

# **PUBLIC CONSULTATION BY THE EUROPEAN COMMISSION ON THE EVALUATION AND MODERNISATION OF THE LEGAL FRAMEWORK FOR THE ENFORCEMENT OF INTELLECTUAL PROPERTY RIGHTS**

Response on behalf of the CREATE Centre by Elena Cooper, Theodore Koutmeridis and Martin Kretschmer\*

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CREATE ([www.create.ac.uk](http://www.create.ac.uk)) is the Centre for Copyright and New Business Models in the Creative Economy, a UK national research hub jointly funded by the AHRC (Arts & Humanities Research Council), EPSRC (Engineering & Physical Sciences Research Council) and ESRC (Economic & Social Sciences Research Council). The research programme has a strong empirical focus. CREATE is a consortium of seven universities, centred at the University of Glasgow.

## **1. Introduction**

In April 2004, the EU adopted the Directive on the Enforcement of Intellectual Property Rights, the so-called IPRED.<sup>1</sup> More than a decade after, some of the past problems seem to persist, while there are new challenges associated with the increasing digitisation of the European and the global economy. The European Commission (EC) has published a public consultation on the evaluation and modernization of the legal framework for the enforcement of intellectual property rights (IPR). The Commission seeks to receive by April 2016 views from all interested parties, such as rightholders, the judiciary and legal profession, intermediaries, public authorities, consumers and civil society, on the question of whether the legal enforcement framework is still fit for purpose.

In its Digital Single Market strategy the Commission indicated its determination to take actions that foster the cross-border digital economy but also the aim to ensure a safe online environment for business operators and consumers.<sup>2</sup> The Strategy emphasised the Commission's horizontal approach to IPR enforcement, and interventions that could modernise the enforcement of IPR by depriving commercial-scale infringers of revenues (the 'follow the money' approach) and improving the cross-border applicability of enforcement.

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<sup>1</sup> Corrigendum to Directive 2004/48/EC of the European Parliament and of the Council of 29 April 2004 on the Enforcement of Intellectual Property Rights (OJ L157, 30.4.2004), [2004] OJ L195/16-25: [http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32004L0048R\(01\)](http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32004L0048R(01)).

The Directive was due to be implemented in all EU Member States by 29 April 2006, a timetable not achieved. For instance, the UK implemented it in 2006, the Netherlands in 2007, France in 2008 and Sweden in 2009.

<sup>2</sup> The Digital Single Market strategy is available here: [http://ec.europa.eu/growth/single-market/digital/index\\_en.htm](http://ec.europa.eu/growth/single-market/digital/index_en.htm)

## 2. Existing evidence

CREATe's earlier response to the enforcement section of the 2014 Consultation on The Review of EU Copyright Rules<sup>3</sup> noted that any intervention on the enforcement of intellectual property rights should be based on an understanding of the causes and effects of unlawful behaviour. In particular, there should be a thorough examination of the existing cross-country and cross-industry evidence that reveals strengths and weaknesses associated with the data and methods used.

CREATe has since developed an online resource ([www.CopyrightEvidence.org](http://www.CopyrightEvidence.org)<sup>4</sup>) to collect and categorise existing empirical evidence relevant to copyright policy. The selection approach was to invite users to identify potentially relevant research, using Wiki technology. Wikis are peer-produced collaborative platforms that enable contributors to add and alter information. Since the open source MediaWiki software automatically tracks contributions and edits, it provides a simple solution to the problem of maintaining transparency in a public resource. The Wiki approach is also particularly suited to a field where the direction of policy is strongly contested, as it offers a form of a dynamic live literature review.

Figure 1 illustrates the distribution of existing research by policy topic, based on about 500 studies catalogued at [www.CopyrightEvidence.org](http://www.CopyrightEvidence.org) as of March 2016 (multiple selection of topics was possible).

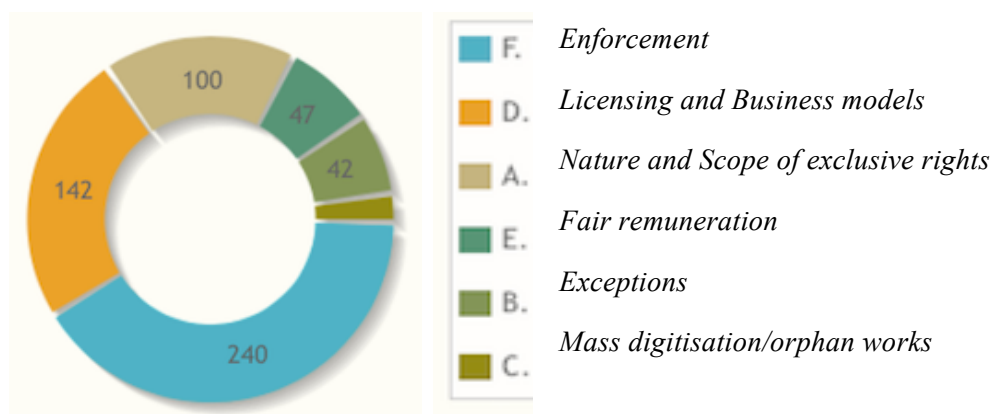


Figure 1: CopyrightEvidence.org – Distribution of studies by Policy Field

Almost half of the existing studies address empirical issues relating to enforcement, typically in the context of unauthorised consumer behavior (often called “piracy”).<sup>5</sup> Given this focus, it is unsurprising that the majority of studies examine the music industry, software and films.

<sup>3</sup> Kretschmer, M., R. Deazley, L. Edwards, K. Erickson, B. Schafer, D. J. Zizzo (2014). ‘The European Commission’s public consultation on the review of EU copyright rules: A response by the CREATe Centre’, *European Intellectual Property Review*, 36(9): 547-553.

<sup>4</sup> Koutmeridis, T., Erickson, K., & Kretschmer, M. (Eds.). (2015). The Copyright Evidence Wiki: Empirical Evidence for Copyright Policy. [www.CopyrightEvidence.org](http://www.CopyrightEvidence.org). CREATe Centre: University of Glasgow.

<sup>5</sup> For a thorough review of the literature up to 2011, see Handke, C. (2011). Economic effect of copyright: The empirical evidence so far. Report for the US National Academies of Science.

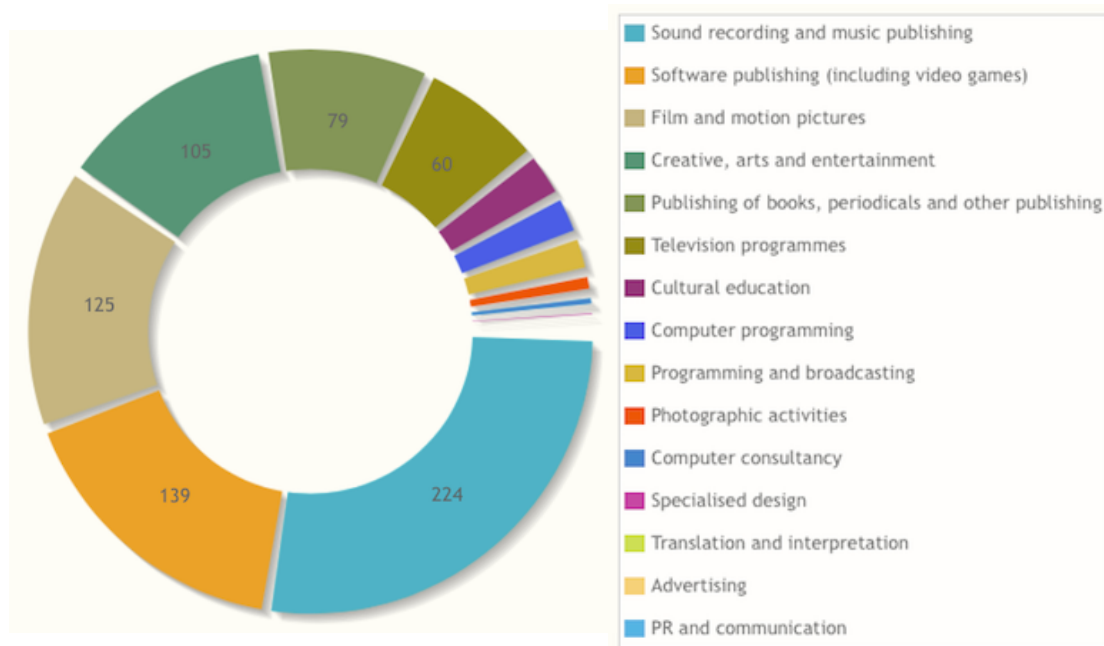


Figure 2: CopyrightEvidence.org – Distribution of studies by Industry

The literature usefully identifies the importance of assessing the costs of enforcement, and also distinguishes supply and demand side measures. Supply side interventions include web blocking, targeting financial intermediaries, and increasing consumers’ awareness with clean sites lists. Demand side interventions include targeting individual infringers with measures such as graduated response letter warnings, slowing down Internet speed (throttling), termination of access, fines and imprisonment.<sup>6</sup> There are improvements in our understanding of consumers’ online media behaviour from large scale surveys.<sup>7</sup> Recent advances in behavioural

<sup>6</sup> For an overview, see BOP Consulting with DotEcon (2015). International Comparison of Approaches to Online Copyright Infringement: Final Report. Research commissioned by UK IPO (Report 2015/40). For an empirical assessment of enforcement approaches, see Adermon, A., & Liang, C. Y. (2014). Piracy and music sales: The effects of an anti-piracy law. *Journal of Economic Behavior & Organization*, 105, 90-106; Danaher, B., Smith, M. D., Telang, R., & Chen, S. (2014). The effect of graduated response anti-piracy laws on music sales: evidence from an event study in France. *Journal of Industrial Economics*, 62(3), 541-553; Danaher, B., Smith, M. D., & Telang, R. (2015). Copyright Enforcement in the Digital Age: Empirical Economic Evidence and Conclusions. WIPO/ACE/10/20 (suggesting that global interventions, such as closing down Megaupload are more effective than national policies, such as UK site blocking).

<sup>7</sup> Kantar Media (commissioned by the UK communications regulator Ofcom and the UK Intellectual Property Office) conducted six waves of a survey of a representative sample of the UK population aged 12+ since 2012, a method that allows the tracking of changing behaviour over time. CREATE has made these data available for interrogation through a web-based interface ([create.ac.uk/omeba](http://create.ac.uk/omeba)). The EU Intellectual Property Office (under the European Observatory on Infringements of Intellectual Property Rights) commissioned from GfK the “IP Youth Scoreboard” in order to understand better the attitudes of 15-24 year olds. An online survey of representative panels in the 28 Member States is expected to be repeated on a regular basis (<https://www.oami.europa.eu/ohimportal/sv/web/observatory/ip-youth-scoreboard>).

economics have explored the evaluation of proposed measures experimentally against their desired behavioural effects.<sup>8</sup>

The issue of intermediary liability, and specifically takedown obligations, has attracted a large literature.<sup>9</sup> An important new empirical study is UC Berkeley's report Notice and Takedown in Everyday Practice that examines a random sample from over 100 million notices (generated during a six-month period) to establish who is sending notices, why, and whether the takedown requests are valid.<sup>10</sup>

There is also a growing literature on litigation behaviour. When infringement is detected and the rights holders choose action instead of inaction, a relevant distinction relates to the type of action and in particular to the options between judgment, settlement and Alternative Dispute Resolutions (ADR), such as mediation and arbitration.<sup>11</sup>

Overall, the enforcement literature is predicated on the assumption that subject matter, term and scope of copyright are correctly calibrated for the desired quantity and quality of new products, the volume of sales, innovation, creativity and ultimately welfare. Otherwise perfect enforcement would be enforcement towards a suboptimal outcome.

There are very few empirical studies that address more technical legal issues, such as the costs and effects of the disclosure of information by third parties or the allocation of damages, which are at the centre of this Consultation. In the following, we respond within the structure of the survey questionnaire, focusing on the questions where the legal experience in the UK points into clear directions (while indicating where further research may be needed).

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<sup>8</sup> A CREATE study identified five “utilities” that consumers derive from unauthorised copying. The enforcement debate predominantly has focused on the financial and legal utility – the attraction of consuming for free. The project analyses other potentially relevant factors such as experiential utility, technical utility, social utility, and moral utility. Watson SJ, Zizzo DJ, Fleming P (2015) Determinants of Unlawful File Sharing: A Scoping Review. PLoS ONE 10(6): e0127921-<http://journals.plos.org/plosone/article?id=10.1371/journal.pone.0127921>; Fleming, P., Parravano, M. and Zizzo, D. J. (2016). To Pay or Not to Pay? Determinants of Unlawful Product Acquisition. CREATE Working Paper 2016/01: <http://www.create.ac.uk/publications/to-pay-or-not-to-pay-determinants-of-unlawful-product-acquisition/>

<sup>9</sup> A useful map of the variation in legal approaches is offered by Stanford's intermediary liability project (edited by former CREATE researcher Giancarlo Frosio): <https://cyberlaw.stanford.edu/our-work/projects/world-intermediary-liability-map-wilmap>

<sup>10</sup> Urban, J. M., Karaganis, J., Schofield, B. L. (2016). Notice and Takedown in Everyday Practice, UC Berkeley Public Law Research Paper No. 2755628: <http://takedownproject.org/>

<sup>11</sup> Weatherall, K., Webster, E., & Bently, L. (2009). IP Enforcement in the UK and Beyond: A Literature Review. Strategic Advisory Board for Intellectual Property Policy Report EC001; Hall, B., Helmers, C., Rogers, M., & Sena, V. (2014). The Choice between Formal and Informal Intellectual Property: A Review. *Journal of Economic Literature*, 52(2), 375-423.

### 3. Response to the EC Consultation Questionnaire

*Public consultation on the evaluation and modernisation of the legal framework for the enforcement of intellectual property rights: Judiciary and Legal Profession*

**CREATe Centre's responses appear in bold and are underlined**

#### JUDICIARY AND LEGAL PROFESSION

##### A. Identification

##### A.1. Identify yourself

Judge sitting at a specialised IP court	Judge sitting at a specialised IP chamber in the general civil/commercial court
IP-specialised single judge	Judge sitting in the general civil/commercial court, reviewing IP cases
Legal counsellor	<b><u>Legal academic</u></b>
Other: please specify	

##### B. Your views and opinion on the scale of IPR infringements and general issues of IP litigation

##### B.1. To your knowledge and experience, are IPR-infringements cases taking a considerable part of the overall civil/commercial litigations in your country?

<b>Yes</b>	No	Don't know
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If "yes" or "no"

##### B.2. What is approximately the percentage of IP cases of the overall civil/commercial litigation in your country?

[..] % of the overall civil/commercial law court cases.
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##### B.3. Do you think that IP rightholders are frequently using litigation as a means of protecting their IPRs?

<b>Yes</b>	No	Don't know
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If "no"

##### B.4. In your opinion, what is the reason for this?

The costs for litigation and legal representation are too high	Civil court proceedings take too long
Procedures are too complex	The outcome of litigation is not predictable
Alternative dispute resolution mechanisms can achieve better results in terms of time and money	There are other means available to protect IPR (notice-and-action procedures, voluntary cooperation with intermediaries, etc.)
Other: Please specify	

Please explain

##### B.5. In your experience, do SMEs<sup>12</sup> litigate to protect their IPR?

<b>Yes: In the UK, a special court - the IP Enterprise</b>	No
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<sup>12</sup> According to Commission Recommendation of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises, 2003/361/EC: enterprises which employ fewer than 250 persons and which have an annual turnover not exceeding EUR 50 million, and/or an annual balance sheet total not exceeding EUR 43 million ([http://ec.europa.eu/growth/smes/business-friendly-environment/sme-definition/index\\_en.htm](http://ec.europa.eu/growth/smes/business-friendly-environment/sme-definition/index_en.htm)).

<b>Court - has been established with a view to enable SMEs to litigate. The experience of this court is currently being researched at CREATE. <a href="http://www.managingip.com/Blog/3546274/Guest-post-Why-the-CJEU-is-learning-on-the-job.html">http://www.managingip.com/Blog/3546274/Guest-post-Why-the-CJEU-is-learning-on-the-job.html</a></b>	
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If "no"

**B.6. In your opinion, what is the reason for this?**

The costs for litigation and legal representation are too high	Civil court proceedings take too long
Procedures are too complex	The outcome of litigation is not predictable
Alternative dispute resolution mechanisms can achieve better results in terms of time and money	There are other means available to protect IPR (notice-and-action procedures, voluntary cooperation with intermediaries, etc.)
Other: please specify	

Please explain

**C. Functioning of key provisions of Directive 2004/48/EC on the enforcement of intellectual property rights**

This section aims to provide the Commission with stakeholder' views, opinions and information about the functioning of the overall enforcement framework and of key provisions of IPRED.

**C.1. Overall functioning of the enforcement framework**

[Only for legal counsellor] N/A

**In which Member States do you litigate?**

[Please choose up to three jurisdictions in which you litigate most]

Austria	Italy
Belgium	Latvia
Bulgaria	Lithuania
Cyprus	Luxembourg
Croatia	Malta
Czech Republic	Netherlands
Denmark	Poland
Estonia	Portugal
Finland	Romania
France	Slovakia
Germany	Slovenia
Greece	Spain
Hungary	Sweden
Ireland	United Kingdom

**For these jurisdictions please provide your overall experience and satisfaction with the legal framework for civil enforcement of IPR?**

[Member State 1]

**500 words max**

[Member State 2]

**500 words max**

[Member State 3]

**500 words max**

**Do you think that the existing rules – as provided by the Directive and implemented at national level – have helped effectively in protecting IP and preventing IPR infringements?**

Yes	No
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Partly	No opinion
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Please explain.

**C.2. Measures, procedures and remedies provided for by IPRED**

Responses to this section should be based on the overall experience with the measures, procedures and remedies provided for by IPRED as implemented and applied at national level. If appropriate please specify in your response, to the extent possible, particular national issues or practices and the jurisdiction concerned.

**C.2.1. Evidence (Articles 6 and 7)**

**Would you consider that the measures provided by IPRED are effective means for presenting, obtaining and preserving evidence?**

<u>Yes</u>	No	No opinion
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If "no": Please explain

**In view of your experience with the implementation and application of the rules for having access to and preserving evidence do you see a need to adjust the application of that measure, in particular with regard to preserving evidence in the digital environment and in cross-border cases?**

Yes	<u>No</u>
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If "yes": please explain

**C.2.2. Right of information (Article 8)**

**What are the requirements for a request for information to be proportionate and justified when exercising the right of information against an infringer?**

**The courts balance the claimant's right to property against rights to privacy and the protection of personal data. As each are considered to be of equal weight, the result of the balancing test depends on the particular facts of the case at hand. See Golden Eye v. Telefonica [2012] EWHC 723 (Ch), which approach was approved by the House of Lords in Rugby Football Union v. Consolidated Information Services [2012] UKSC 55, para. 45.**

**What are the requirements for a request for information to be proportionate and justified when exercising this right of information against another person (e.g. an intermediary)?**

**The same test is applied to third parties, as to infringers.**

**How do you define "commercial scale" in your jurisdiction?**

**There is no requirement of 'commercial scale'; an order for information is available against any party that has become involved in the infringing transaction. In this respect, the UK provides a broader scope than that required by the Directive (as permitted under Art 2(1)).**

**What is the scope of the assessment of the admissibility and the merits of a request for information?**

**An order will be made if it assists the claimant to determine whether to commence a claim and the basis for such claim, unless the claim is weak and speculative.**

**What is the burden of proof and evidence required to demonstrate the existence of an infringement?**

**There is no requirement that infringement be proven.**

What are the procedural safeguards in your jurisdiction to ensure the proportionate use, the relevance of the information for the identification of an infringer and the accuracy and correctness of the identification of the infringer, in particular when information is to be provided by a third person, for example an intermediary service provider, for such purposes?

The safeguards stem from the principle that the aim of the procedure is to do justice, which in turn involves the careful exercise of discretion.

In your experience, what are the main reasons for not obtaining the requested information?

	Very relevant	Relevant	Less relevant	Not relevant
Unjustified/disproportionate request	<b>X</b>			
Protection of confidentiality of information				
Right to respect for private life and/or right to protection of personal data	<b>X</b>			
Information not available (anymore)				
Information provided in the request inaccurate				
Other: please specify	<b>X: the protection of property</b>			

In view of your experience with the application of the right of information do you think that the existing rules have helped effectively in protecting IP and preventing IPR infringements?

<b>Yes: This is a well established procedure in the UK and commonly used in IP cases.</b>	No	No opinion
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Please explain.

Do you consider the application of the rules on the right of information to be clear and unambiguous, in particular with regard to requests for information held by intermediaries?

<b>Yes</b>	No	No opinion
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If "no": Please explain.

In view of your experience with the application of the right of information do you see a need to adjust the provisions for the application of that measure?

Yes	<b>No: This is a well established procedure in the UK which is generally felt to be working well.</b>	No opinion
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Please explain.

Do you see a need to clarify the criteria used to reconcile the requirements of the right to respect for private life/right to protection of personal data on the one hand and the right to effective remedy on the other hand when assessing requests for disclosure of personal data for the purpose of initiating judicial proceedings?

Yes	<b>No: These have been adequately developed through judicial decisions.</b>	No opinion
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Please explain.

C.2.3. Procedures and courts, damages and legal costs



**In your experience, what are the reasons for taking infringer to court?**

	Very relevant	Relevant	Less relevant	Not relevant
Damages		<u>X</u>		
Provisional and precautionary measures	<u>X</u>			
Injunctions	<u>X</u>			
Other: please specify		<u>X: delivery up</u>		

**Do you encounter specific problems when dealing with legal actions in a cross-border situation (applicant or defendant incorporated or resident in another EU Member State)?**

Yes	<b><u>No: There are well developed private international law rules for the recognition and enforcement of judgments.</u></b>
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Please explain.

**In your jurisdiction the award of damages as a compensation for the prejudice suffered as a result of an infringement can include?**

	Yes	No
Lost profit	<u>X</u>	
Unfair profits		<u>X</u>
Moral prejudice		<u>X</u>
Lump sum	<u>X</u>	
Other: please specify	<b><u>X: Notional royalty for each infringement; consequential damages that are a reasonably foreseeable result of the wrong; in exceptional cases, exemplary damages to teach the defendant that infringement does not pay; in copyright cases, additional damages as the justice of the case requires.</u></b>	

**In your jurisdiction damages are usually granted in full?**

<b><u>Yes: Subject to rules of causation in respect of lost profits and reasonable foreseeability in respect of consequential losses.</u></b>	No	Don't know
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If "no"

**What are the main reasons for not granting damages in full? N/A**

Limitations in law	Unjustified request / lack of evidence
Other: please specify	

**Is it possible in your jurisdiction for the right holder to claim damages from a third party who actively and knowingly facilitates infringements of IPRs?**

<b><u>Yes: Only where that party is a defendant to the action and against which a claimant has obtained judgment. Liability</u></b>	No	Don't know
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<b><u>can be established on a number of bases, including 'authorisation' in the case of copyright infringement and/or liability as a joint tortfeasor (on the basis of inducement or common design).</u></b>		
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If "yes": please specify

**Overall, in view of your experience with the application of the rules for setting damages do you think that the existing rules have helped effectively in protecting IP and preventing IPR infringements?**

<b>Yes</b>	No	No opinion
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Please explain.

**In view of your experience with the application of the rules for setting damages do you see a need to adjust the provisions for the application of that measure?**

Yes	<b><u>No: These have been well established through judicial precedent.</u></b>	No opinion
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Please explain.

**The reimbursement of legal costs incurred by the successful party can cover?**

	Yes	No
Court fees for instituting proceedings	<u>X</u>	
Other court fees	<u>X</u>	
External expert(s) costs	<u>X</u>	
In-house costs		<u>X</u>
Attorney's charge	<u>X</u>	
Additional attorney's fees	<u>X</u>	

**Are there any limitations on the recoverability of legal costs stipulated in the legislation/established by case law in your jurisdiction?**

<b><u>Yes: The requirement that costs are reasonable and proportionate usually means that only 60% of costs are recoverable. The exception is where costs are awarded on the indemnity basis, e.g. due to the unreasonable behaviour of the party against whom the order is made (where an award will be around 80% of all costs incurred).</u></b>	No	Don't know
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If "yes": Please specify

**In view of your experience with the application of the rules for the reimbursement of legal costs do you think that the existing rules have helped effectively in protecting IP and preventing IPR infringements?**

<b><u>Yes: the availability of a costs order is an incentive for parties with strong cases to litigate.</u></b>	No	No opinion
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Please explain.

In view of your experience with the application of the rules for the reimbursement of legal costs do you see a need to adjust the provisions for the application of that measure?

Yes	No	<b>No opinion</b>
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Please explain.

**C.2.4. Provisional and precautionary measures and injunctions**

From your experience what kind of provisional measures and injunctions are most frequently requested?

Provisional measures against an infringer	<b>Injunction against an infringer</b>
Provisional measures against an intermediary	Injunction against an intermediary

**[The question is open to interpretation; we have assumed that the adjective ‘provisional’ also relates to ‘injunction’ i.e. that this is question about interim relief, not final injunctions.]**

What is usually the geographical scope of the provisional measures and injunction requested?

<b>Domestic</b>	Another EU jurisdiction
Non-EU jurisdiction	Multi-jurisdictional

From your experience what are the reasons for applying for a provisional and precautionary measures?

	Very relevant	Relevant	Less relevant	Not relevant
Prevent an imminent infringement	<b>X</b>			
Forbid the continuation of an alleged infringement	<b>X</b>			
Lodging of guarantees				
Seizure or delivery up of the goods suspected of infringing an IPR				
Blocking alleged infringer’s bank accounts and other assets	<b>X</b>			
Precautionary seizure of other movable and immovable property of the alleged infringer				
Other: please specify	<b>X: To order a party to disclose information relevant to litigation (e.g. the identity of infringers); to order a search of premises and the seizure of material relevant to alleged infringement, to preserve evidence for trial.</b>			

**What are the reasons for not obtaining provisional and precautionary measures against an infringer?**

	Very relevant	Relevant	Less relevant	Not relevant
Insufficient evidence				
Measure requested disproportionate				
No likelihood of success on the merits of the case				
Protection of confidentiality of information				
Request for a security or an equivalent assurance				
Right to respect for private life and/or right to protection of personal data				
No commercial scale infringement				
Infringer established in another jurisdiction				
Other: please specify	<p><b><u>X: Interim injunctions: if there is an absence of a serious case to be tried, or if the claimant could be adequately compensated through monetary compensation, or if the general balance of convenience is in favour of not granting an injunction. Search and seizure orders: where there is no urgency or the interests of justice are not satisfied or if there is a lack of evidence of relevant material in the defendant's possession or there is no risk of destruction of that material.</u></b></p>			

Against which type of intermediary provisional and precautionary measures and injunctions are most frequently requested? No opinion is given.

Advertising service provider <sup>13</sup>	Mobile apps marketplace
Contract manufacturing service provider <sup>14</sup>	Press and media company <sup>15</sup>
Business-to-business data storage provider <sup>16</sup>	Online marketplace
Business-to-consumer data storage provider <sup>17</sup>	Payment service provider
Content hosting platform <sup>18</sup>	Retailer
Domain name registrar	Search engine
Domain name registry	Social media platform
DNS hosting service provider	Transport and logistics company
Internet Access Provider	Wholesaler
Other: please specify	

**Other: Precautionary measures and injunctions are most frequently requested against communications platforms, such as Google, Twitter, Facebook or open Wi-Fi administrators. Whether they are liable for their users' behaviour remains a hotly debatable subject, while its link to innovation, freedom of expression and aggressive online activity, renders this issue as a key concern for enforcement. There is an increasing body of evidence relating to the causes and effects of Take-Down policies (see introductory section at 2).**

In your jurisdiction does the availability of provisional and precautionary measures against an intermediary depend on whether or not the infringer has been identified?

Yes	No	Don't know
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Is it possible in your jurisdiction to obtain provisional and precautionary measures against any intermediary or is an injunction subject to an active involvement (responsibility/liability) of the intermediary in the infringement?

Any intermediary	<b><u>Only intermediaries actively involved in the infringement: (that is for 'authorising' infringement or as joint tortfeasors) but final injunctions are available against intermediaries with knowledge of the infringement under s.97A CDPA (discussed below).</u></b>	Don't know
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Please explain.

Is it possible in your jurisdiction to obtain an injunction against an internet intermediary forbidding the continued access to the material that is allegedly infringing IPR when that injunction does not specify the exact measures which that access provider must take?

Yes	No	<b>Don't know</b>
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If 'yes'

<sup>13</sup> Advertising agencies, advertising broker.

<sup>14</sup> Contract manufacturing is an outsourcing of certain production activities previously performed by the manufacturer to a third-party. This may concern certain components for the product or the assembly of the whole product.

<sup>15</sup> Newspaper, broadcaster.

<sup>16</sup> Data storage space and related management services for commercial user.

<sup>17</sup> File-storing or file-sharing services for personal media files and data.

<sup>18</sup> Platforms providing to the user access to audio and video files, images or text documents.

**How do courts guarantee the judicial oversight of the measures chosen by the intermediary with regard to the need to ensure compliance with the fundamental right of internet users to freedom of information?**

**Through the exercise of judicial discretion, in deciding whether to make an order, and the principle of proportionality.**

**In your experience, what are the reasons for not obtaining provisional and precautionary measures against an intermediary?**

	Very relevant	Relevant	Less relevant	Not relevant
Insufficient evidence				
Measure requested disproportionate				
No sufficient link between the intermediary and the infringement				
No likelihood of success on the merits of the case				
Protection of confidentiality of information				
Right to respect for private life and/or right to protection of personal data				
Bank secrecy				
No commercial scale infringement				
Intermediary established in another jurisdiction				
Other: please specify	<b><u>X: In respect of interim injunctions, there is no arguable case as to 'authorisation' by the intermediary; in respect of orders to disclose the identity of infringers: proportionality.</u></b>			

**Are you aware of problems in cases of application for provisional and precautionary measures in a cross-border situation (for example infringer or intermediary established in another Member State)?**

<b><u>Yes: particular problems occur where infringer/intermediary is in a non-member state as private international law rules are weaker.</u></b>	No
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If "yes": Please explain.

Are you aware of problems when executing provisional and precautionary measures in a cross-border situation (judicial authority in another jurisdiction and infringer or intermediary established in your jurisdiction)?

Yes: <u>no specific examples available.</u>	No
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If "yes": Please explain.

In your jurisdiction can an injunction against an infringer be issued only to stop an actual infringement or also to prevent further infringements in the future?

Only actual infringement	<u>Also further infringements in the future</u>	Don't know
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If "also further infringements in the future":

How do you define "further infringements"?

Any infringement by the defendant of the IPR in question.

What are the reasons for not obtaining an injunction against an infringer?

	Very relevant	Relevant	Less relevant	Not relevant
Insufficient evidence				
Measure requested disproportionate				
Protection of confidentiality of information				
Protection of personal data				
No commercial scale infringement				
Other: please specify	<u>X: Trivial infringement or adequacy of financial remedies or oppressive impact of injunction on defendant or litigation was vexatious or no future threat of infringement.</u>			

What are the reasons for applying for an injunction against an intermediary with regard to third parties using their services infringing an IPR?

	Very relevant	Relevant	Less relevant	Not relevant
Block access to infringing content online	<u>X</u>			
Stay down of infringing content online				<u>X</u>
Adopt technical measures such as filtering				<u>X</u>
De-indexing infringing websites				<u>X</u>
Permanent termination of domain				<u>X</u>
Permanent termination				<u>X</u>

of subscriber account				
Discontinue providing payment services				<u>X</u>
Discontinue providing advertising services				<u>X</u>
Discontinue providing transport services				<u>X</u>
Discontinue manufacturing of infringing products				<u>X</u>
Termination of lease for commercial premises				<u>X</u>
Other: please specify				

**Is it possible in your jurisdiction to obtain an injunction against any intermediary or is an injunction subject to an active involvement (responsibility/liability) of the intermediary in the infringement?**

<b><u>Any intermediary: in copyright cases, provided that the intermediary has actual knowledge of the infringement (s.97A CDPA 1988).</u></b>	Only intermediaries actively involved in the infringement	Don't know
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If "only intermediaries actively involved in the infringement":

**What are the criteria for determining if an intermediary is actively involved in the infringement?**  
**N/A**

Please explain.

**In your jurisdiction can an injunction against an intermediary be issued only to stop an actual infringement or also to prevent further infringements in the future?**

Only actual infringement	<b><u>Also further infringements in the future.</u></b>	Don't know
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If "also further infringements in the future":

**How do courts define "further infringements" without imposing on intermediaries general monitoring obligation in the meaning of the E-commerce Directive?**

**By restricting the relief to the specific IPR in issue.**

**To your knowledge what are the reasons for not obtaining an injunction against an intermediary?**

	Very relevant	Relevant	Less relevant	Not relevant
Insufficient evidence		<u>X</u>		
No sufficient link between the intermediary and the infringement	<u>X</u>			
Measure requested too severe			<u>X</u>	
Protection of confidentiality of information				<u>X</u>
Right to respect for private life and/or right to protection of personal data			<u>X</u>	
No commercial scale infringement				<u>X</u>



Other: please specify	<b><u>X: In copyright cases, where the intermediary does not have actual knowledge of the infringement (as required by s.97A, CDPA 1988).</u></b>			
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**However no cases have been brought which have failed and so no clear evidence can be given. In the opinions we have where orders were made, the judge went through an exercise to establish the order was proportionate, taking into accounts rights to privacy, the costs to ISPs and the effectiveness of the order. However a very low level of efficacy seems sufficient. Complete circumventability would however seem to be reason for an order not to be made, as would disproportionate costs to ISPs.**

Are you aware of problems in cases of application for an injunction in a cross-border situation (infringer or intermediary established in another EU Member State)?

<b>Yes: no specific examples available.</b>	No
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Please explain.

Are you aware of problems when executing an injunction in a cross-border situation (judicial authority in another jurisdiction and infringer or intermediary established in your jurisdiction)?

<b>Yes: no specific examples available.</b>	No
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Please explain.

In view of your experience with the application of the rules for provisional and precautionary measures and injunctions do you see a need to adjust the application of these measures, also bearing in mind the cross-border application?

Yes	No	<b>No opinion</b>
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Should the Directive explicitly establish that all types of intermediaries can be injuncted?

<b><u>Yes: but only on the basis of a clear criteria, e.g. actual knowledge of infringement as per s.97A CDPA 1988.</u></b>	No	No opinion
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If 'yes' or 'no':

**As regards search engines, payment intermediaries and advertising intermediaries, it would be better for there to be some kind of transparent judicially supervised legal process than the current UK situation where pressure is put on intermediaries through extra legal and non transparent means. Similar concerns exist regarding search engines and delisting/delinking and domain name registrars and blocking/removal of domain names. However such extension would require considerable enquiry to discourage delay and unintended consequences.**

Should the Directive explicitly establish that no specific liability or responsibility (violation of any duty of care) of the intermediary is required to issue an injunction?

<b>Yes</b>	No	No opinion
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If 'yes' or 'no':

<b><u>To provide effective measures against on-line infringement.</u></b>
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Should the Directive explicitly establish that national courts must be allowed to order intermediaries to take measures aimed not only at bringing to an end infringements already committed against IPR using their services, but also at preventing further infringements?

Yes.	<u>No</u>	No opinion
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If 'yes' or 'no':

**Stay down is a disproportionate imposition on ISPs and sites and is so far not one the ECJ has mandated, with considerable care. It is not something even the UK courts, who have been more robust on blocking, have mandated though we believe it is common practice in Germany. There is no consensus in the EU for it as necessary nor is it clear why costs of enforcement should be transferred to intermediary when take down is available. Furthermore enforcing it against non-EU sites will be impossible which will simply encourage offshoring.**

In that respect should the Directive establish criteria on how preventing further infringements is to be undertaken (without establishing a general monitoring obligation under the E-Commerce Directive)?

Yes	No	<u>No opinion</u>
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If 'yes' or 'no':

Please specify why or why not.

Do you see a need for criteria defining the proportionality of an injunction?

<u>Yes</u>	No	No opinion
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If 'yes' or 'no':

**Because of the importance of this concept.**

Do you see a need for a definition of the term "intermediary" in the Directive?

Yes	<u>No</u>	No opinion
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If 'yes' or 'no':

**We see a need for clarification of the term "provider of information society services" in the E-Commerce Directive. Defining a new class of intermediaries as the Platforms consultation elsewhere tries to do seems an untested attempt to expand the scope of intermediary responsibilities without fully realised process and safeguards, and with possibly severe impact on innovation.**

Do you see a need for a clarification on how to balance the effective implementation of an injunction and the right to freedom of information of users in case of a provisional measure or injunction prohibiting an internet service provider from allowing its customers access to allegedly IPR infringing material without specifying the measures which that service provider must take?

Yes	No	<u>No opinion</u>
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If 'yes' or 'no':

Please specify why or why not.

Do you see a need for other amendments to the provisions on provisional and precautionary measures and on injunctions?

<u>Yes</u>	No	No opinion
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If "yes"

<b><u>There is a need for a harmonised form for notice as in US DMCA and for other DMCA features such as provisions penalising false or overblown claims by rights holders, and rules to protect intermediaries who act in good faith or under compulsion to protect rights holders resulting in claims by third parties eg subscribers for breach of contract, or tortious interference with relationships.</u></b>
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#### C.2.5. Publication of judicial decisions

In your experience, do parties request in legal proceedings instituted for infringement of an IPR the decision to be published in full or in part??

Yes	<b><u>No: all decisions are published.</u></b>	Don't know
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Please explain.

Are judicial decisions related to the enforcement of intellectual property rights publicly available in your jurisdiction?

<b><u>Yes: Official transcripts of all judgments are available through the Court Service.</u></b>	No	Don't know
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Please provide detail and reference.

Do you see a need for / added value in a more systematic dissemination of the information concerning the decision in legal proceedings instituted for infringement of an IPR?

Yes	<b><u>No: The current position in the UK is satisfactory.</u></b>	No opinion
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Please explain

#### C.2.6. Other issues

Do you think that the existing rules strike the right balance between the need to effectively protect IPR and preventing IPR infringements and the need to protect fundamental rights including the right to respect for private life, the right to protection of personal data, the freedom to conduct a business as well as the freedom of information?

Yes	No	<b><u>No opinion: We are yet to see how the courts approach applying the principle of 'proportionality', for instance, in an application for an injunction under s.97A CDPA 1988, where the infringing material is not an exact copy and raises questions of freedom of expression or where there is public interest in the material being available eg academic papers funded by taxpayer money.</u></b>
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If "no": Please explain

Are there any other provisions of the Directive which, in your view, would need to be improved?

<b><u>Yes: Clarity as regards the meaning of the word 'damages' in Art. 13. In the</u></b>	No	No opinion
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<b><u>UK, 'damages' (assessed on a compensatory basis) are distinguished from an account of profits. See further <i>Hollister v. Medik</i> [2012] EWCA 1419, para. 60.</u></b>		
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Please explain.

**D. Issues outside the scope of the current legal framework**

**D.1. Specialised courts**

**Do you have in your jurisdiction dedicated courts, courts' chamber or judges specialised in IP matters?**

<b><u>Yes: Within Chancery Division of the High Court. There is also an IP Enterprise Court aimed at SMEs.</u></b>	No	Don't know
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Please provide detail.

**Which rights are covered by the competence of the court? All of the below**

Copyright	Community trademark rights	Community design rights
Rights related to copyright	National trademark rights	National design rights
Patent rights (including rights derived from supplementary protection certificates)	Geographical indications	Rights of the creator of the topographies of a semiconductor product
Plant variety rights	Sui generis right of a database maker	Trade names (in so far as these are protected as exclusive property rights in the national law concerned)
Utility model rights	Other: please specify	Don't know

**Does legal action at a court specialised in IPR matters provide an added value compared to legal actions at other courts?**

<b>Yes</b>	No	No opinion
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If "no": Please explain

If "yes":

**What is the added value?**

Reduce length of proceedings	Reduce costs
<b><u>Build expertise.</u></b>	<b><u>Other: please explain: The quality of the judgments.</u></b>

**D.2. In your view and with regard to civil litigation in the area of IPR enforcement do any of the following procedures provide an added value or alternative to court proceedings worth considering?**

<b><u>Fast track procedure</u></b>	Arbitration
<b><u>Mediation</u></b>	Fact-finding procedures
<b><u>Online dispute resolution</u></b>	<b><u>Cease and desist procedures</u></b>
<b><u>Other: Opinion Service (non-binding opinion issued by the IPO on patent infringement and validity)</u></b>	

**D.3. Do you identify any other issue outside the scope of the current legal framework that should be considered in view of the intention to modernise the enforcement of IPR?**

<u>Yes</u>	No	No opinion
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**Yes - proper role of the criminal law, if any, in IP enforcement; the desirability of allowing the courts to grant post-expiry injunctions (e.g. see the UK case of Dyson v Hoover, No. 2, [2001] RPC 544); the circumstances, if any, in which national courts can grant injunctions relating to acts in other jurisdictions (the current UK approach is that this is exceptional, see Kirin-Amgen v. Transkaryotic Therapies, No. 2, [2002] RPC 203, 216).**

**E. Do you have any other comments?**

<u>Yes</u>	No
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Please specify. **See introductory review of existing evidence at the beginning of this document.**