	7
Damage location	Infringement caused damage outside local jurisdiction	4

2.8 **Action location:** A cross-border element will be present when the action said to give rise to the infringement takes place outside the local jurisdiction. For the purpose of this report, the location of the action that gave rise to infringement was determined on the basis of the location of the defendant at the time when the relevant action was undertaken by the defendant.<sup>15</sup>

2.9 A very large majority (88%) of the evaluated cases concerned an alleged infringing action undertaken outside the local jurisdiction. Of these 49 cases, the foreign action was

<sup>14</sup> Because the evaluated cases sometimes dealt with more than one cross-border element, the number of occurrences of each cross-border element exceeds the number of cases evaluated.

<sup>15</sup> The location of the defendant was used because, almost invariably, this was identified in the survey response, whereas the location of any equipment used by the defendant, such as computer server, was often not identified. Where the case involved the defendant undertaking an action in jurisdiction A to obtain a registration of a domain name in jurisdiction B, the action giving rise to infringement was regarded as having occurred in both jurisdictions, so as not to lose the foreign element of the case.

the sole alleged infringing action in 37 instances, while in 12 instances the alleged acts of infringement appeared to have both a foreign and a local element.

2.10 The majority of the cases concerning foreign action were of the online marketing fact scenario; of the remainder, the online distribution fact scenario was more prevalent than the domain name registration/use scenario. The large majority of these cases related to a local IPR, and were brought by a local plaintiff against a foreign defendant. In all cases where the alleged infringing action was foreign, the claimed damage was local.

2.11 In the small number of cases where the alleged act that gave rise to infringement was undertaken locally, the case typically concerned the online distribution fact scenario, and was litigated by a foreign plaintiff against a local defendant.

2.12 Cases with both local and foreign actions usually concerned a local IPR, with a roughly equal split of these cases being brought by local and foreign plaintiffs against local and foreign defendants.

2.13 **Party location:** A cross-border element will arise when the domicile of one or both of the parties is outside the local jurisdiction. For the purpose of this report, the determination of the place of domicile was based on a party's residence and nationality. When these factors were conflicting, the party's residence was considered determinative. Foreign businesses that have a local subsidiary were treated as locally domiciled. The occurrence in the evaluated cases of each possible domicile of the parties is shown in Table 4, below.

**Table 4: Occurrence of Party Location**

		Defendant's domicile	
		Local	Foreign
Plaintiff's domicile	Local	8	33
	Foreign	13	2

2.14 In the large majority (86%) of the evaluated cases, at least one of the parties was located outside the local jurisdiction. Of those 48 cases with at least one foreign party, typically it was the defendant that was foreign.

2.15 While the most common scenario (59% of evaluated cases) was a local plaintiff suing a foreign defendant, the converse – a foreign plaintiff suing a local defendant – was also reasonably common (23% of evaluated cases). In only a small number (14%) of cases were both parties local, and in only two cases were both the plaintiff and the defendant foreign.

2.16 Where the plaintiff is local and the defendant is foreign, the most common fact scenarios are online marketing and online distribution (in similar numbers). Where the plaintiff is foreign and the defendant is local, the three most common fact scenarios are represented in roughly equal numbers. Of the small number of cases where both the plaintiff and the defendant are local, the fact scenarios were either online distribution or domain name registration/use, in largely similar numbers. The two exceptional cases, in which both the plaintiff and the defendant were foreign, concerned online marketing using a registered trademark.

2.17 In about half of the cases where the plaintiff is foreign, the IPR is also foreign. These seven cases comprise all of the cases in which the IPR is foreign. That is to say, in all the cases where the IPR is foreign, the plaintiff is also foreign.

2.18 In every case where the alleged infringing action was foreign, the defendant was foreign. In only a very small number (7%) of cases was the location of the parties the *only* apparent cross-border element of the case.

2.19 **IPR location:** A cross-border element will be present where the allegedly infringed IPR is located outside the local jurisdiction (where “local jurisdiction” means the country<sup>16</sup> in which the court hearing the case is located). For the purposes of this report, an IPR is regarded as located outside the local jurisdiction where: (i) in the case of a registered IPR, such as a trademark, it is registered outside the local jurisdiction but not in it; or (ii) in the case of an unregistered IPR, such as a copyright, the copyright subsists outside of the local jurisdiction but not in it (or, at least, no claim for its subsistence inside the local jurisdiction is made). Where the IPR type is the right to prevent misleading conduct, this IPR is regarded as a located within the local jurisdiction, because such a claim is founded upon the existence of a reputation in the local jurisdiction.

2.20 A very large majority (89%) of the evaluated cases concerned local IPRs. Of the seven cases relating to a foreign IPR, six concerned a registered trademark and the other concerned a foreign copyright. It should be noted that of the six foreign trademark cases, three related to the same trademark and were brought by the same plaintiff against the same defendant. The foreign copyright case concerned local enforcement of a foreign judgement.

2.21 **Damage location:** A cross-border element will arise when the damage caused by the alleged infringement is located outside the local jurisdiction. For the purposes of this report, damage was regarded as having occurred outside the local jurisdiction where the evaluated case indicated that the plaintiff had alleged this.

2.22 Almost all (93%) of the evaluated cases were concerned with local damage only. In only four cases did the damage occur in a foreign jurisdiction, and one of those cases concerned enforcement of a foreign judgement for that damage against a local defendant.

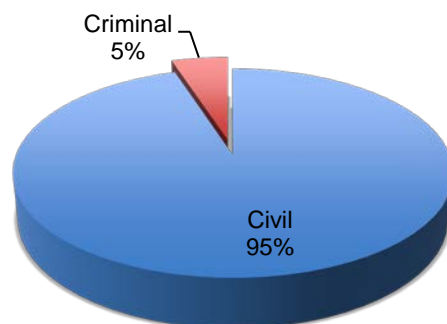
## **(b) Claim**

### **(i) Civil or criminal infringement**

2.23 The cases were evaluated to determine if the infringement claim was civil or criminal in nature. The occurrence of the two types of claim were mutually exclusive. That is to say, all of the evaluated cases concerned only one type of claim; none of the cases were concerned with both types of claim. The occurrence of each type of claim is shown in Figure 1, below.

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<sup>16</sup> In a small number of cases (six), the PIL issues addressed by the court arose in an *intra-country* situation and concerned the application of domestic law concerning the jurisdiction of regional courts. In those cases, “local jurisdiction” means the geographic region of the regional court seized with the case.

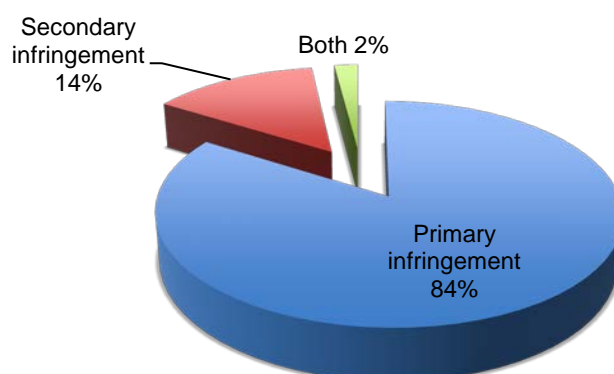


**Figure 1: Occurrence of Civil v Criminal Claims**

2.24 Almost all (95%) of the evaluated cases concerned civil claims for infringement. Only three of the evaluated cases were criminal actions, each of which related to copyright infringement by online distribution.

**(ii) Primary or secondary infringement**

2.25 The evaluated cases were assessed for whether the defendant was alleged to be a primary or a secondary infringer. The occurrence of claims for primary infringement, for secondary infringement, or for both, is shown in Figure 2, below.

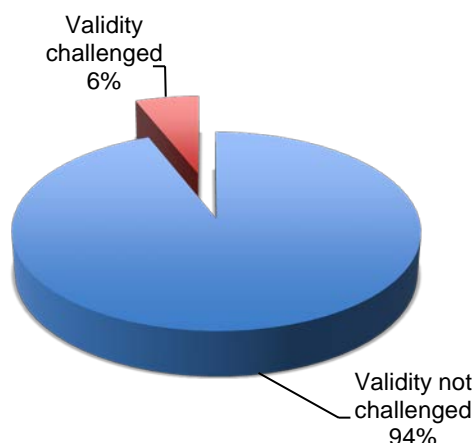


**Figure 2: Occurrence of Primary v Secondary Infringement Claims**

2.26 The large majority (84%) of the evaluated cases dealt with primary infringement only. Of the nine cases concerning secondary infringement (either solely, or together with primary infringement), five cases involved copyright as the IPR type and online distribution as the fact scenario (one of which concerned enforcement of a foreign judgment), three cases concerned a registered trademark and the online marketing fact scenario, and one case related to both of those scenarios. The sole case in which both primary and secondary infringement was alleged concerned an online distribution claim against the defendant as primary infringer for disclosure of the identity of the defendant's service provider who was asserted to be a secondary infringer.

**(iii) Validity of IPR**

2.27 Cases were evaluated to identify whether or not the validity of the IPR was challenged. The occurrence of a challenge to the validity of the IPR is shown in Figure 3, below.

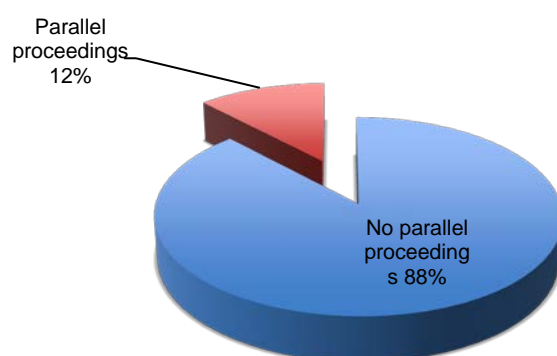


**Figure 3: Occurrence of Challenge to Validity of IPR**

2.28 The defendant challenged the validity of the IPR in only three of the evaluated cases. In two of those cases the challenged IPR was a registered trademark, and in the other it was a patent.

**(iv) Parallel proceedings**

2.29 The evaluated cases were assessed for whether there existed parallel proceedings in a foreign jurisdiction. The occurrence of such parallel proceedings is shown in Figure 4, below.



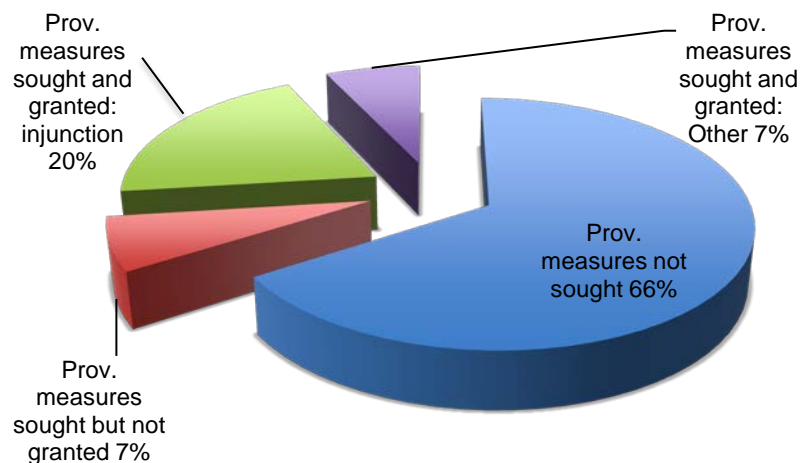
**Figure 4: Occurrence of Parallel Proceedings in a Foreign Jurisdiction**

2.30 The existence of a parallel proceeding in a foreign jurisdiction was not common, occurring in only 12% of the evaluated cases. The seven parallel proceedings were varied in nature: three were equivalent infringement actions by the local plaintiff against the foreign defendant in the defendant's jurisdiction; two were infringement actions resulting in the foreign court order that the plaintiff was seeking to enforce in the local jurisdiction; one was an equivalent infringement action by the foreign plaintiff against the foreign defendant in a jurisdiction in which neither party was domiciled; and one was a negative declaration action (i.e. an action seeking a declaration of non-infringement) brought by the foreign defendant in the defendant's home jurisdiction.

**(c) Orders**

**(i) Provisional measures**

2.31 A variety of provisional measures were sought and granted in the evaluated cases. The occurrence of the seeking and the obtaining of provisional measures, and of the type of provisional measures granted, is shown in Figure 5, below.



**Figure 5: Provisional Measures Sought and Granted**

2.32 Provisional measures were sought in one-third (34%) of the evaluated cases, and were granted in all but four of the cases in which they were sought. In the 15 cases in which a provisional measure was granted, the most common measure was a temporary injunction restraining the behaviour alleged to be an infringement, issued in 11 cases. The measures issued in the other four cases were: appointing an expert to investigate the defendant's actions; requiring the defendant to disclose the identity of an unknown third party; restraining the defendant from transferring a domain name; and restraining the defendant from leaving the country, allowing for police surveillance of the defendant, and requiring disclosure of a password by the defendant.

2.33 In all but two of the cases in which a provisional measure was granted, the plaintiff (or, at least, one of the plaintiffs) was local. The cases in which a provisional measure was granted related to the three IPR types, and involved the three most common fact scenarios, in relatively equal numbers.

**(ii) Remedies**

2.34 A variety of remedies were sought by the plaintiffs in the evaluated cases. The types of remedies sought were: an injunction or other restraining order (other than a preliminary injunction, which was the subject of the question discussed above); damages or other monetary compensation (such as an account of profits); transfer of a domain name; enforcement of a foreign judgement; declaration of jurisdiction; and miscellaneous others (amendment of a website, destruction of materials, appointment of a commissioner, a fine, participation in an education program, imposition of a tariff). Shown below, in Table 5, is the occurrence with which the various remedies were sought, were sought in an action that ultimately succeeded,<sup>17</sup> and were granted.<sup>18</sup>

<sup>17</sup> The category of "sought in an action that ultimately succeeded" is a sub-category of the cases in which the particular remedy was sought, being those cases in which the complaint succeeded (i.e. in which the alleged act



**Table 5: Remedies Sought and Granted**

	<b>Injunction</b>	<b>Damages</b>	<b>Transfer of domain name</b>	<b>Declaration re Jurisdiction</b>	<b>Enforcement of Judgment</b>	<b>Misc. Other</b>
<b>Sought</b>	29	18	8	2	1	7
<b>Sought in successful action</b>	14	7	4	2	1	6
<b>Granted</b>	14	7	4	2	1	5

2.35 The most commonly sought, and obtained, remedies were an injunction, damages, and transfer of a domain name. The scenarios in which each of these remedies was typically granted are described below.

2.36 **Injunction:** The remedy of injunction was typically sought in relation to the online distribution or the online marketing fact scenario (in largely equal measures), in respect of a local IPR, by a local plaintiff, against a foreign defendant. In all cases where the remedy was sought and the action succeeded, the remedy was granted.

2.37 **Damages:** The remedy of damages or other monetary compensation (such as an account of profits) was commonly sought in relation to the online distribution and the online marketing fact scenarios (in largely equal measures), in respect of a local IPR, by a local plaintiff, against either a local or a foreign defendant. In all cases where the remedy was sought and the action succeeded, the remedy was granted.

2.38 **Transfer of domain name:** Self-evidently, the remedy of transfer of a domain name was sought in relation to the domain name registration/use fact scenario (although in a number of these cases a claim for registered trademark infringement, by use of the domain name in relation to a website, was also made). The cases in which this remedy was sought involved a local plaintiff against either a local or foreign defendant (in equally measures). In all cases where the remedy was sought and the action succeeded, the remedy was granted.

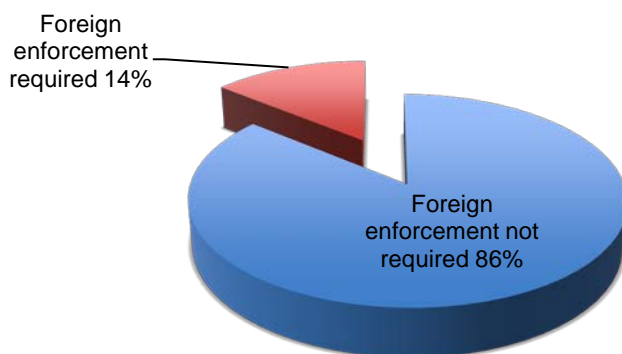
**(iii) Foreign enforcement**

2.39 The cases were evaluated to identify whether the judgment included an order requiring enforcement outside of the local jurisdiction; and, if it did, whether that order was recognized and enforced. The occurrence of an order requiring foreign enforcement is shown in Figure 6, below.

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of infringement was found established). This sub-category has been created so as to observe the frequency with which a sought remedy is granted when the claim is successful.

<sup>18</sup> Because the plaintiffs in the evaluated cases often sought more than one remedy, the number of occurrences of each remedy, both sought and granted, exceeds the number of cases evaluated.



**Figure 6: Whether Foreign Enforcement of Judgment Required**

2.40 Foreign enforcement of the local judgment was required in only a small number (14%) of cases – five concerning websites (where the ordered remedy was takedown of the website, or removal of specific content on the website, by the host); and three concerning domain names (where the ordered remedy was transfer of the domain name to the plaintiff). In seven of those eight cases, the IPR and the plaintiff were local, and the defendant was foreign (being located in the jurisdiction in which foreign enforcement was ordered – or, in one instance, untraceable). In the other case, the IPR and the plaintiff were foreign (both being located in the jurisdiction in which foreign enforcement was ordered), and the defendant local. It appears that foreign enforcement was achieved in at least seven of the eight cases.

2.41 The cases were also evaluated to identify whether the action was for local enforcement of a foreign judgment. This issue is considered separately in a following section.<sup>19</sup>

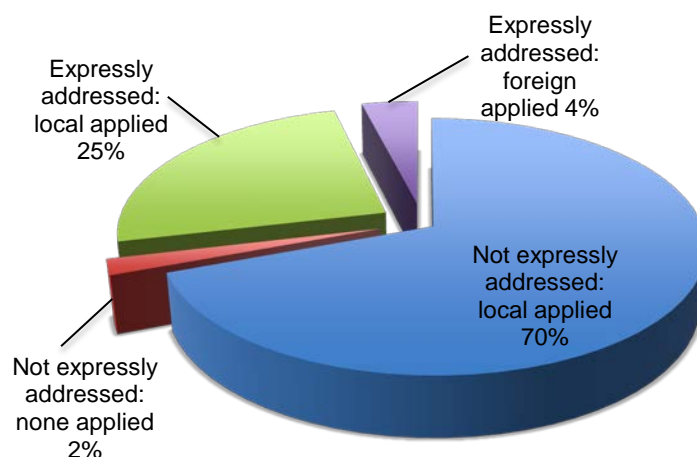
**(d) PIL issues**

2.42 The cases were evaluated on three related matters: (i) whether applicable law was raised as an issue, and which law was applied by the court; (ii) whether other PIL issues were raised and/or addressed, either expressly or by implication; and (iii) whether special PIL considerations were made with respect to the online aspect of infringement. It must be noted that some of the survey responses appeared to conflate the issue of applicable law with the issues of whether the court found it had jurisdiction to deal with the claim before it and/or whether special considerations were made with respect to the online aspect of infringement. Further, some of the survey responses were silent on whether special PIL considerations were made with respect to the online aspect of the infringement, even though the response on whether the court expressly considered the issue of jurisdiction suggested that such considerations may have occurred. As a consequence, for a number of the evaluated cases it was difficult to identify with certainty what were the separate positions on the three PIL matters. Accordingly, the robustness of the analysis immediately below should be treated with some caution.

**(i) Applicable law**

2.43 The occurrence with which the issue of applicable law was addressed by the court, and the law applied by the court, in the evaluated cases are shown on Figure 7, below.

<sup>19</sup> Section 2(d)(ii) (“Other PIL issues – enforcement of foreign judgment”).



**Figure 7: Whether Issue of Applicable Law Addressed, and the Law Applied, by Court**

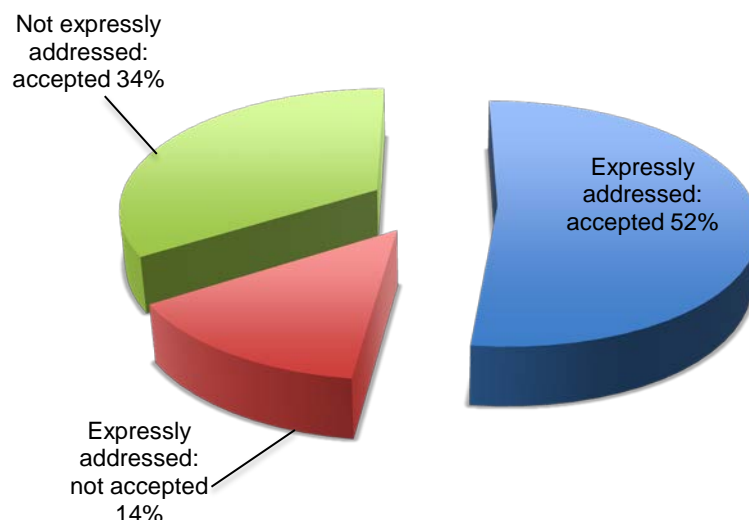
2.44 The issue of applicable law was expressly addressed in just over one-quarter (29%) of cases. Of the 16 cases directly addressing the issue, local law was identified as the applicable law, and was applied, in 14 of them. In the two cases where foreign law was identified as the applicable law, it was applied in one case, but not applied in the other case due to the court declining to accept jurisdiction over the matter. In the one case in which the law applied was foreign, the particular law in issue was “unjust enrichment” and the law applied was that of the US.

2.45 In all but one of the 40 cases in which the issue of applicable law was not directly addressed, it appears that the court simply assumed that the applicable law was local law. In the exceptional case, the issue was not addressed because the court found it did not have jurisdiction over the matter and thus did not need to decide the issue. Overall, the applicable law was local law in almost all (95%) of the evaluated cases.

**(ii) Other PIL issues**

2.46 Two-thirds (66%) of evaluated cases expressly considered issues of PIL other than applicable law. In all but three of those 37 cases, the PIL issue was whether the court had jurisdiction to hear the claim for infringement. Two of the exceptional cases concerned the issue of whether a foreign judgment should be enforced in the local jurisdiction; the other concerned the issue of whether a preliminary order could be made against a foreign defendant prior to the issue of jurisdiction being determined.

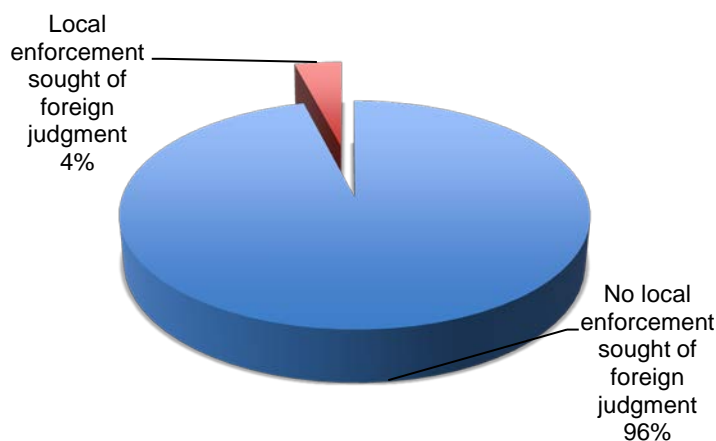
2.47 **Jurisdiction:** The occurrence with which the issue of jurisdiction was expressly addressed by the court, and the court’s decision on the issue, in the evaluated cases is shown in Figure 8, below.



**Figure 8: Whether Issue of Jurisdiction Addressed, and Whether Jurisdiction Accepted, by Court**

2.48 The issue of jurisdiction was expressly addressed in the two-thirds (66%) of evaluated cases. Of the 37 cases where the issue of whether the court had jurisdiction was expressly considered, the outcome was a finding of jurisdiction in nearly four-fifths (78%) of them. All but two of the eight exceptional cases where jurisdiction was denied concerned a claim for registered trademark infringement by online marketing; the other two exceptional cases concerned misleading conduct and copyright infringement, respectively.

2.49 **Enforcement of foreign judgment:** The occurrence of evaluated cases concerned with local enforcement of a foreign judgment is shown in Figure 9, below.



**Figure 9: Whether Local Enforcement Sought of Foreign Judgment**

2.50 In only two of the evaluated cases was local enforcement of a foreign judgment sought. In those two cases, the judgment was of a US court, the plaintiff was foreign (US), the defendant was local, and the infringing action location was local. In both cases, the local court enforced the foreign judgment.

**(iii) Special PIL considerations for online infringement**

2.51 Special PIL considerations appear to have been made with respect to the online aspect of the infringement in 18 cases, being one-third (32%) of all the evaluated cases, and just over one-half (53%) of the evaluated cases that expressly addressed any PIL issue. In

all but two of the 18 cases, the fact scenario was either online marketing (9 cases) or online distribution (7 cases); the two exceptional cases concerned domain name registration/use. Also, in all but two of the 18 cases, the action giving rise to infringement was foreign.

2.52 In each of the 18 cases in which special PIL considerations for online infringement appear to have been made, the relevant PIL issue was whether the court had jurisdiction. The special consideration adopted in these cases tended to be one of two general, and largely mutually exclusive, types – the “targeting” approach, and the “accessibility” approach – each of which is elaborated below.

2.53 **Targeting approach:** The targeting approach was observed mainly in those cases concerned with online marketing – and, in particular, in those cases in which a trade mark (registered or unregistered) was used on a website that had been established outside the jurisdiction by a foreign defendant. Under the targeting approach, the court resolved the issue of whether it had jurisdiction to hear the case by determining whether the defendant's use of the trademark was targeting local consumers. Where targeting had occurred, the court assumed jurisdiction. Factors relevant to the showing that local consumers had been targeted included the language of the website and the domain name from which the website resolved. Targeting was considered to be present where the language of the website was the language of the country, and/or where the extension of the domain name was the country-code Top Level Domain (ccTLD) of the jurisdiction.

2.54 **Accessibility approach:** The accessibility approach was observed mainly in those cases concerned with online distribution – and, in particular, in those cases in which material protected by copyright (or a related right) was present on a website that had been established outside the jurisdiction by a foreign defendant. Under the accessibility approach, the court resolved the issue of whether it had jurisdiction to hear the case by determining whether the material was accessible to local consumers. Where the material was accessible locally, the court assumed jurisdiction. Since none of the evaluated cases involved geo-blocking of access to a website, it was invariably the situation that local consumers could access the copyright material on the foreign website – and so, typically, the court found it had jurisdiction to hear the case.

#### **(e) Summary – typical cross-border online IP infringement case**

2.55 The above data show that a *typical* cross-border online IP infringement case will have the following features. The case will concern either online marketing using a registered trademark or an unregistered mark in which a reputation exists, or online distribution of material in which copyright or a related right subsists. It will be brought by a local plaintiff against a foreign defendant, in relation to a foreign action that has caused local damage to a local IPR. The case will be a civil action, brought against the defendant as the primary infringer, in which the validity of the IPR is not challenged, and for which there are no parallel proceedings in other jurisdictions. The plaintiff will be seeking the remedies of injunction and damages, to be enforced locally. The court will expressly consider whether it has jurisdiction to hear the case, will find that it does, and in doing so will have resolved the issue by considering whether local consumers have been targeted (in online marketing cases) or whether local consumers can access the material (in online distribution cases). The court will apply local law, without expressly considering whether the law of some other country should apply instead.

### **3. OBSERVATIONS ON THE INTERFACE BETWEEN PIL AND CROSS-BORDER ONLINE IP INFRINGEMENT**

3.1 This section of the report identifies and discusses the major findings disclosed by the analysis, undertaken in the preceding section, of the data extracted from the evaluated cases.

#### **(a) Types of IPRs**

3.2 The evaluated cases concerned only three general types of legal right, two of which are standard IPRs (copyright or related right, including database right; registered trademark), and one of which is a quasi-IPR (a conglomeration of rights to prevent misleading conduct). Of the other standard IPRs, only patent was the subject of any of the cases (and then, only in two cases), while registered design right did not feature in any case.

3.3 The observation that it is rare for a cross-border online infringement action to concern a patent right is noteworthy, but not particularly surprising. A patented invention may be embodied in either of two ways: as a physical product, or as a process/method. Although it is not impossible to envisage, it is self-evidently unlikely for patent infringement of a process/method to be a common occurrence in the online environment. The more likely form of patent infringement in the online environment will be unauthorised online marketing of a patented product. However, this form of infringement is not likely to be as common as online copyright or trademark infringement, given the much smaller number of products protected by patents compared with the amount of material protected by copyright and the number of marks protected by trademark registration.<sup>20</sup> The position appears to be the same regarding registered design infringement. While it is possible to conceive of how a registered design could be infringed in the online environment – namely, by offering for sale from a website products infringing the design – such infringement is not likely to be as common as online copyright or trademark infringement, given the comparatively much smaller number of designs protected by design registration.<sup>21</sup>

3.4 In conclusion, the data indicate that the interaction of PIL principles with cross-border online IP infringement most commonly arises in respect of actions for registered trademark infringement, for copyright or related rights infringement, or to prevent misleading conduct. The need to consider PIL issues in cross-border online infringement cases concerning patents or registered designs will be rare.

#### **(b) Fact scenarios**

3.5 The evaluated cases almost always concerned a fact scenario that was one of three general types: online marketing using either a registered trademark or an unregistered mark in which a reputation exists; online distribution of copyright or related rights material; and registration and/or use of a domain name containing either a registered trademark or an unregistered mark in which a reputation exists.

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<sup>20</sup> The estimated number of patents (for both products and processes/methods) in force in 2012 was 8.66 million, which is only about one-third of the more than 24 million registered trademarks known to be in force at that date: WIPO, *World Intellectual Property Indicators – 2013 edition*, at 82 and 133, available at <http://www.wipo.int/ipstats/en/wipi/>. While it is not possible to estimate the number of copyright-protected subject matters in force, it is incontrovertible that the number is vastly greater than the number of granted patents or registered trademarks, given the wide range of material protected by copyright and the absence of a registration requirement for subsistence of copyright protection.

<sup>21</sup> The estimated number of design registrations in force in 2012 was 2.71 million: WIPO, *World Intellectual Property Indicators – 2013 edition*, footnote 20 above, at 161.

3.6 The fact that there are only three general fact scenarios into which almost every case of cross-border online IP infringement fits is notable, but it is not surprising given that the evaluated cases were selected on the basis that they concerned “online infringement”. As those cases demonstrate, there is only a small number of ways in which an IPR can be infringed online.

3.7 In conclusion, the data indicate that the interaction of PIL principles with cross-border online IP infringement most commonly arises in respect of only a small number of clearly-defined fact scenarios: use of the IPR on a website or in a domain name.

### **(c) Cross-border elements**

3.8 A third notable feature of the evaluated cases is that they most commonly contained two particular types of cross-border element: a foreign location of the alleged infringing action, and a foreign location of one or both of the parties (with the latter hardly ever being the only cross-border element to a case). The cross-border elements of foreign IPR and of foreign damage, while not unknown in the cases, are not commonly observed in them. In the rare cases involving foreign IPR, the IPR is almost invariably a registered trademark and the plaintiff is foreign. Overall, the most common combination of cross-border elements observed in the evaluated cases was a local plaintiff suing a foreign defendant for a foreign act causing local damage.

3.9 The observations that there is rarely reliance on a foreign IPR, and that when there is a foreign IPR it is usually a registered trademark, is noteworthy but not particularly surprising. Self-evidently, a registered trademark must be registered – which means this type of IPR can be allocated a definitive “location” with certainty. The position with respect to a copyright (or a related right, such as a database right) is less clear-cut. Because there is generally no requirement for registration of copyright,<sup>22</sup> the concept of allocating a “location” to a copyright is not straightforward. Furthermore, the arising of a copyright right in one country will generally result in the arising of that copyright right in most other countries.<sup>23</sup> As a result, most of the time there will be no need for a plaintiff in the local jurisdiction to rely on a foreign copyright, since an equivalent local copyright will exist. Where the IPR is the right to prevent misleading conduct, the IPR is to be regarded as a located within the local jurisdiction, because such a claim is founded upon the existence of a reputation in the local jurisdiction.<sup>24</sup> Thus, it is to be expected that almost all cases involving foreign IPR will be concerned only with a registered trademark.

3.10 In conclusion, the data show that the interaction of PIL principles with cross-border online IP infringement most commonly arises where the substantive cross-border element is that the alleged infringing action was undertaken in a foreign jurisdiction by a foreign defendant.

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<sup>22</sup> While no country that is a member of the Berne Union requires registration as a precondition to subsistence of copyright protection, a number of countries do permit voluntary registration (for evidentiary purposes) and at least one country (the US) requires registration of locally-owned copyright as a precondition to bringing an infringement action and to obtaining statutory damages.

<sup>23</sup> This is because, in simple terms, where copyright over a particular subject matter arises in a country that is a member of the Berne Union, copyright over that subject matter will generally arise in all other countries that are members of the Berne Union.

<sup>24</sup> See section 2(a)(iii) above (“Cross-border elements – IPR location”).

#### (d) Types of claims

3.11 The evaluated cases almost always concerned civil claims, for primary infringement, in which the defendant did not challenge the validity of the IPR. Very rarely was there a parallel proceeding in another jurisdiction.

3.12 The observed rarity of criminal actions is not surprising. As a general rule, criminal proceedings require a higher standard of proof than civil claims, and so it is likely that plaintiffs are inclined to prefer to bring civil claims rather than criminal claims when seeking redress for cross-border online IP infringement. The low frequency of criminal claims may also be due to the well-established and largely universal principle that the courts of one country will not enforce the penal laws<sup>25</sup> of another country.<sup>26</sup> So, it would not be expected that cases in which the law allegedly breached is the criminal law would be brought in a foreign jurisdiction.

3.13 The observed high prevalence of actions for primary infringement is noteworthy. There are a number of possible reasons for this prevalence, including: (i) domestic legislation tending to prescribe secondary infringement more narrowly than primary infringement, thus making a secondary infringement case harder to establish; (ii) the strategic preference of plaintiffs to target primary infringers; and (iii) the number of secondary infringers is smaller than primary infringers, since every case of infringement must involve a primary infringer, but not every case of infringement involves a secondary infringer.

3.14 The observed rarity of actions in which the validity of the IPR is put in issue is also noteworthy. The fact that validity challenges occurred only in cases concerning trademark and patent disputes is not surprising. The other IPR types (i.e. copyright and related rights, and misleading conduct) do not require registration, and so are not subject to an examination process to determine if the requirements for validity are met. This means that the non-registered IPRs are not, strictly, subject to a challenge to the right's "validity". Where the validity of a non-registered IPR is put in issue, the challenge is to the very subsistence of the right (such as, for example, a challenge to whether the material is capable of obtaining copyright protection, or to whether a reputation exists in the unregistered mark). Accordingly, it is only to be expected that the cases in which the defendant challenged the validity of the IPR are cases concerning registered IPRs.

3.15 It is, nevertheless, noteworthy that in only a very small minority of registered IPR cases was the validity of the IPR challenged; and, that in most of those cases the challenged IPR was local. This suggests that defendants are generally disinclined to challenge the validity of a foreign registered IPR – perhaps because of an expectation that the local court will be disinclined to find it has jurisdiction over such a challenge.

3.16 The observed rarity of parallel proceedings is worth highlighting. Cross-border online IP infringement of the types represented in the evaluated cases can be seen as instances of "ubiquitous infringement". Although there is no universally agreed definition of this term,<sup>27</sup> it

<sup>25</sup> A penal law includes both a crime in the strict sense and "all breaches of public law punishable by pecuniary mulct or otherwise, at the instance of the state government, or someone representing the public": *Huntington v. Attrill* [1893] AC 150, at 156.

<sup>26</sup> See, e.g., *Williams & Humbert Ltd v. W&H Trade marks (Jersey) Ltd* [1986] AC 368, at 428; *Derby & Co Ltd v. Weldon (No 6)* [1990] 1 WLR 1139, at 1154.

<sup>27</sup> See Toshiyuki Kono and Paulis Jurčys, 'General Report', in Toshiyuki Kono (ed.), *Intellectual Property and Private International Law: Comparative Perspectives* (2012, Hart, Oxford and Portland, Oregon), at 153.



is generally considered to include IP infringements undertaken using the Internet,<sup>28</sup> since use of an IPR on a website or in a domain name can have effect everywhere that the website or domain name is accessible. It is perhaps surprising, therefore, to observe that the ubiquitous nature of the infringement generally did not result in the plaintiff commencing proceedings in multiple jurisdictions. There would appear to be two possible reasons for this – either a parallel action is impractical, or a parallel action is unnecessary. While there is nothing in the data that provides support for or against the first possibility, the data on foreign enforcement of the judgment (discussed immediately below) may be seen as providing support for the second possibility.

3.17 In conclusion, the data show that the interaction of PIL principles with cross-border online IP infringement most commonly arises in relation to a civil claim, for primary infringement, in which the validity of the IPR is not challenged, and for which there are no parallel proceedings.

#### **(e) Types of orders**

3.18 The plaintiffs in the evaluated cases typically sought an injunction and damages, but generally not a preliminary measure. Foreign enforcement of the local judgment was rarely sought – although when it was, it was usually achieved.

3.19 The observation that an order for foreign enforcement is rarely sought is not surprising, once it is recalled that the most common combination of cross-border elements of the evaluated cases is that the act of alleged infringement occurred outside the jurisdiction, by a defendant located outside the jurisdiction, causing local damage. From these features, it can be seen that the most common type of cross-border case is one where the plaintiff is seeking redress for local damage caused by a foreign action. In such a situation, there will be no need for the plaintiff to request enforcement of the order outside the local jurisdiction, because the case being brought will provide the necessary redress. Indeed, it can be seen that this particular type of case is being brought precisely because it is an alternative to bringing the case in the (foreign) location of the alleged infringing action and then seeking (foreign) enforcement of that court order in the local jurisdiction. When considered together with the fact that parallel proceedings are rarely brought, this suggests that plaintiffs can achieve most, if not all, of what they desire by bringing an action in their local jurisdiction and obtaining enforcement of the remedy there.

3.20 In conclusion, the data show that the interaction of PIL principles with cross-border online IP infringement most commonly arises in the situation in which the plaintiff is seeking the grant of an injunction and/or an award of damages, both of which are to be enforced locally.

#### **(f) PIL issues**

3.21 The law applied by the court in the evaluated cases was almost always the law of the local jurisdiction – about three-quarters of the time because it was assumed to be so, and the rest of the time because it was expressly found to be so. A significant majority of the cases expressly addressed a PIL issue other than applicable law. Almost always that other issue was whether the court had jurisdiction to hear the case; and almost always the court's conclusion on that issue was that it did. Of those cases that expressly addressed the issue of jurisdiction, special consideration to the online aspect of the infringement was given in

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<sup>28</sup> See, e.g., American Law Institute, *Intellectual Property: Principles Governing Jurisdiction, Choice of Law and Judgments in Transnational Disputes* (Chestnut, ALI Publishers, 2008), comment on § 321, which discusses “cases of ubiquitous infringements, such as distribution of a work on the Internet”.

nearly two-thirds of them. Where special consideration was given, it tended to involve the court adopting one of two approaches to the determination of whether it had jurisdiction over the case: the targeting approach or the accessibility approach. The adoption of a particular approach to determining jurisdiction was strongly associated with the fact scenario of the case – the targeting approach was adopted predominantly in cases concerning online marketing using a trademark, while the accessibility approach was adopted predominantly in cases concerning online distribution of copyright material.

3.22 The observation that the applicable law is almost always local law is noteworthy, but is not particularly surprising once account is taken of the fact that the cross-border online infringement cases evaluated in this study typically involved a local IPR and the court almost invariably found it had jurisdiction over the case. Given the territorial nature of IPRs, it is only to be expected that a claim for infringement of a local IPR will be determined by a local court applying local law.

3.23 The observation that in a significant majority of cases the court expressly addresses the issue of jurisdiction, and in doing so almost invariably finds that it has jurisdiction, is noteworthy and important. As noted above, the cross-border online infringement cases evaluated in this study typically involved a local plaintiff suing a foreign defendant for a foreign act that gave rise to infringement of a local IPR. Despite the fact that neither the location of the defendant nor the location of the act giving rise to infringement was local, the courts generally accepted jurisdiction over claim. The basis on which they did so appears to be the special consideration that was given to the online nature of the infringement.

3.24 The observation that where special consideration was given to the online nature of the infringement, the approach adopted was strongly associated with the fact scenario of the case, is significant. It indicates that the court is primarily concerned to ascertain whether all the elements of the cause of action for the particular IPR infringement alleged have been established – that is, whether it can be said that the act of infringement has occurred locally.

3.25 Because the essence of the exclusive rights in relation to a trademark (whether registered or unregistered) includes the right to use the trademark for marketing purposes, it is to be expected that the cause of action for infringement of a trademark requires use of the trademark in a marketing manner. The targeting approach to determining jurisdiction in the online marketing scenario is consistent with this understanding. Under that approach, there is no marketing use (and hence no infringement in the jurisdiction) of the trademark merely by virtue of the trademark appearing on a foreign website that is accessible to local consumers; rather, there is only a marketing use (and hence infringement in the jurisdiction) of the trademark when local consumers have been targeted as intended purchasers of the goods or services being offered from the foreign website.

3.26 The situation is different where the alleged infringement is of copyright (or a related right) by virtue of online distribution of protected material. Because the essence of the exclusive rights in relation to material protected by copyright (or a related right) includes the right to publicly distribute the material, it is to be expected that the cause of action for infringement of copyright (or a related right) is satisfied simply by making the material available. The accessibility approach to determining jurisdiction in the online distribution scenario is consistent with this understanding. Under that approach, there is availability (and hence infringement in the jurisdiction) of the protected material when the material on a foreign website is accessible by local consumers.

## 4. CONCLUSION

4.1 This section concludes the report by providing an overall assessment of the current and future landscape in relation to the interaction of PIL principles with cross-border online IP infringement. It does so by assessing previous and current initiatives with respect to the interface of PIL and IP law, identifying any potential shortcomings with those initiatives in light of the findings from the analysis of the evaluated cases, and suggesting possible directions for future activities by WIPO in relation to the PIL and IP interface.

### (a) Previous and current initiatives

4.2 Following the suspension of the Hague Judgments Convention project in 2003,<sup>29</sup> there have been a significant number of initiatives in the area of PIL and IP. Five of these initiatives led to the production of principles regarding jurisdiction, choice of law, and recognition and enforcement of judgments in IP disputes: (i) the 2007 American Law Institute principles (“ALI Principles”);<sup>30</sup> (ii) the 2009 Transparency of Japanese Law principles (“Transparency Principles”);<sup>31</sup> (iii) the 2010 Korean Private International Law Association principles (“KOPILA Principles”);<sup>32</sup> (iv) the 2010 Private International Law Association of Korea and Japan principles (“Joint JK Principles”);<sup>33</sup> and the 2011 European Max Planck Group on Conflict of Laws in Intellectual Property principles (“CLIP Principles”).<sup>34</sup>

4.3 A sixth initiative was a comparative study, prepared for the 2010 Congress of International Academy of Comparative Law, on the topic ‘Intellectual property and private international law’. The study consisted of a questionnaire containing 12 hypothetical case studies, distributed to national reporters from 20 countries (of which half overlapped with the countries considered in this report). The results of this study were published in a book in 2012.<sup>35</sup>

4.4 A seventh initiative is one that is currently being undertaken by the International Law Association’s Committee on Intellectual Property and Private International Law. The Committee, which was established in November 2010, is drafting guidelines (“ILA Guidelines”), the aim of which is “to provide a set of recommendations to promote a more efficient resolution of cross-border IP disputes and provide a model for national and international legislative initiatives”.<sup>36</sup> To date, the Committee has held five meetings<sup>37</sup> and

<sup>29</sup> See Hague Conference on Private International Law, ‘The Judgments Project – response to the preliminary draft Convention’, available at [http://www.hcch.net/index\\_en.php?act=text.display&tid=152](http://www.hcch.net/index_en.php?act=text.display&tid=152).

<sup>30</sup> The American Law Institute, *Intellectual Property: Principles Governing Jurisdiction, Choice of Law and Judgments in Transnational Disputes* adopted May 14, 2007 (Chestnut, ALI Publishers, 2008), available at <http://www.wipo.int/wipolex/en/details.jsp?id=7687>.

<sup>31</sup> *Transparency Proposal on Jurisdiction, Choice of Law, Recognition and Enforcement of Foreign Judgments in Intellectual Property* finalised in 2009, in Jürgen Basedow, Toshiyuki Kono and Axel Metzger (eds), *Intellectual Property in the Global Arena* (Mohr Siebeck 2010).

<sup>32</sup> Korean Private International Law Association, *Principles on International Intellectual Property Litigation* approved March 26, 2010.

<sup>33</sup> Private International Law Association of Korea and Japan, *Principles of Private International Law on Intellectual Property Rights* adopted October 14, 2010, available at <http://www.win-cls.sakura.ne.jp/pdf/28/08.pdf>

<sup>34</sup> European Max Planck Group on Conflict of Laws in Intellectual Property, *Principles on Conflicts of Laws in Intellectual Property* finalised December 1, 2011, available at <http://www.cl-ip.eu/en/pub/home.cfm>.

<sup>35</sup> Kono (ed.), footnote 27 above.

<sup>36</sup> International Law Association, ‘Washington Conference (2014), Intellectual Property and Private International Law Committee’, at 2, available at <http://www.ila-hq.org/download.cfm/docid/33B8054F-F87D-4433-A1DC108BF6A08B68>.

<sup>37</sup> International Law Association, ‘5th meeting of the Committee on IP and Private International Law held at WIPO in Geneva’, available at <http://www.ila-hq.org/en/news/index.cfm/nid/4A481FF1-EF8D-4788-AAAD7266B02EADFF>.

has conducted a number of studies comparing the five sets of principles on a number of matters.<sup>38</sup>

4.5 An eighth initiative is the resumption of work by the Hague Conference on Private International Law on the Judgments Convention ('Hague Judgments Convention'). In 2011, the Council of the Hague Conference decided to convene an Expert Group to assess the possible merits of resuming the Hague Judgments Convention project. The Expert Group subsequently decided to re-launch the project at two different levels: (i) elaboration of draft proposals in the areas of recognition and enforcement of judgments; and (ii) examination of whether the earlier proposals with regard to the jurisdiction rules could be brought back on the negotiations table. IP matters were expressly stated to be within the scope of the new project.<sup>39</sup> The Working Group on the Hague Judgments Convention project has since met four times, and has produced a common draft text setting out a possible architecture and draft provisions of a future Convention on the criteria and the procedure for the recognition and enforcement of judgments.<sup>40</sup> That draft text includes provisions that would apply the future Convention to judgments on IP infringements, including infringements of registered IPRs.<sup>41</sup>

#### **(b) Potential shortcomings with initiatives**

4.6 The previous and current initiatives are notable for their comprehensiveness and their detail, both individually and in aggregate. With five complete sets of principles for the application of PIL rules to IP already finalised (jointly 'the Principles'), a set of guidelines seeking to unify the Principles under development, and the Hague Conference working towards a future Convention on the recognition and enforcement of judgments, there is likely to be limited, if any, lacunae in the initiatives concerning the application of PIL rules to IP disputes. There may, nevertheless, be shortcomings with these initiatives, as explained below.

4.7 One potential shortcoming is that the initiatives of developing the ILA Guidelines and the future Hague Judgments Convention are likely to be drawn-out. The number of PIL issues under consideration within the ILA Guidelines is wide, and their inherent complexity is great. Although the Hague Judgments Convention project has a narrower remit, the challenges of obtaining international agreement on the recognition and enforcement of IP infringement judgments should not be underestimated.

4.8 Another, more substantive, potential shortcoming is the fact that the Principles and the ILA Guidelines descend into substantial detail. While this degree of detail is no doubt very valuable when judged from an academic perspective, when judged from a practical perspective there is the potential that the level of detail is so great it will ultimately prevent the Principles and the ILA Guidelines from achieving their primary objective – which is to increase the efficiency of transnational IP dispute resolution.<sup>42</sup> This objective of efficiency has at least two components: reducing cost, and reducing uncertainty. The proponents of the Principles and the ILA Guidelines expect they will contribute to reducing cost by, among

<sup>38</sup> See International Law Association, footnote 36 above, at 2.

<sup>39</sup> See International Law Association, footnote 36 above, at 12.

<sup>40</sup> Hague Conference on Private International Law, 'Report of the Fourth Meeting of the Working Group on the Judgments Project (3-6 February 2015) and Preliminary Draft Text Resulting from the Meeting', available at [http://www.hcch.net/upload/wop/gap2015pd07b\\_en.pdf](http://www.hcch.net/upload/wop/gap2015pd07b_en.pdf).

<sup>41</sup> See, e.g., Hague Conference on Private International Law, footnote 40, above, draft Article 5(3)(h), which indicates that the future Convention would apply to a judgment on infringement of registered IP rights so long as "the judgment ... was rendered by a court in the State in which the deposit or registration of the right concerned has taken place".

<sup>42</sup> See generally Kono and Jurčys, footnote 27 above, at 18.

other things, allowing multi-state IP disputes to be brought in a limited number of fora, and preferably in a single forum. The proponents also expect that the Principles and the ILA Guidelines will contribute to reducing uncertainty by, among other things, harmonising the PIL rules on which parties will base their case when litigating, and on which national courts will base their determination when adjudicating, a multi-state IP dispute. Given the detailed and complex provisions contained in the Principles and the ILA Guidelines, both of these expectations merit questioning, for at least five reasons.

4.9 First, the litigating parties and their legal representatives (and, perhaps, the judicial officers in courts in which they litigate) may simply be ignorant of the opportunity to apply the Principles or the ILA Guidelines in an IP dispute with a cross-border element. As De Boer, when talking about the issue of applicable law, points out, “the average citizen, lacking experience in dealing with multistate legal problems, is not very sensitive to the problems and solutions ... [and so] the problem as such escapes him”.<sup>43</sup> Trimble agrees, and extends that likely ignorance to the parties’ legal representatives: “Perhaps the most mundane reason for the low frequency of copyright cases that raise choice-of-law issues is that the issues do not seem to be recognized by many clients or their counsel”.<sup>44</sup> It seems reasonable to conclude that a similar lack of awareness may well be present in many of the judges of the national courts in which the parties litigate, especially courts of first instance. Accordingly, the extent to which the Principles and the ILA Guidelines will be applied in practice may be very low.

4.10 Secondly, even where the parties and their representatives (and the judges) are aware of the opportunity to apply the Principles or the ILA Guidelines in an IP dispute with a cross-border element, doing such may significantly increase the time taken to conduct the case. This is likely to be especially true in respect of those issues where the relevant provision calls for consideration and weighing of various factors. Consider, for example, §321 of the ALI Principles,<sup>45</sup> which requires a court, when determining the issue of applicable law in relation to an ubiquitous infringement, to establish the state with the closest connection to the dispute as evidenced by, *inter alia*, where the parties reside, where the parties’ relationship is centered, the extent of the activities and the investment of the parties, and the principal markets towards which the parties directed their activities. Leading evidence about, and undertaking the weighing of, those factors will invariably add to the length of the case. As Trimble notes, “the inclusion of claims under multiple countries’ laws puts additional pressure on resources that the parties must expend in litigation”, with the result that it “complicates and prolongs the proceedings”.<sup>46</sup>

4.11 Thirdly, a plausible argument can be made that some of the provisions in the Principles and the ILA Guidelines will actually *increase* uncertainty rather than decrease it, at least when the issue being addressed requires an *ex ante* determination. Consider, again, the example of the rule for determining the applicable law in an ubiquitous infringement scenario. The ALI Principles, the CLIP Principles, the KOPILA Principles and the Joint JK Principles each set out a rule of “closest connection”. As Matulionytė notes, this rule “provides very little legal certainty and foreseeability, if any at all”.<sup>47</sup> This is highly problematic to online users, especially good faith e-commerce service providers, who need

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<sup>43</sup> Th. M. De Boer, ‘Facultative choice of law: the procedural status of choice-of-law rules and foreign law’, in 257 *Recueil des cours*, 223, at 285 (1996, The Hague Academy of International Law).

<sup>44</sup> Marketa Trimble, ‘The Multiplicity of Copyright Laws on the Internet’, [2015] 25 *Fordham Intellectual Property, Media and Entertainment Law Journal*, 339, at 391.

<sup>45</sup> ALI Principles, footnote 30, above.

<sup>46</sup> Trimble, footnote 44, above, at 394.

<sup>47</sup> Rita Matulionytė, ‘IP and Applicable Law in Recent International Proposals: Report for the International Law Association’, (2012) Vol. 3, Issue 3 *Journal of Intellectual Property, Information Technology and Electronic Commerce Law* 263, at para. 144.

to know, in advance, which law governs their online conduct. Under the proposed rule, “it is almost impossible for them to foresee what law will be in closest connection to the conduct”.<sup>48</sup> The alternative to the “closest connection” approach, the “maximum results” rule that is set out in the Transparency Principles, may provide more legal certainty. However, as Matulionytė recognizes, “there are likely to be numerous cases where it is highly complicated or even impossible to determine” the application of even that rule.<sup>49</sup>

4.12 Fourthly, even where uncertainty is not increased, the application of the provisions in the Principles and the ILA Guidelines are unlikely to significantly decrease the cost of litigating cross-border IP infringement cases – and may in fact increase it. As Trimble notes in relation to copyright infringements, “even assuming the adoption of the existing proposals copyright owners would still have to prove infringements in all of the countries in which they claimed infringements had occurred – if not for the purposes of identifying the territorial scope of their claims, then for the determination of their remedies”.<sup>50</sup> This observation can be extended to all IPRs, not just copyright.

4.13 Finally, the key assumption justifying the development of the Principles and the ILA Guidelines – namely, that there is a need in practice for PIL provisions on IP infringement – may be questioned, at least in relation to ubiquitous infringement. An often expressed concern amongst PIL academics is that, without special PIL rules, ubiquitous IP infringement will require courts “to consider the infringement of IP rights in each state separately and apply the law of each state for which protection is sought ... leading to a mosaic application of a multitude of laws ... [which] increases procedural costs”.<sup>51</sup> The data from the evaluated cases on cross-border online IP infringement show that parallel proceedings and requests for foreign enforcement of judgments are very rare. One interpretation of this data might be that it demonstrates the existence of a need for special PIL rules – the reasoning being that such actions are rare because the absence of special PIL rules make them problematic to initiate. An alternative interpretation of this data is that it demonstrates the lack of a need for special PIL rules – the reasoning being that such actions are rare because, in practice, the plaintiff does not feel the necessity to bring them. This interpretation, which has some support in the academic literature,<sup>52</sup> recognises that, in practice, the plaintiff can get most, if not all, of what it needs by bringing an action in one particular jurisdiction – its own – and obtaining enforcement of the remedy there. If this interpretation is correct, then the theoretically-based view that ubiquitous IP infringement requires special PIL rules would appear to not be valid as a matter of fact.

### **(c) Possible directions for WIPO**

#### **(i) PIL principles**

4.14 The Principles, the ILA Guidelines, and the Hague Judgments Convention project as it relates to IP infringements, are important initiatives worthy of support. However, given their potential practical shortcomings, identified above, it is worth considering what activities might

<sup>48</sup> Matulionytė, footnote 47, above, at para. 144.

<sup>49</sup> Matulionytė, footnote 47, above, at para. 145.

<sup>50</sup> Trimble, footnote 44, above, at 404.

<sup>51</sup> Kono and Jurčys, footnote 27, above, at 153.

<sup>52</sup> See, e.g., Trimble, footnote 44, above, at 404, who states: “A litigation cost/benefit analysis will lead many small copyright owners to sue in only one country (often in the country of their own domicile) so that they may enjoy the benefit of local counsel, litigation with familiar rules of procedure, and proceedings in their own language with a potentially sympathetic judge or a jury, and not have to fear bias in a foreign court against them as a foreign copyright owner”.

be undertaken by WIPO, both to continue to support these initiatives<sup>53</sup> and to complement them.

4.15 The potential shortcoming of party, counsel and judiciary ignorance of the opportunity to apply the Principles and the ILA Guidelines might be ameliorated by educative processes. Thus, WIPO should consider how best it can raise with relevant potential users – in particular, with transnational businesses (since these are the entities most likely to infringe, or to have infringed, IPRs in a multi-state manner), with law firms, and with judges – the profile and the understanding of the intersection between PIL and IP law, especially the relevant legal instruments, case developments and soft law initiatives. An obvious way to raise the profile and understanding of this intersection is the production of studies and the conduct of training activities, such as seminars for private sector entities and legal advisers, and workshops for judges and other government legal officials.

4.16 In addition to the activities proposed above, the provision of a “toolbox” resource aimed at less informed users might improve the understanding in this area and ameliorate the potential shortcoming of undue complexity in the particular content of the Principles and the ILA Guidelines. WIPO should consider producing material that elucidates the operation of PIL in IP matters in a plain language, user-friendly, simplified format. Such a toolbox resource might include short, animated, videos using hypothetical scenarios to explain the basic PIL issues in the context of a cross-border online IP infringement dispute, and the content of the key provisions in relevant instruments on those issues. It might also include a checklist of PIL issues potentially arising in a cross-border online IP infringement scenario, and a simple flow chart for resolving those issues.

4.17 The potential lack of need, in practice, for the Principles and the ILA Guidelines raises the question of whether the key assumption justifying the development of them (i.e. that there is such a need) is valid. To answer that question with certainty requires further research – namely, research to ascertain why parties in cross-border online IP infringement cases rarely initiate parallel proceedings or seek foreign enforcement of judgments. This research might be done by asking the legal representative of the plaintiff in the cases evaluated for this study to respond to a brief survey on whether such actions were contemplated and, if so, why they were not initiated.<sup>54</sup>

4.18 The potential lack of need, in practice, for the Principles and the ILA Guidelines also raises the question of how the objective of more efficient resolution of online IP disputes might be promoted in ways other than through the development of PIL rules. The starting point to identifying alternative initiatives is to recognize that the findings of the analysis of the cases evaluated in this report suggest that the plaintiff in most cross-border online IP infringement disputes appears not to require multi-state claims and/or multi-state enforcement of orders, apparently because in practice it can get most, if not all, of what it desires from a single action in a carefully chosen jurisdiction. That fact seems to indicate that attention should be paid to substantive IP law infringement principles, not just to PIL principles. That is to say, the objective of more efficient resolution of online IP disputes might

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<sup>53</sup> It is to be noted that WIPO has already provided support to the development of the ILA Guidelines, through hosting the fifth meeting of the committee at its premises in Geneva and by jointly hosting with the ILA a public seminar on IP and PIL at the conclusion of that meeting – see [http://www.wipo.int/meetings/en/details.jsp?meeting\\_id=35183](http://www.wipo.int/meetings/en/details.jsp?meeting_id=35183).

<sup>54</sup> It is suggested that the survey be of the legal representative of the plaintiff, rather than the plaintiff itself, for practical reasons. Compared with the plaintiff, the legal representative of the plaintiff is likely to be relatively easily to trace, have the ability to recall the circumstances of the matter, and have a greater motivation (or, at least, a lesser disincentive) to take the time to respond to the survey. To allow the legal representative to maintain its client’s confidentiality, it would be necessary to guarantee that individual responses to the survey would not publicly attributed to either the client or the representative.

better be achieved by seeking to harmonize the principles within national laws on what constitutes IP infringement in the online environment, than by seeking to harmonize the PIL principles for determining which national law should be applied to resolve an online IP infringement claim. The activities that WIPO might undertake on this front are considered below.

**(ii) IP law principles**

4.19 While a typical way of harmonizing principles within national laws is through an international treaty – such as the one envisaged by the Hague Judgments Conventions project – that is not the only option available. As the Principles and the ILA Guidelines initiatives show, a “soft law” approach is also possible. Thus, WIPO should give consideration to the potential for developing soft law on the substantive law aspects of cross-border online IP infringement.

4.20 The data from the evaluated cases show that there are, in general, only three fact scenarios that arise in cross-border online IP infringement cases – online distribution of material protected by copyright (or a related right), online marketing using a trademark (registered or unregistered), and registration/use of domain name containing a trade mark (registered or unregistered). As it happens, soft law has already been developed by WIPO that is applicable to two of these three scenarios. The WIPO Joint Recommendation on Protection of Marks on the Internet<sup>55</sup> encourages harmonization of the substantive law principles within national laws on infringement of a trademark (registered or unregistered) through use of a mark on the Internet – which concept is broad enough to include use on a website or in a domain name. This soft law has been applied expressly in some online trademark infringement cases,<sup>56</sup> and possibly by implication in others.<sup>57</sup>

4.21 WIPO should undertake activities to raise the profile and the understanding of its existing soft law on the use of trademarks on the Internet. These activities could be of the same type as those proposed for raising the profile and understanding of the PIL and IP intersection – that is, training activities (seminars and workshops explaining cross-border IP enforcement), research activities (monitoring and informing about cases applying PIL principles in IP disputes), and toolbox resources (animated videos, checklist and flowchart elucidating application of PIL in IP matters).

4.22 There is, however, a major gap in the soft law on online IP infringement. What is missing is an online copyright infringement equivalent to the WIPO Joint Recommendation on Protection of Marks on the Internet. Given that online distribution of copyright material is the most prevalent of the three general online IP infringement scenarios observed in the evaluated cases, a copyright equivalent of the WIPO soft law on online trademark infringement would be of great value. Accordingly, it is recommended that WIPO give consideration to producing such an equivalent – and then, when produced, raising awareness and understanding of it in the manners suggested above.

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<sup>55</sup> *Joint Recommendation concerning Provision on the Protection of Marks, and Other Industrial Property Rights in Signs, on the Internet*, adopted by the Assembly of the Paris Union for the Protection of Industrial Property and the General Assembly of the World Intellectual Property Organization (WIPO) at the Thirty-Sixth Series of Meetings of the Assemblies of the Member States of WIPO September 24 to October 3, 2001, available at <http://www.wipo.int/export/sites/www/freepublications/en/marks/845/pub845.pdf>.

<sup>56</sup> See, e.g., German Supreme Court decision of 13 October 2004 – I ZR 163/02 *Hotel Maritime*, 5 GRUR Int 433 (2005), cited by Matulionytė, footnote 47 above, at para. 141.

<sup>57</sup> The reported responses for a number of the evaluated cases in the surveyed countries indicated that the court resolved the issue of when use of a trademark on a website outside the country constitutes infringement in the country by applying principles that were consistent with the principles contained in the WIPO Joint Recommendation. However, no reported response stated that the WIPO Joint Recommendation was cited as the source of those principles.



**(iii) Judicial Cooperation**

4.23 Bearing in mind WIPO's ongoing work enabling international coordination and exchange of information on enforcement issues, the activities proposed above should additionally aim to foster judicial cooperation and to facilitate access to up-to-date case data and other relevant information on PIL and IP law.

[Annex 1 follows]

## **ANNEX 1 – WIPO QUESTIONNAIRE**

### **NATIONAL APPROACHES TO PRIVATE INTERNATIONAL LAW ISSUES IN ONLINE IP INFRINGEMENT DISPUTES WITH CROSS-BORDER ELEMENTS**

Kindly provide us with information on leading court judgments (between three to five cases) in your country, involving private international law aspects in online intellectual property (IP) infringement disputes with cross-border elements.

For each case, please provide the following information:

1. Case reference
2. Brief summary of the facts of the case
3. Type of IP right (copyright, trademark, patent, etc.) involved
4. Whether the case involved civil or criminal infringement
5. Briefly describe the cross-border elements
6. Whether the defendant was the primary infringer or a secondary infringer
7. Whether validity issues were raised
8. Whether applicable law was raised as an issue and/or what law did the court apply
9. Whether provisional measures / preliminary injunctions were issued
10. Remedies sought and granted
11. Whether issues of private international law were sought and/or addressed, either expressly or in an implied manner
12. Whether there were parallel proceedings (within the same or in different jurisdictions)
13. Whether the judgment included orders requiring enforcement in a jurisdiction where the case was not heard; and if so, whether such orders were recognized and enforced in such jurisdiction
14. Whether special private international law considerations were made with respect to the online aspect of the infringement
15. Other relevant facts or comments

Note:

- (1) Please include cases where the court asserts jurisdiction (implicitly) by adjudicating the case, even if there is no explicit discussion on jurisdictional issues in the decision.
- (2) While this questionnaire is focused on online IP infringement, please feel free to include any reference to relevant decisions in your country providing guidance to private international law issues in cross-border IP disputes.
- (3) Please provide us with the full text of the court judgment, if available.

[Annex 2 follows]

## ANNEX 2 – EVALUATED CASES ON CROSS-BORDER ONLINE IP INFRINGEMENT

SURVEYED COUNTRY	CASE
<b>Australia</b>	<i>Ward Group Pty Ltd v Brodie &amp; Stone Plc</i> [2005] FCA 471 <i>International Hair Cosmetics Group Pty Ltd v International Hair Cosmetics Ltd</i> [2011] FCA 339
<b>Belgium</b>	Supreme Court (Court of Cassation), 29 November 2012, case N° C.10.0094.F/1. Court of Appeal of Brussels, 5 May 2011, RG 2007/AR/1730, published in <i>Auteurs &amp; Media</i> , 2012, at p. 212. Commercial Court (Rechtbank van Koophandel) of Leuven, 2 December 2010, <i>Intellectuele rechten/Droits intellectuels (IRDI)</i> , 2011, p. 21.
<b>Brazil</b>	('Dancer') Special Appeal n. 1.168.547 - RJ (2007/0252908-3) (Brazil. STJ. Superior Court of Justice) ( <i>Imaprint</i> ) Appeal n. 9235751-09.2003.8.26.0000 (Brazil. TJSP. São Paulo State Court of Appeals Superior) ( <i>baterias moura</i> ) Appeal n. 0010645-27.2012.8.26.0564 (Brazil. TJSP. São Paulo State Court of Appeals Superior)
<b>Canada</b>	<i>Pro-C Ltd v Computer City Inc</i> [2001] 3600 (Ont CA) <i>Society of Composers, Authors and Music Publishers of Canada v Canadian Association of Internet Providers</i> , 2004 SCC 45 <i>Disney Enterprises v Click Enterprises</i> , (2006), 267 DLR (4th) 291; 49 CPR (4th) 87
<b>Chile</b>	'Cuevana.tv' [1° Juzgado de Garantía de Santiago, 1200045544-8, 1091 - 2012]
<b>China</b>	<i>Beijing Bi Li Qi Culture Development Co Ltd v Charles Billich</i> (2003) Er Zhong Min Chu Zi No.03814 <i>Yahoo! Inv vs Wang Lu</i> (2006) Gao Min Zhong Zi No. 1365 <i>Xiamen Xibao Technology Co v Areva</i> , (2008) GAO MIN ZHONG ZI No. 47 <i>Jiang Haixin v Royal Dutch Philips Electronics Ltd</i> (2002) HU ER ZHONG MIN WU (ZHI) CHU ZI No.214 <i>Softstar Entertainment Inc v Shanda Interactive Entertainment Ltd</i> (2006) YI ZHONG MIN CHU ZI No. 10738
<b>Denmark</b>	The Maritime- and Commercial Court Case A-0025-15 12.11.2014
<b>India</b>	<i>Super Cassettes Industries Ltd. v. MySpace Inc.</i> [2011 (47) PTC 49 (Del.)] <i>Tata Sons Limited v. Ghassan Yacoub</i> [2004(29)PTC522(Del)] <i>The Himalaya Drug Company v. Sumit</i> [126(2006) DLT 23] <i>Arun Jaitley v. Network Solutions Pvt. Ltd.</i> [181 (2011) DLT 716] <i>Banyan Tree Holding (P) Limited v. A. Murali Krishna Reddy</i> [2010(42)PTC361(Del)] <i>World Wrestling Entertainment Inc. v. M/s Reshma Collection</i> [CS(OS) No. 1801 of 2013 before the Delhi High Court]
<b>Ireland</b>	<i>Ryanair Limited v On the Beach Limited</i> [2013] IEHC 124

	<i>Ryanair v Unister GMBH</i> [2011] IEHC 167
<b>Israel</b>	<i>AHAVA (USA) Inc. Vs. J.W.G. Ltd.</i> , District Judgments 5763(2) 337 (2002) (District Court in Jerusalem, October 10, 2004) <i>The Football Association Premier League Ltd. v. John Doe</i> (District Court in Tel Aviv, September 2, 2009) <i>Zao Kommersant Publishing House Ltd v. Vesti 1992 Ltd.</i> (Magistrate Court in Rishon LeZion, October 21, 2010)
<b>Italy</b>	<i>MBE Worldwide s.r.l. and Sistema Italia 93 s.r.l. vs. Mail &amp; Box Express di Palmieri Carlo Giuseppe</i> , Court of Milan – Special Company Law Division, October 28, 2013 <i>DB System International s.r.l., Benedetto Di Maria e Predil s.r.l. vs. Ferramati s.r.l., Duimar s.r.l., and others</i> , Court of Milan – Special Company Law Division, June 17, 2013 <i>Bertolotto Porte s.p.a. and Elio Garis vs. Centro Porte Italia s.r.l.</i> , Court of Turin – Special Company Law Division, December 20, 2012
<b>Korea</b>	<i>KIM v HP</i> , Supreme Court decision 2002Da59788, rendered on January 27, 2005 <i>KIM v HP</i> , Supreme Court decision 2005Da75071, rendered on April 24, 2008 <i>KIM v HP</i> , Supreme Court decision 2009Da15596, rendered on May 26, 2011
<b>Netherlands</b>	<i>G-Star v H&amp;M</i> , Supreme Court, December 7, 2012 <i>Lounge Chair</i> , The Hague Court of Appeal, March 20, 2008 <i>Yellow Pages</i> , The Hague Court of Appeal, July 21, 2011
<b>New Zealand</b>	<i>Zone corporation v American Express Marketing &amp; Development Corporation</i> , High Court Wellington CIV-2011-485-001274, 7 September 2011 (Dobson J) <i>YPG IP Ltd v Yellow Book.com.au Pty Ltd</i> , CIV 2007-404-2839, 13 July 2007 (Allan J) <i>Munhwa Broadcasting Corp v Young International Ltd</i> , HC Auckland CIV-2010-404-203, 17 December 2010 (Potter J)
<b>Switzerland</b>	Supreme Court (Tribunal Fédéral), decision of 6th March 2007, n° 4C.341/2005 'Swiss Life' and 'La Suisse' Court of Justice of Geneva, decision of the 19th June 2009, C/25564/2008 (ACJC/790/2009) [ <i>Pneus Online Holding Sarl v Delticom Ag</i> ] Supreme Court (Tribunal Fédéral), decision of 7th February 2011, case n°6B_757/2010 [ <i>www.Y____.com</i> ] Supreme Court (Tribunal Fédéral) of 3rd June 2013, case n°4A_48/2013 [ <i>sale on facebook</i> ']
<b>REVIEWED JURISDICTION</b>	<b>CASE</b>
<b>European Union (Court of Justice)</b>	<i>Football Dataco v Sportradar</i> , 18 October 2012, C-173/11 (Third Chamber) <i>Wintersteiger AG v Products 4U Sondermaschinenbau GmbH</i> , Judgment of the Court (First Chamber) of 19 April 2012, in Case C 523/10, CJEU.
<b>France</b>	<i>eBay Inc v LVMH</i> , French Supreme Court, May 3, 2012, Ref. No 11-10505.

*Castellblanch SA v Champagne Louis Roederer SA*, Civil Chamber of the French Court of Cassation, Civ 1, 9 December 2003, pourvoi 01-03225

*Ferrara v Ministere Public* (Criminal Chamber of the French Court of Cassation Decision) Cass. Crim, 29 November 2011, Pourvoi 09-88250

*Hugo Boss v Reemstma Cigarettenfabrik* (Commercial Chamber of the French Court of Cassation Decision) Cass.Com, 11 January 2005, pourvoi 02-18381

**United Kingdom** *Boegli-Gravures SA v Darsail-ASP* [2009] EWHC 2690

*Football Dataco v Sportradar GmbH* [2011] EWCA Civ 330

*Euromarket Designs Inc v Peter* [2000] EWHC 453

**United States** *Zippo Manufacturing Co v Zippo Dot Com Inc*, 952 F. Supp 1119 (W.D. Pa. 1997)

*Best Odds Corp. v. iBus Media Ltd.*, No. 13-2008, slip op. (D. Nev. May 15, 2014)

[End of Annex 2 and of document]





For more information  
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