

Chapter 4

INTELLECTUAL PROPERTY

1. Overview of Rules

(1) Background of the Rules

As a result of the Uruguay Round negotiations, the Agreement on Trade-Related Aspects of Intellectual Property Rights (“TRIPS Agreement”) was reached as part of the WTO Agreements subject to the single undertaking. While other WTO agreements, in principle, include prohibitions on trade restrictions and discriminatory measures, or permit in exceptional cases requirements and procedures for trade restrictions, the TRIPS Agreement differs from such other agreements in that it establishes the minimum standard for the protection of right (i.e., intellectual property rights) WTO members are required to comply with. In international discussions thereafter, holding to the view that the intellectual property protection system under the TRIPS Agreement does not contribute to the development of companies or to the economy of their own countries, some countries have recently begun to oppose the further strengthening of intellectual property protection beyond the minimum standard level, or even to make their own arguments leading to the derogation from the current TRIPS-level protection. As a result, the gaps between the positions in respect of intellectual property systems of countries in multilateral forums have been widening, and it is increasingly difficult for discussions on the harmonization of such systems among such countries to go forward. This situation has led to an increasing necessity to use plurilateral and bilateral frameworks with multilateral frameworks in a mutually complimentary manner, so as to strengthen the protection of intellectual property and to establish an intellectual property protection system (including effective enforcement). Multilateral frameworks are seen as being particularly suitable for rule-making, while bilateral frameworks may allow for a faster negotiation. These approaches must be used with appropriate balance to achieve the objectives thereof.

In addition, there are increasing intellectual property right infringements on Japanese products (in particular, in the Asian countries), due to the production and distribution of pirated goods (such as imitation goods and pirated editions), and this presents a significant barrier for Japanese companies in developing their businesses in these regions. In addition to requiring compliance by such Asian countries in whose jurisdiction significant infringement of intellectual property rights occurs with their obligations under the TRIPS Agreement, it is important to ensure the implementation by such countries of such obligations, and further to require that they assume obligations beyond those of the TRIPS Agreement. Such could be accomplished through individual negotiations at appropriately chosen forums by taking into consideration the particular circumstances of the counterparty countries, and by employing the abovementioned plurilateral and bilateral negotiations.

(2) Overview of Legal Disciplines

The features of the chapters regarding intellectual property in the major EPAs entered into by Japan may be classified into the following three groups.

1) Simplifying Procedures and Enhancing the Transparency of Procedures More Transparent

While the TRIPS Agreement does not provide details of the procedures for acquiring intellectual property rights, the EPAs entered into by Japan, by introducing certain provisions (for example, in respect of eliminating notarization requirements (in principle) and simplifying the certification procedure for translation of priority certificates), have reduced procedural requirements upon filing applications for patents and other intellectual property rights, thus facilitating the processes for the acquisition of intellectual property rights. Also, they have made it easier for applicants to obtain information relating to intellectual property protection, and to improve foreseeability in respect of application or enforcement of rights.

2) Strengthening the Protection of Intellectual Property Rights

EPAs entered into by Japan attempt to grant intellectual property rights expeditiously through structures which: (i) enable the acquisition by an applicant of patent rights without requiring such applicant to file any examination request in the counterparty country (by submitting the result of the patent examination made by the Japan Patent Office to the relevant authority of the other contracting party country) (Japan-Singapore EPA) and (ii) enable requests for prompt examination in the counterparty country if applications for corresponding patents are filed in Japan (Japan-Malaysia EPA). In addition, such EPAs also attempt to improve intellectual property protection by, for example, including provisions to protect well-known trademarks of foreign parties.

3) Strengthening Enforcement

Although the TRIPS Agreement provides for border measures in Article 51 thereof and criminal penalties in Article 61 thereof, such provisions are mandatory only in respect of counterfeit trademark goods and pirated copyright goods; with respect to all other intellectual property infringing goods, border measures are left to the discretion of its members of TRIPS. A practical strengthening of enforcement due to the expansion and clarification of the subject rights has been achieved in the EPAs entered into by Japan, for example, by expanding those rights to be subject to border measures and criminal penalties, by explicitly providing for the prohibition of configuration imitation (which is not specifically set forth in the TRIPS Agreement), and so forth. Also, in implementing certain measures (such as creating an obligation to furnish the information provided in Article 57 of the TRIPS Agreement), such EPAs intend to strengthen the enforcement of intellectual property rights through procedural improvements.

2. Recent Trends

(1) Summary of Chapters on Intellectual Property in Japan's FTAs/EPAs

To date, Japan has entered into EPAs with four countries (including the EPA with the Philippines, which is not yet in effect). All of these agreements include provisions on intellectual property, and obligations in respect thereof which are beyond those of the TRIPS Agreement. The following is an overview of the chapters on intellectual property in such EPAs.

1) Japan-Singapore EPA

The first EPA Japan entered into was with Singapore. At the Japan-Singapore Summit Meeting held in October 2000, it was agreed to commence the negotiation for such agreement, and negotiations between the governments commenced in January 2001. The EPA was signed and came into effect in 2002.

Chapter 10 thereof provides for: i) facilitation of patent process in Singapore, ii) sharing of the governments' databases on intellectual property, and iii) establishment of the Joint Committee on IP. In addition, the EPA requires the cooperation of the two countries in the field of intellectual property. With respect to i) above, it was provided that Singapore designates the Japan Patent Office as a "prescribed patent office," as stipulated in the Patents Act of Singapore (Article 98 of the EPA, and Article 11 of the Implementing Agreement). Accordingly, the examination result of a patent application in Japan that corresponds to a patent application in Singapore can be filed with the Intellectual Property Office of Singapore, and the Singapore patent will be granted without filing any examination request in Singapore.

2) Japan-Mexico EPA

At the Japan-Mexico Summit Meeting held in October 2002, it was agreed to commence the negotiation for the agreement, and negotiations between the governments commenced in November. The EPA was signed in September 2004 and came into effect in April 2005.

There is no chapter regarding intellectual property in this agreement, but in Chapter 14 ("Bilateral Cooperation"), Article 144 (Cooperation in the Field of Intellectual Property) thereof, it is provided that both countries develop their cooperation in the field of intellectual property, and items for information exchange are indicated. In the chapter on "Trade in Goods," it is provided that both countries shall mutually provide protection in respect of geographic indications of spirits accorded under the TRIPS Agreement.

Also, on the signing of the Japan-Mexico EPA at the Joint Statement of the summits, it was affirmed that, following execution thereof: i) necessary actions would be taken by both governments to eradicate counterfeit products and pirated goods infringing intellectual property rights, and ii) the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks contributes to effective and global protection of trademarks. With respect to the latter, Mexico's willingness to undertake every effort to ratify such Protocol was reaffirmed.

3) Japan-Malaysia EPA

At the Japan-Malaysia Summit Meeting held in December 2003, it was agreed to commence negotiation of the agreement, and negotiations between the governments commenced in January 2004. The EPA was signed in December 2005 and came into effect in July 2006.

The chapter in the Japan-Malaysia EPA regarding intellectual property is comprised of 19 articles in total (Articles 112 through 130). Such chapter mainly contains provisions related to simplifying procedures and enhancing the transparency of procedures, strengthening protection of intellectual property rights, and strengthening enforcement. Specifically, the aim of both Japan and Malaysia thereunder is to: i) grant and ensure adequate, effective and non-discriminatory protection of intellectual property, ii) promote efficiency and transparency in administration of intellectual property protection systems, and iii) provide measures for the enforcement of intellectual property rights against infringement of intellectual property is clarified (Article 112).

The chapter also sets forth the establishment of a Sub-Committee on Intellectual Property as a body to facilitate, after executing the EPA: i) discussion on any issues related to intellectual property (counterfeit products, etc.) and ii) continued discussion on items which could not be agreed upon in the negotiation for the agreement (acceding to treaties, etc.) (Article 129). The major provisions are as follows:

(a) Provisions on Simplifying Procedures and Making Procedures More Transparent

- (i) Grant of International Patent Classification (Article 116, paragraph 2)

Both countries agreed to assume obligations to grant the classifications subject to the Strasbourg Agreement and the Nice Agreement to patent applications and trademark applications. Malaysia has not acceded to the said agreements (Japan has acceded).

- (ii) Introduction of System of Application Publication after 18 Months from Filing Date (Article 119, paragraph 5)

Under the former system in Malaysia, patent applications remained undisclosed until the time of patent registration. Under the Japan-Malaysia EPA, patent applications are to be published after a period of 18 months from the filing date thereof (application publication system).

(b) Provisions on Strengthening Protection of Intellectual Property Rights

- (i) Expedite Patent Examination (Article 119, paragraphs 3 and 4)

Under the Japan-Malaysia EPA: 1) if any reasonable grounds exist for an applicant's patent application to be examined in preference to ordinary applications (for example, infringement on rights), the applicant may so request; and 2) in cases where the patent application filed in one country is filed in the other country, the application in the other country may be examined in preference to ordinary applications.

- (ii) Expansion of Scope of the Novelty Bar for Industrial Designs (Article 120, paragraphs 2 and 3)

In Malaysia, the novelty bar for industrial designs was previously determined as those "made available to the public in Malaysia." The expanded novelty bar includes industrial designs "made available to the public through telecommunication lines," and states that "each country shall endeavour to expand the abovementioned made-available-to-public coverage area to other countries."

- (iii) Strengthening Protection for Well-Known Trademarks (Article 121, paragraph 2)

The Japan-Malaysia EPA states that if an application for the trademarks well-known in one country is filed in the other country in bad faith, such application shall be rejected or canceled.

- (iv) Clarification of Unfair Competition (Article 124, paragraph 2)

Since there is no unfair competition prevention law in Malaysia, this article specifically states that "acts to provide goods which imitate the configuration of another person's goods" and "acts of unfair use of domain names, and the like" which are not explicitly stated in the TRIPS Agreement, are deemed to be included in the scope of unfair competition under the TRIPS Agreement.

(c) Strengthening Enforcement

- (i) Obligation to Inform Information on Goods Infringing Intellectual Property Rights (Article 125, paragraph 2)

Both countries are obligated to inform to the counterparty the names and addresses of the consignor and the importer of goods infringing intellectual property rights.

- (ii) Expand the Scope of Items for which Re-export is Prohibited (Article 125, paragraph 3)

Under Article 59 of the TRIPS Agreement, the items which are subject to protection with respect to the prohibition on re-export of infringing goods are limited to trademarks. However, under Article 125, paragraph 3 of the Japan-Malaysia EPA, copyrights will also be subject to this protection.

4) Japan-Philippines EPA

At the Japan-Philippines Summit Meeting in December 2003, the countries agreed to commence negotiation for the agreement. The negotiations between the governments commenced in February 2004, and the EPA was signed on September 9, 2006.

The chapter in the Japan-Malaysia EPA regarding intellectual property is comprised of 14 articles in total (Articles 117 to 130). Such chapter mainly contains provisions related to simplifying procedures and making procedures more transparent, strengthening protection of intellectual property rights, and strengthening enforcement. Specifically, the aim of both Japan and the Philippines is to: i) grant and ensure adequate and non-discriminatory protection of intellectual property, ii) provide for efficient and transparent administration of intellectual property protection systems, and iii) provide for a clarification of effective enforcement of intellectual property rights against infringement (Article 117).

The chapter also sets forth the establishment of a “Sub-Committee on Intellectual Property” after execution of the agreement, as a body to facilitate continuous discussion on strengthening protections, and to deal with the problem of imitation goods (Article 130). The major provisions are as follows:

(a) Provisions on Simplifying Procedures and Enhancing the Transparency of Procedures

- (i) Simplification of Certification Procedure for Translation of Priority Certificates (Article 120, paragraph 4)

The Japan-Philippines EPA states that, in cases where a certification requirement is implied regarding accuracy of the translation of a priority certificate, a written statement by the translator stating that the translation is made accurately and in good faith may be submitted instead of the certification.

- (ii) Improved Access to Information on Intellectual Property Protection (Article 121)

The Japan-Philippines EPA states that appropriate measures shall be taken to make easily available to the public (i) registration information of intellectual property rights and dossiers in respect thereof held by the intellectual property authorities, and (ii) information regarding intellectual property protection systems (including information on the country’s enforcement activities).

(iii) Prohibition of Notarization Requirement in Principle (Article 120, paragraph 2)

With respect to administration procedures (such as filing applications for intellectual property rights), notarization of signatures exhibited on documents submitted to the relevant authority (and other methods of identifying the persons submitting such documents) is prohibited.

(iv) Grant of International Classification (Article 120, paragraph 5)

Although the Philippines has not acceded to the Strasbourg Agreement regarding patent classifications or the Nice Agreement regarding trademark classifications, both countries are obligated to grant, to the extent possible, classifications in accordance with such international classifications.

(b) Provisions on Strengthening Protection of Intellectual Property Rights

(i) Prompt Patent Examination Request (Article 123)

The Japan-Philippines EPA states that any applicant for a patent may file a request to the authority to the effect that the application should be examined promptly.

(ii) Prohibition of Configuration Imitation Acts and Confusion Creating Acts (Article 128, paragraph 2)

The Japan-Philippines EPA specifically states that acts to imitate the appearance of another person's goods or to create confusion with the services of a competitor, which are not stipulated in the TRIPS Agreement, are included within the scope of unfair competition.

(c) Strengthening Enforcement

(i) Expansion of the Scope of Rights Subject to Suspension by Customs (Article 129, paragraph 1)

The scope of rights that are subject to the suspension of infringing goods by customs is expanded from the TRIPS level (which is limited to the cases of the importation of counterfeit trademark or pirated copyright goods, as far as the WTO member's obligation is concerned) to include such rights as patent right, utility model, and industrial design.

(ii) Expansion of the Scope of Rights Subject to Criminal Penalty (Article 129, paragraph 3)

The scope of rights that are subject to criminal procedures and penalties is expanded from the TRIPS level (which is limited to the cases of willful trademark counterfeiting or copyright piracy on a commercial scale, as far as the WTO member's obligation is concerned) to include all intellectual property rights.

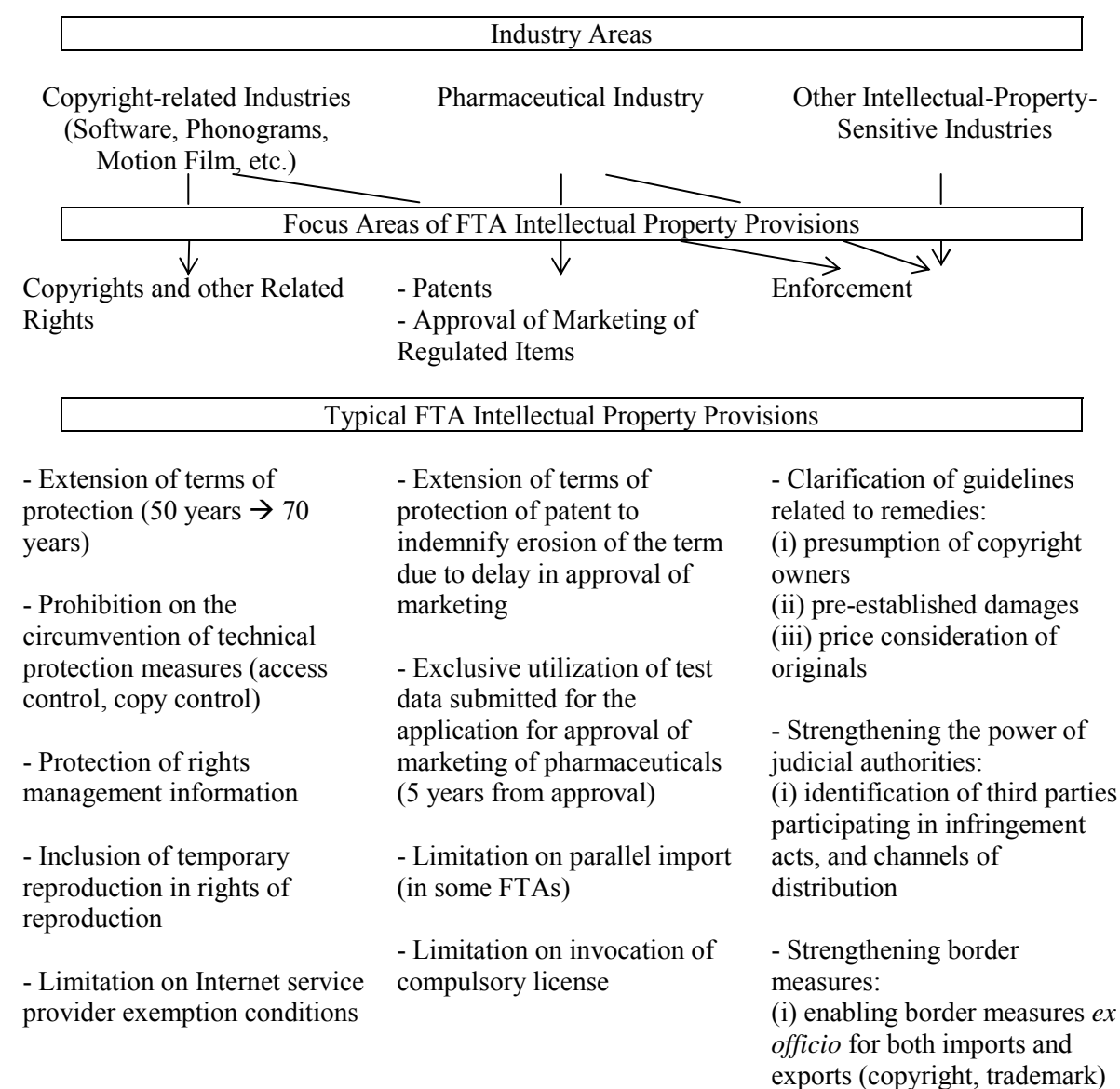
Column ♦ Trends Outside of Japan

(1) Summary of Chapters on Intellectual Property in FTAs Entered Into by the US

The US strategy for intellectual property in FTAs which it has entered into appears to be aiming to ensure in the counterparty country the protection level set forth under the domestic laws of the US (as illustrated by the Trade Act of 2002). The provisions on intellectual property in US FTAs may be put into three categories, as illustrated in Chart 4-1. The US strategy appears to reflect the industry areas of the US which are strongly competitive and have high concerns about intellectual property (for example, copyright-related industries and the pharmaceutical industry).

<Chart 4-1> US Strategy for Intellectual Property in FTAs

Overview of US Strategy for Intellectual Property in FTAs



Characteristics of bilateral agreements are that they occasionally make mandatory certain items which are optional under the TRIPS Agreement, or introduce new disciplines regarding such items.

It can be said that the US FTA intellectual property provisions actively promote this characteristic. The TRIPS Agreement provides for a most-favored-nation (MFN) treatment. Measures that are the subject of the TRIPS Agreement and that are pursuant to FTA/EPA provisions on intellectual properties which are the subject of the TRIPS Agreement must be applied not only to nationals of the counterparty country to the FTA/EPA, but also to the nationals of all other WTO members. However, with respect to intellectual property rights that are not the subject of the TRIPS Agreement and rights that are definitively specified as being an exception to MFN, the MFN treatment shall not be applied to such intellectual property rights.

Below are specific examples of provisions under FTAs entered into by the US that imply treatment beyond that of the TRIPS Agreement.

1) Extension of Term of Protection of Copyright

In the copyright area, Article 7 of the Berne Convention, which is quoted in Article 9, paragraph 1 of the TRIPS Agreement, provides for a term of protection of 50 years after the author's death for works. Article 14, paragraph 5 of the TRIPS Agreement provides for a term of protection of at least a period of 50 years computed from the calendar year in which the fixation was made or the performance took place, for the performers and producers of phonograms. However, the US FTAs provide for longer terms of protection.

2) Protection of Test Data

Article 39, paragraph 3 of the TRIPS Agreement states, "Members, when requiring, as a condition of approving the marketing of pharmaceutical or of agricultural chemical products which utilize new chemical entities, the submission of undisclosed test or other data, the origination of which involves a considerable effort, shall protect such data against unfair commercial use." The US FTAs provide provisions which are clearer and more specific, such as expressly stating the term of exclusive utilization for the submitted data.

3) Prohibition on Avoidance of Technical Protection Measures

In order to prevent copyright infringement, disciplines for prohibiting the circumvention of copy control measures (which technically prevent unauthorized reproduction) and access control measures (which limit the act of watching and listening by means of a code) are introduced in US FTAs.

4) International Exhaustion

Article 6 of the TRIPS Agreement provides that for the purpose of dispute settlement, the provisions of the TRIPS Agreement must not be applied to address the issue of international exhaustion (permission of parallel imports), except for the most-favored-nation and national treatment provisions. However, in the US-Australia FTA, for example, provisions to restrict the parallel import of patented pharmaceuticals are set forth.

(2) Summary of Chapters on Intellectual Property in FTAs of the EU

Intellectual property chapters of FTAs/EPAs of the EU are different from those of the US. That is to say, the provisions are simple, focusing on general provisions and obligations to accede to treaties. It is believed that the EU members intend to strengthen the enforcement of intellectual property rights through bilateral committees.

3. Economic Aspects and Significance

Intellectual property protection which is internationally appropriate is an essential prerequisite for the further promotion and sound development of free trade. For countries which have technological strength, such protection enables them to strengthen competitiveness and to advantageously develop overseas markets. For developing countries, which do not have technological strength, such protection contributes to their economic development through the promotion of a smooth technology transfer.

4. Major Cases

There is no case where Japan was urged to amend specific laws and regulations or notifications due to EPA obligation provisions regarding intellectual property. This means that, from Japan's perspective, the intellectual property provisions of EPAs function to strengthen the intellectual property systems of counterparty countries. In addition, the dispute settlement procedures under EPAs for the rights and obligations relating to intellectual property may serve as based upon which to inquire about the implementation of obligations of the counterparty country. It is believed that when the number of specific cases rises, the practicality of the foregoing could be further ascertained.

Column ♦ International Treaties related to Intellectual Property Right

World Intellectual Property Organization (WIPO)

WIPO is a specialized agency of the United Nations related to intellectual property rights (such as patent rights, trademark rights, and copyrights). WIPO internationally promotes intellectual property protection by i) developing treaties which aim to harmonize the systems of the WIPO member states, ii) raising protection levels in developing countries through technology cooperation, and iii) promoting information sharing. WIPO also administers and operates treaties and international registration systems regarding intellectual property rights. WIPO's headquarters are in Geneva, and has 184 member states (as of December 2006).

The treaties administered by WIPO include those listed below, and there exist FTAs/EPAs which provide the requirement to accede to such treaties. (See the agreements mentioned in the Reference.)

1. Intellectual Property Protection

- Paris Convention for the Protection of Industrial Property (1883)
- Berne Convention for the Protection of Literary and Artistic Works (1886)
- Madrid Agreement for the Repression of False or Deceptive Indications of Source on Goods (1891)
- International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations (Rome Convention) (1961)
- International Convention for the Protection of New Varieties of Plants (UPOV Convention) (1961)
- Convention for the Protection of Producers of Phonograms Against Unauthorized Duplication of Their Phonograms (Geneva Convention) (1971)
- Vienna Agreement for the Protection of Type Faces and their International Deposit (1973) *Japan is not a member.
- Brussels Convention Relating to the Distribution of Programme-Carrying Signals Transmitted by Satellite (1974) *Japan is not a member.

- Nairobi Treaty on the Protection of the Olympic Symbol (1981) *Japan is not a member.
- Treaty on the International Registration of Audiovisual Works (Film Register Treaty) (1989) *Japan is not a member.
- Washington Treaty on Intellectual Property in Respect of Integrated Circuits (1989) *Japan is not a member.
- Trademark Law Treaty (TLT) (1994)
- WIPO Copyright Treaty (WCT) (1996)
- WIPO Performances and Phonograms Treaty (WPPT) (1996)
- Patent Law Treaty (PLT) (2000) *Japan is not a member.

2. Global Protection Systems

- Madrid Agreement Concerning the International Registration of Marks (1891) *Japan is not a member.
- Hague Agreement Concerning the International Registration of Industrial Designs (1925) *Japan is not a member.
- Lisbon Agreement for the Protection of Appellations of Origin and their International Registration (1967) *Japan is not a member.
- Patent Cooperation Treaty (PCT) (1970)
- Budapest Treaty on the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure (1977)
- Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks (1989)

3. Classification

- Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks (1957)
- Locarno Agreement Establishing an International Classification for Industrial Designs (1968)
- Strasbourg Agreement Concerning the International Patent Classification (1971)
- Vienna Agreement Establishing an International Classification of the Figurative Elements of Marks (1973) *Japan is not a member.

Reference

<Chart 4-2> Enforcement Provisions of the US-Australia FTA and the TRIPS Agreement

Provision	Issue	US-Australia FTA	TRIPS Agreement
17.11 Enforcement of intellectual property rights	General obligations	<p>The final judicial decisions or administrative rulings for the enforcement of intellectual property rights shall be in writing and shall state the reasoning, and such decisions or rulings shall be made available to the public in such a manner as to enable governments and right holders to become acquainted with them. (17.11.2)</p> <p>Each Party shall inform the public of its efforts to provide enforcement of intellectual property rights in its civil, administrative, and criminal system, including any statistical information. (17.11.3)</p> <p>In civil, criminal, and if applicable, administrative procedures, involving copyright, each Party shall provide for a presumption that, in the absence of evidence to the contrary, the person whose name is indicated in the usual manner is the right holder in the work, performance, or phonogram as designated. Each Party shall also provide for a presumption, in the absence of evidence to the contrary, that copyright subsists in such subject matter. (17.11.4)</p>	<p>Laws and regulations, and final judicial decisions and administrative rulings of general application, made effective by a Member pertaining to the subject matter of this Agreement shall be made publicly available, in such a manner as to enable governments and right holders to become acquainted with them. (63.1)</p> <p>Members shall ensure that enforcement procedures are available under their law so as to permit effective action against any act of infringement of intellectual property rights. These procedures shall be applied in such a manner as to avoid the creation of barriers to legitimate trade and to provide for safeguards against their abuse. (41.1)</p> <p>Decisions on the merits of a case shall preferably be in writing and reasoned. (41.3)</p> <p>In order that the author of a literary or artistic work protected by this Convention shall, in the absence of proof to the contrary, be regarded as such, and consequently be entitled to institute infringement proceedings in the countries of the Union, it shall be sufficient for his name to appear on the work in the usual manner. This paragraph shall be applicable even if this name is a pseudonym, where the pseudonym adopted by the author leaves no doubt as to his identity. (9 (Berne Convention, Article 15.1))</p>

Provision	Issue	US-Australia FTA	TRIPS Agreement
	Civil and administrative procedures and remedies	<p>Each Party shall make available to right holders civil judicial procedures concerning the enforcement of any intellectual property right. (17.11.5)</p> <p>(Note) (The term right holder shall include exclusive licensees as well as federations and associations having the legal standing and authority to assert such rights.)</p>	<p>Members shall make available to right holders civil judicial procedures concerning the enforcement of any intellectual property right covered by this Agreement. (42)</p> <p>(Note) (The term "right holder" includes federations and associations having legal standing to assert such rights.)</p>
	Damages under civil judicial proceedings	<p>Judicial authorities shall have the authority to order the infringer to pay the right holder:</p> <p>(i) damages adequate to compensate for the injury the right holder has suffered as a result of the infringement; and</p> <p>(ii) at least in the case of copyright infringement and trademark counterfeiting, the profits of the infringer that are attributable to the infringement. (17.11.6 (a))</p> <p>In determining damages for infringement of intellectual property rights, its judicial authorities shall consider the value of the infringed on good or service that the right holder submits, including the suggested retail price. (17.11.6 (b))</p>	<p>The judicial authorities shall have the authority to order the infringer who knowingly, or with reasonable grounds to know, engaged in infringing activity, to pay the right holder damages. The judicial authorities shall also have the authority to order the infringer to pay the right holder expenses, which may include appropriate attorney's fees. In appropriate cases, Members may authorize the judicial authorities to order recovery of profits and/or payment of pre-established damages even where the infringer did not knowingly, or with reasonable grounds to know, engage in infringing activity. (45)</p>
	Damages with respect to phonograms and performances	<p>Each Party shall, with respect to works, phonograms, and performances protected by copyright, and in cases of trademark counterfeiting, establish or maintain pre-established damages. Such pre-established damages shall be in an amount sufficient to constitute a deterrent to future infringements and to compensate fully the right holder for the harm caused by the infringement. (17.11.7 (a))</p> <p>With respect to both copyright and to trademark counterfeiting, a</p>	<p>Members may authorize the judicial authorities to order recovery of profits and/or payment of pre-established damages even where the infringer did not knowingly, or with reasonable grounds to know, engage in infringing activity. (45.2)</p>

		Party may claim additional damages in civil judicial proceedings involving infringement of copyright. (17.11.7 (b))	
Provision	Issue	US-Australia FTA	TRIPS Agreement
	Attorney's fees for civil judicial proceedings	Each Party shall provide that its judicial authorities shall have the authority to order, for copyright infringement and trademark counterfeiting, to pay court costs or fees and attorney's fees. Further, each Party shall provide that its judicial authorities, at least in exceptional circumstances, shall have the authority to order the losing party, for patent infringement, to pay attorney's fees. (17.11.8)	The judicial authorities shall have the authority to order the infringer to pay the right holder expenses, which may include appropriate attorney's fees. (45)
	Authority for seizure in case of copyright infringement and trademark counterfeiting	For copyright infringement and trademark counterfeiting, each Party shall provide that its judicial authorities shall have the authority to order the seizure of suspected infringing goods, any related materials and implements, and, at least for trademark counterfeiting, documentary evidence relevant to the infringement. (17.11.9)	<p>The judicial authorities shall have the authority to order prompt and effective provisional measures:</p> <p>(a) to prevent an infringement of any intellectual property right from occurring, and in particular to prevent the entry into the channels of commerce in their jurisdiction of goods (including to prevent the entry into the channels of commerce in their jurisdiction of goods the imported goods immediately after customs clearance);</p> <p>(b) to preserve relevant evidence in regard to the alleged infringement. (50.1)</p> <p>The judicial authorities shall have the authority to adopt provisional measures <i>inaudita altera parte</i> where appropriate, in particular where any delay is likely to cause irreparable harm to the right holder, or where there is a demonstrable risk of evidence being destroyed. (50.2)</p>

Provision	Issue	US-Australia FTA	TRIPS Agreement
	Destruction of infringing goods	<p>In civil judicial proceedings, at the right holder's request, goods that have been found to be pirated or counterfeit in breach of a copyright or trademark of the right holder shall be destroyed, except in exceptional circumstances (17.11.10 (a))</p> <p>The judicial authorities shall have the authority to order that materials and implements that have been used in the manufacture or the creation of such pirated or counterfeit goods be, without compensation of any sort, promptly destroyed or, in exceptional circumstances, without compensation of any sort, disposed of outside the channels of commerce in such a manner as to minimise the risks of further infringements (17.11.10 (b))</p> <p>In regard to counterfeit trademarked goods, the simple removal of the trademark unlawfully affixed shall not be sufficient to permit the release of goods into the channels of commerce. (17.11.10 (c))</p>	<p>Judicial authorities shall have the authority to order that goods that they have found to be infringing be, without compensation of any sort, disposed of outside the channels of commerce in such a manner as to avoid any harm caused to the right holder, or, unless this would be contrary to existing constitutional requirements, destroyed.</p> <p>The judicial authorities shall also have the authority to order that materials and implements the predominant use of which has been in the creation of the infringing goods be, without compensation of any sort, disposed of outside the channels of commerce in such a manner as to minimize the risks of further infringements.</p> <p>In regard to counterfeit trademark goods, the simple removal of the trademark unlawfully affixed shall not be sufficient, other than in exceptional cases, to permit release of the goods into the channels of commerce. (46)</p>
	Authority to order infringer to provide information and to provide such information to the right holder	Each Party shall provide that its judicial authorities shall have the authority to order the infringer to provide any information that the infringer possesses regarding any person involved in any aspect of the infringement and regarding the means of production or distribution channel of the infringing material, and to provide this information to the right holder's representative. (17.11.11)	Members may provide that the judicial authorities shall have the authority, unless this would be out of proportion to the seriousness of the infringement, to order the infringer to inform the right holder of the identity of third persons involved in the production and distribution of the infringing goods or services and of their channels of distribution. (47)

Provision	Issue	US-Australia FTA	TRIPS Agreement
	Authority of Judicial authorities and protection of confidential information in civil judicial proceedings	<p>Judicial authorities shall have the authority to fine or imprison a party to litigation who fails to abide by orders issued by such authorities (17.11.12 (a))</p> <p>Judicial authorities shall have the authority to impose sanctions on parties to litigation, their counsel, or experts for violation of judicial orders regarding the protection of confidential information produced or exchanged in a proceeding. (17.11.12 (b))</p>	Not provided.
	Administrative procedures	Not provided.	To the extent that any civil remedy can be ordered as a result of administrative procedures on the merits of a case, such procedures shall conform to principles equivalent in substance to those set forth in this Section. (49)
	Authority of judicial authorities	<p>In civil judicial proceedings concerning the acts described in Article 17.4.7 and 17.4.8, judicial authorities shall have the authority to order or award at least: (i) provisional measures, including the seizure of devices and products; (ii) damages of the type available for infringement of copyright; (iii) payment of court costs and fees and reasonable attorney's fees; and (iv) destruction of devices and products. (17.11.13 (a))</p> <p>Damages shall not be available against a non-profit library, archive, education institution, or public non-commercial broadcasting entity that sustains the burden of proving that it was not aware or had no reason to believe that its acts constituted a proscribed activity. (17.11.13 (b))</p>	Not provided.
	Civil procedures by judicial authorities	Judicial authorities shall have the authority to enjoin a party to a civil judicial proceeding from the exportation of goods that are alleged to infringe an intellectual property right. (17.11.14)	Not provided.

Provision	Issue	US-Australia FTA	TRIPS Agreement
	Costs of experts in civil procedures	If judicial or other authorities appoint technical or other experts in civil judicial proceedings concerning the enforcement of intellectual property rights, and require that the parties to litigation or other civil or criminal proceedings bear the costs of such experts, it should be ensured that these costs are reasonable and related appropriately to, <i>inter alia</i> , the quantity and nature of work to be performed and do not unreasonably deter recourse to such litigation or proceeding. (17.11.15)	Not provided.
Provisional measures	Measures taken in response to remedy request	Each Party's authorities shall act on requests for relief <i>inaudita altera parte</i> expeditiously in accordance with the Party's judicial rules. (17.11.16)	<p>The judicial authorities shall have the authority to order provisional measures <i>inaudita altera parte</i> where appropriate, in particular where any delay is likely to cause irreparable harm to the right holder, or where there is a demonstrable risk of evidence being destroyed.</p> <p>The provisional measures shall, upon request by the defendant, be revoked or otherwise cease to have effect, if proceedings leading to a decision on the merits of the case are not initiated within a reasonable period. (To be determined by the judicial authority ordering the measures where a Member's law so permits or, in the absence of such a determination, not to exceed 20 working days or 31 calendar days, whichever is the longer.) (50.6)</p>
	Provision of evidence and assurance for the purpose to prevent abuse in provisional measures	The judicial authorities shall have the authority to require the applicant to provide any reasonably available evidence in order to satisfy themselves with a sufficient degree of certainty that the applicant's right is being infringed or that such infringement is imminent, and to order the applicant to provide a reasonable security or equivalent assurance set at a level sufficient to protect the respondent and to	The judicial authorities shall have the authority to require the applicant to provide any reasonably available evidence in order to satisfy themselves with a sufficient degree of certainty that the applicant is the right holder and that the applicant's right is being infringed or that such infringement is imminent, and to order the applicant to provide a security or equivalent assurance sufficient to protect the defendant and to

		prevent abuse, and so as not to unreasonably deter recourse to such procedures. (17.11.17)	prevent abuse. (50.3)
Provision	Issue	US-Australia FTA	TRIPS Agreement
	Rebuttable presumption in provisional measures	In proceedings concerning the grant of provisional measures in relation to enforcement of a patent, each Party shall provide for a rebuttable presumption that the patent is valid. (17.11.18)	Not provided.
	Suspension of the release of goods	<p>Any right holder initiating procedures to suspend the release of suspected counterfeit or confusingly similar trademark goods, or pirated copyright goods into free circulation is required to provide adequate evidence to satisfy the competent authorities that there is <i>prima facie</i> an infringement of the right holder's intellectual property right and to supply sufficient information that may reasonably be expected to be within the right holder's knowledge to make the suspected goods reasonably recognisable by the customs authorities.</p> <p>The requirement to provide sufficient information shall not unreasonably deter recourse to these procedures.</p> <p>Each Party shall provide that the application to suspend the release of goods shall remain in force for a period of not less than one year from the date of application or the period that the good is protected by copyright or the relevant trademark is registered, whichever is shorter. (17.11.19)</p>	Any right holder shall be required to provide adequate evidence to satisfy the competent authorities that, under the laws of the country of importation, there is <i>prima facie</i> an infringement of the right holder's intellectual property right and to supply a sufficiently detailed description of the goods to make them readily recognizable by the customs authorities. (52)

Provision	Issue	US-Australia FTA	TRIPS Agreement
	Security or equivalent assurance	<p>Competent authorities shall have the authority to require a right holder initiating procedures to suspend the release of goods suspected of being counterfeit trademark or pirated copyright goods to provide a reasonable security or equivalent assurance sufficient to protect the defendant and the competent authorities and to prevent abuse. Such security or equivalent assurance shall not unreasonably deter recourse to these procedures.</p> <p>Competent authorities may require the applicant a documentary stating that it should guarantee to hold the importer or owner of the imported merchandise harmless from any loss or damage resulting from any suspension of the release of goods in the event the competent authorities determine that the article is not an infringing good. (17.11.20)</p>	<p>The competent authorities shall have the authority to require an applicant to provide a security or equivalent assurance sufficient to protect the defendant and the competent authorities and to prevent abuse. Such security or equivalent assurance shall not unreasonably deter recourse to these procedures. (53)</p> <p>Relevant authorities shall have the authority to order the applicant to pay the importer, the consignee and the owner of the goods appropriate compensation for any injury caused to them through the wrongful detention of goods or through the detention of goods released pursuant to Article 55. (56)</p>
	Rights regarding information	<p>Where competent authorities have made a determination that goods are counterfeit or pirated, competent authorities shall have the authority to inform the right holder of the names and addresses of the consignor, the importer, and the consignee, and of the quantity of the goods in question. (17.11.21)</p>	<p>Members may provide the competent authorities the authority to inform the right holder of the names and addresses of the consignor, the importer and the consignee and of the quantity of the goods in question. (57)</p>

Provision	Issue	US-Australia FTA	TRIPS Agreement
	Border measures	Each Party shall provide that its customs authorities may initiate border measures <i>ex officio</i> with respect to imported merchandise suspected of infringing being counterfeit trademark or pirated copyright goods, without the need for a specific formal complaint. (17.11.22)	Where Members require competent authorities to act upon their own initiative and to suspend the release of goods in respect of which they have acquired <i>prima facie</i> evidence that an intellectual property right is being infringed: (a) the competent authorities may seek from the right holder any information that may assist them to exercise these powers; (b) the importer and the right holder shall be promptly notified of the suspension; (c) Members shall only exempt both public authorities and officials from liability to appropriate remedial measures where actions are taken or intended in good faith. (58)
	Destruction in case of determination as counterfeit goods or infringing goods	Goods that have been suspended from release by customs authorities, and that have been forfeited as pirated or counterfeit, shall be destroyed, except in exceptional cases. In regard to counterfeit trademark goods, the simple removal of the trademark unlawfully affixed shall not be sufficient to permit the release of the goods into the channels of commerce. In no event shall the competent authorities be authorised to permit the exportation of counterfeit or pirated goods that have been seized, nor shall they be authorised to permit such goods to be subject to movement under customs control, except in exceptional circumstances. (17.11.23)	Without prejudice to other rights of action open to the right holder and subject to the right of the defendant to seek review by a judicial authority, competent authorities shall have the authority to order the destruction or disposal of infringing goods in accordance with the principles set out in Article 46. In regard to counterfeit trademark goods, the authorities shall not allow the re-exportation of the infringing goods in an unaltered state or subject them to a different customs procedure, other than in exceptional circumstances. (59)
	Border measures	Where an application fee or merchandise storage fee is assessed in connection with border measures to enforce a trademark or copyright, the fee shall not be set at an amount that unreasonably deters recourse to these measures. (17.11.24)	Procedures concerning the enforcement of intellectual property rights shall be fair and equitable. They shall not be unnecessarily complicated or costly, or entail unreasonable time-limits or unwarranted delays. (41.2)

Provision	Issue	US-Australia FTA	TRIPS Agreement
	Bilateral and regional cooperation in border measures	Each shall provide the other with technical advice on the enforcement of border measures concerning intellectual property rights, and the Parties shall promote bilateral and regional cooperation on such matters. (17.11.25)	In Part VII, Members agree to cooperate with each other with a view to eliminating international trade in goods infringing intellectual property rights. They shall, in particular, promote the exchange of information and cooperation between customs authorities with regard to trade in counterfeit trademark goods and pirated copyright goods. (69)
Criminal procedures and remedies	Definition of wilful commercial scale copyright piracy	<p>Each Party shall provide for criminal procedures and penalties to be applied at least in cases of wilful trademark counterfeiting or copyright piracy on a commercial scale. Wilful copyright piracy on a commercial scale includes: (i) significant wilful infringements of copyright, that have no direct or indirect motivation of financial gain; and (ii) wilful infringements for the purposes of commercial advantage or financial gain. (17.11.26(a))</p> <p>Each Party shall treat wilful importation or exportation of pirated copyright goods or of counterfeit trademark goods as unlawful activities subject to criminal penalties to at least the same extent as trafficking or distributing such goods in domestic commerce. (17.11.26 (b))</p>	Members shall provide for criminal procedures and penalties to be applied at least in cases of wilful trademark counterfeiting or copyright piracy on a commercial scale. Remedies available shall include imprisonment and/or monetary fines sufficient to provide a deterrent, consistently with the level of penalties applied for crimes of a corresponding gravity. In appropriate cases, remedies available shall also include seizure, forfeiture and destruction. (61)

Provision	Issue	US-Australia FTA	TRIPS Agreement
	Penalties for wilful trademark counterfeiting on a commercial scale	<p>In cases of wilful trademark counterfeiting or copyright piracy on a commercial scale, each Party shall provide:</p> <p>(a) Penalties that include imprisonment and monetary fines sufficiently high to provide a deterrent to infringement consistent with a policy of removing the monetary incentive of the infringer. Also, each Party shall encourage its judicial authorities to impose fines at levels sufficient to provide a deterrent to future infringements.</p> <p>(b) That its judicial authorities shall have the authority to order the seizure of suspected counterfeit or pirated goods, any related materials and implements that have been used in the commission of the offence, any assets traceable to the infringing activity, and any documentary evidence relevant to the offence.</p> <p>(Note) Each Party shall provide that items that are subject to seizure pursuant to any such judicial order need not be individually identified so long as they fall within general categories specified in the order.</p> <p>(c) That its judicial authorities shall have the authority to order the forfeiture of any assets traceable to the infringing activity and shall, except in exceptional circumstances, order the forfeiture and destruction of all goods found to be counterfeit or pirated</p> <p>(d) That the appropriate authorities, as determined by each Party, shall have the authority to initiate criminal legal action <i>ex officio</i> with respect to the offences described in this Chapter without the need for a formal complaint by a private party or right holder. (17.11.27)</p>	<p>Remedies available shall include imprisonment and/or monetary fines sufficient to provide a deterrent, consistently with the level of penalties applied for crimes of a corresponding gravity.</p> <p>In appropriate cases, remedies available shall also include the seizure, forfeiture and destruction of the infringing goods and of any materials and implements the predominant use of which has been in the commission of the offence. Members may provide for criminal procedures and penalties to be applied in other cases of infringement of intellectual property rights, in particular where they are committed wilfully and on a commercial scale. (61)</p>

Provision	Issue	US-Australia FTA	TRIPS Agreement
	Imposition of criminal penalties	<p>Each Party shall provide for criminal procedures and penalties for the knowing transport, transfer, or other disposition of:</p> <p>(a) either false or counterfeit labels affixed or designed to be affixed to the following: (i) a phonogram; (ii) a copy of a computer program or documentation; (iii) the packaging for a computer program; or (iv) a copy of a motion picture or other audiovisual work; or</p> <p>(b) counterfeit documentation or packaging for a computer program where the documentation or packaging has been made or obtained without the authorisation of the right holder. (17.11.28)</p>	Not provided.
	Limitations on liability for service providers	<p>Consistent with Article 41 of the TRIPS Agreement, each Party shall provide:</p> <p>(a) Legal incentives for service providers to cooperate with copyright owners in deterring the unauthorised storage and transmission of copyrighted materials</p> <p>(b) Limitations in its law regarding the scope of remedies available against service providers for copyright infringements that they do not control, initiate, or direct, and that take place through systems or networks controlled or operated by them or on their behalf, as set forth in this sub-paragraph.</p> <p>(i) These limitations shall preclude monetary relief and provide reasonable restrictions on court-ordered relief to compel or restrain certain actions for the following functions, and shall be confined to those functions: (A) transmitting, routing, or providing connections for material without modification of its content, or the intermediate and transient storage of such</p>	Not provided.

		<p>material in the course thereof; (B) caching carried out through an automatic process; (C) storage at the direction of a user of material residing on a system or network controlled or operated by or for the service provider; and (D) referring or linking users to an online location by using information location tools, including hyperlinks and directories.</p> <p>(ii) These limitations shall apply only where the service provider does not initiate the chain of transmission of the material and does not select the material or its recipients.</p> <p>(iii) Qualification by a service provider for the limitations as to each function in clause (i)(A) through (D) shall be considered separately from qualification for the limitations as to each other function, in accordance with the conditions for qualification set forth in clauses (iv) through (vii).</p> <p>(iv) With respect to function referred to in clause (i)(B), the limitations shall be conditioned on the service provider: (A) permitting access to cached material in significant part only to users of its system or network who have met conditions on user access to that material; (B) complying with rules concerning the refreshing, reloading, or other updating of the cached material; (C) not interfering with technology used at the originating site consistent with industry standards generally accepted in the Party's territory to obtain information about the use of the material, and not modifying its content in transmission to subsequent users; and (D) expeditiously removing or disabling access, on receipt of an effective notification of claimed infringement, to cached material that has been removed or access to which has been disabled at the</p>	
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		<p>originating site.</p> <p>(v) With respect to functions referred to in clause (i)(C) and (D), the limitations shall be conditioned on the service provider: (A) not receiving a financial benefit directly attributable to the infringing activity; (B) expeditiously removing or disabling access to the material residing on its system or network on obtaining actual knowledge of the infringement or becoming aware of facts or circumstances from which the infringement was apparent; and (C) publicly designating a representative to receive such notifications.</p> <p>(vi) Eligibility for the limitations in this sub-paragraph shall be conditioned on the service provider: (A) adopting and reasonably implementing a policy that provides for termination in appropriate circumstances of the accounts of repeat infringers; and (B) accommodating and not interfering with standard technical measures accepted in the Party’s territory that protect and identify copyrighted material, that are developed through an open, voluntary process by a broad consensus of copyright owners and service providers, that are available on reasonable and non-discriminatory terms, and that do not impose substantial costs on service providers or substantial burdens on their systems or networks.</p> <p>(viii) If the service provider qualifies for the limitations with respect to the function referred to in clause (i)(A), court-ordered relief to compel or restrain certain actions shall be limited to terminating specified accounts, or to taking reasonable steps to block access to a specific, non-domestic online location. If the service provider qualifies for the limitations with</p>	
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		<p>respect to any other function in clause (i), court-ordered relief to compel or restrain certain actions shall be limited to removing or disabling access to the infringing material, terminating specified accounts, and other remedies that a court may find necessary provided that such other remedies are the least burdensome to the service provider among comparably effective forms of relief.</p> <p>(ix) For the purposes of the notice and take down process for the functions referred to in clause (i)(C) and (D), each Party shall establish appropriate procedures for effective notifications of claimed infringement, and effective counter-notifications by those whose material is the subject of a notice for removal or disabling. Each Party shall also provide for monetary remedies against any person who makes a knowing material misrepresentation in a notification or counter-notification that causes injury to any interested party as a result of a service provider relying on the misrepresentation.</p> <p>(x) If the service provider removes or disables access to material in good faith based on claimed or apparent infringement, each Party shall provide that the service provider shall be exempted from liability for any resulting claims, under certain conditions.</p> <p>(xi) Each Party shall provide for an administrative or judicial procedure enabling copyright owners who have given effective notification of claimed infringement to obtain expeditiously from a service provider information in its possession identifying the alleged infringer.</p> <p>(xii) For the purposes of the function referred to in clause (i)(A), service provider means a provider</p>	
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		of transmission, routing, or connections for digital online communications without modification of their content between or among points specified by the user of material of the user's choosing, and for the purposes of the functions referred to in clause (i)(B) through (D), service provider means a provider or operator of facilities for online services or network access. (17.11.29)	
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<Chart 4-3> EU-Chile FTA and the TRIPS Agreement

Provision	Issue	EU-Chile Free Trade Agreement	TRIPS Agreement
Article 169 Scope	Definition of intellectual property rights	For the purposes of this Agreement, intellectual property rights embodies copyright - including copyright in computer programs and in databases - and related rights, the rights related to patents, industrial designs, geographical indications including appellation of origins, trademarks, layout-designs (topographies) of integrated circuits, as well as protection of undisclosed information and protection against unfair competition.	
Article 170 Protection of intellectual property rights	Obligations to accede to conventions	The Parties shall: By 1 January 2007 accede to and ensure an adequate and effective implementation of the obligations arising from the following multilateral conventions: (i) the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of Registration of Marks; (ii) the World Intellectual Property Organization Copyright Treaty; (iii) the World Intellectual Property Organization Performances and Phonograms Treaty; (iv) the Patent Co-operation Treaty; and (v) the Strasbourg Agreement Concerning the International Patent Classification; (170.(b))	It is provided for to comply with the provisions of the Paris Convention, the Berne Convention, and the Treaty on Intellectual Property in Respect of Integrated Circuits, but the Members are not obligated to accede to the conventions.

		<p>By 1 January 2009 accede to and ensure an adequate and effective implementation of the obligations arising from the following multilateral conventions:</p> <p>(i) the Convention for the Protection of Producers of Phonograms against the Unauthorised Duplication of their Phonograms;</p> <p>(ii) the Locarno Agreement establishing an International Classification for Industrial Designs;</p> <p>(iii) the Budapest Treaty on the International Recognition of the Deposit of Micro-organisms for the Purposes of Patent Procedure; and</p> <p>(iv) the Trademark Law Treaty; (170.(c))</p>	
		<p>Make every effort to ratify and ensure an adequate and effective implementation of the obligations arising from the following multilateral conventions at the earliest possible opportunity:</p> <p>(i) the Protocol to the Madrid Agreement concerning the International Registration of Marks;</p> <p>(ii) the Madrid Agreement concerning the International Registration of Marks; and</p> <p>(iii) the Vienna Agreement establishing an International Classification of Figurative Elements of Marks. (170.(d))</p>	
Article 171 Review		The Association Council may decide to include in Article 170 other multilateral conventions in this field.	Members are not obligated to accede to the conventions.

<Chart 4-4> EU-Morocco FTA and the TRIPS Agreement

Provision	Issue	EU-Morocco Free Trade Agreement	TRIPS Agreement
ANNEX 7 Intellectual, industrial and commercial property	Obligations to accede to conventions	<p>By the end of the fourth year after the entry into force of the Agreement, Morocco shall accede to the following multilateral conventions on the protection of intellectual, industrial and commercial property:</p> <ul style="list-style-type: none"> - International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organisations (Rome) -Budapest Treaty on the International Recognition of the Deposit of Micro-Organisms for the Purposes of Patent Procedure - Patent Cooperation Treaty - International Convention for the Protection of the New Varieties of Plants (ANNEX 7.1) 	It is provided for to comply with the provisions of the Paris Convention, the Berne Convention, and the Treaty on Intellectual Property in Respect of Integrated Circuits, but the Members are not obligated to accede to the conventions.
		The Association Council may decide that paragraph 1 of this Annex applies to other multilateral conventions in this field. (ANNEX 7.2)	