

Expert Witnesses in Court Proceedings for Actions Against Counterfeit Goods

Introduction

This project of the Policy Task Force Group of the Anticounterfeiting Committee is focused on court proceedings, civil or criminal, brought in connection with a trademark infringement claim to challenge the alleged manufacture or trade of counterfeit goods. It is to be expected that the court decision in such cases will be influenced primarily by the actual assessment of the origin of goods which are alleged to be counterfeit. As a consequence, if during the proceedings it is determined that the goods which are the subject of the proceedings are indeed counterfeit, the court will rule that trademark infringement has occurred.

In the U.S., Canada, Australia, as well as in the majority of E.U. countries, the sole person or entity entitled to determine whether the goods in question are counterfeit is the right holder of the trademark used on the subject goods. This is the only logical choice, since only the manufacturer of the genuine goods can know if the goods in question have originated from its factory.

As discussed further below, in certain countries, an “expert” is appointed to determine if the goods are counterfeit. This “expert” is not affiliated with the trademark owner and is not familiar with the materials, process or distribution of genuine goods. If this role to determine whether the goods are counterfeit is assigned to such a third party, this would go against the principle of truth.

Overview

The issue came to light in certain countries where the appointment of experts or expert witnesses (hereinafter: Experts), whose role is to assess the origin of goods and determine if those goods are counterfeit, is mandatory or customary in civil and/or criminal proceedings. This practice excludes the trademark owner from making a determination on whether the goods are counterfeit; indeed, the trademark owner has no standing to weigh in on the nature of the goods. As a consequence, the courts are influenced by the Expert’s and not the right holder’s opinion when deciding whether the goods are counterfeit. In a number of countries, the opinion of the Expert differs from that of the right holder; this is particularly dangerous in the case where the Expert argues that the goods are not counterfeit, when in fact they are.

Clearly, such a practice results in the aggravation of the right holders in civil and criminal proceedings, and as a consequence can lead to a mistaken court ruling that the goods are not counterfeit and, consequently, that there is no trademark infringement.

Background

This Expert opinion issue was first reported in Turkey where Turkish IP courts appointed an expert or expert panel for the examination of seized materials to determine whether they were counterfeit goods. The expert in those cases was selected by other brand owners, namely, the competitors of the right holder subject to the proceedings. In most cases, the actual expert or majority of the experts in the panel were selected from competitors in the industry, who in fact did not have sufficient knowledge of the brand or products involved in the proceeding. As a consequence, these experts did not have the expertise to identify the difference between counterfeit and genuine materials and goods. Moreover, as the experts came from a pool of local manufacturers, wholesalers, and retailers, it happens that they themselves may have been active in the manufacture and trade of counterfeit goods. Such experts, involved in the manufacture and trade of counterfeit goods, cannot be expected to be impartial. Last but not least, in those Turkish cases, the expert examination could also exponentially increase the length of the criminal proceedings as the judge or prosecutor may appoint a second or third expert to the panel until an appropriate report is obtained.

Surveys

Once the issue was flagged by Turkish members of the INTA's Anticounterfeiting Committee (hereinafter: ACC) and the same was confirmed to exist in some Eastern European countries, the ACC decided to conduct two consecutive surveys among INTA members in 2014 and 2015. These surveys focused on the role of the Experts in assessing the counterfeit nature of goods in both civil and criminal proceedings initiated on the basis of trademark infringement claims (counterfeit cases).

The results of the surveys revealed that this problem existed in certain regions around the world, but not in others. The first survey was conducted in 2014 and revealed that countries in Asia Pacific and North America did not engage in the above-mentioned practice, while certain LATAM and Eastern European countries were identified as countries with a number of issues related to the appointment of Experts in counterfeiting cases (hereinafter: Affected Countries). As a next step, and in order to conduct an in-depth analysis of legislation and practice in the Affected Countries, additional information was needed from INTA members, particularly from the INTA ACC members from the aforementioned Affected Countries. Therefore, in June 2015, the ACC Policy Task Force Group and its Expert Witness Project Group prepared an additional set of questions for ACC members from the affected countries.

The second survey revealed that the appointment of Experts, even when not mandatory by law, is very frequently used in the Affected Countries; furthermore, the decisions of the relevant authorities are strongly influenced by the opinions of these Experts, regardless of the fact that they represent only one part of the total evidence submitted in the proceedings. Additionally, the survey revealed that several of the Affected Countries were facing an issue related to the role of the right holders in appointment of the experts (namely, Brazil, Ecuador, Guatemala, Honduras, Uruguay, Paraguay and Turkey).

The second survey was conducted in the following affected countries of Latin America: Bolivia, Brazil, Colombia, Dominican Republic, Ecuador, Guatemala, Honduras, Mexico, Paraguay, Uruguay and Venezuela, as well as in the following Eastern European countries: Macedonia, Bosnia and Herzegovina, Hungary, Bulgaria, Poland, Russia, Turkey and the Ukraine. The survey was also extended to Switzerland. The fact that the second survey was conducted in the above-mentioned affected countries should not mean that the issue is limited to these 20 countries, as there are number of other jurisdictions (particularly in Central Asia and North Africa) where this practice may also occur (this could not be verified as we failed to receive reliable feedback from INTA members in said countries).

There were a number of European and LATAM countries where this issue was recognized as a problem in the first survey conducted in 2014; however, we did not receive answers to the questions raised in the second survey in relation to these countries and for that reason we were not able to include these countries in the report. During the 2016 term, the Expert Witness Project Group continued to focus on this report. The Project Group discovered that some of the comments made in the various countries surveyed were either incomplete or outdated. In August and September of 2016, a third survey was conducted, updates were made, and a few countries were added to the list of affected Latin American countries (El Salvador, Nicaragua, Costa Rica, Panama, Peru, Chile, Argentina and Jamaica).

Conclusion

Based on its analysis and deliberations, the Policy Task Force Group of the Anticounterfeiting Committee recommends that the Board reaffirm its commitment to the only just and logical position in this matter which can be defined as follows:

- a) In cases where the court's decision in a civil or criminal case for trademark infringement depends on an answer as to whether the goods bearing the trademark of the right holder are counterfeit, such answer can only be provided by the right holder and not by third parties, regardless the status they are given in the proceedings (e.g. expert, expert witness).

Latin America

Argentina:

In trademark infringement cases (both civil and criminal proceedings) it is not mandatory for judges to rely on the examination by an expert or expert witness to determine that infringement has been committed.

However, parties may request that experts be appointed by the courts. In such cases, if said evidence is considered relevant to solve the case, the court would appoint the expert (experts are always appointed by the court and not by the parties). Additionally, courts may appoint experts even when the parties have not requested the assistance of an expert.

Parties may also be assisted by party-appointed experts, who may advocate for the party, on a science or skill the party-appointed expert is qualified to testify. Once the expert has produced the report, the parties are given the opportunity to question the expert or to object to all or part of the report.

The judge will assess the examination of an expert in accordance with the rules of sound judgment. The expert's opinions are not binding on the judges, who may base their decisions on other facts duly proved in the proceedings; however, the expert's opinions are usually considered by the judges.

Bolivia:

The right holder shall propose the expertise during the evidence term of the judicial or administrative proceeding, and the parties will participate in the appointment of the experts and bear the cost of the same in a judicial proceeding. In an administrative proceeding only the right holder will propose and bear the cost of the expert witness to demonstrate the infringement. The expert's opinions are not binding for the courts. However, usually the decisions are based on the same.

Brazil:

An expert analysis is not mandatory for civil proceedings; it is only requested when it is not clear that the infringement exists. However, in criminal proceedings, according to Article 201, of the Brazilian IP Law, the judge will appoint an expert to accompany the bailiff in the search and seizure procedure. The expert will collect samples of the infringing product or will verify the existence of the illicit act and will issue a technical opinion. After the preliminary search and seizure action, if the infringement is confirmed by the expert, the trademark holder may file either a criminal or a civil action or both of them, simultaneously.

In administrative proceedings before the Customs Authorities, the owner of the trademark will be required to submit an authenticity report attesting to the counterfeit of the retained products (in some cases, the owner of the trademark must file a lawsuit requesting the judge the seizure of the goods under suspicion of counterfeit. In other cases, the Customs Authorities may proceed with the destruction ex officio of the goods based on the authenticity report). Experts are appointed by the judge among professionals with the appropriate academic background and duly registered before the competent professional entity. In the absence of qualified professionals who meet the above requirements, the judge may freely appoint the expert. The parties may disagree with the appointed expert due to a lack of required technical knowledge or due to lack of impartiality; however, the parties are allowed to appoint only expert witnesses.

Judges are not bound by the experts' technical opinion and may use other elements and facts duly proved during the proceedings to form their opinion; however, the practice of the courts shows that experts' technical opinions are in most of the cases accepted by the judges.

It would be advisable to allow the parties to provide the court with information to help judges to determine the scope of the analysis to be performed and the technical fields that

the experts should fulfill in order to complete this task before the expert is appointed. This would help the judge and would prevent further delays based on potential challenges by the parties based on the lack of knowledge and skill of the experts.

Chile:

Laws 17.336 and 19.039 on Intellectual Property and Industrial Property grant to the affected party, civil and criminal actions before the courts of the Republic. It is relevant to emphasize that in Chile the legal proceedings associated to counterfeiting are substantiated in their vast majority before Criminal Courts.

In the criminal system, the public prosecutor will investigate and apply the public criminal actions for these criminal activities. The deadline of investigation shall be determined by the Guarantee Judge and may not be extended for more than two years. Within the investigation procedures, the public prosecutor may request expert reports from the police investigations unit and/or Carabineros de Chile.

The parties may submit reports made by trusted experts and may request during the preparatory hearing for trial that the experts are summoned to testify at that trial, confirming the professional qualifications of that expert.

In civil law, there is no legal obligation to carry out an expert report which would be binding on the judge. The expert report is a means of evidence, which is requested by the parties within the probationary term in order to prove the claim or stipulated by the court as a measure in order to better solve and to clarify certain incidents once the parties are notified to hear the court's ruling.

When the expert examiner is appointed under agreement of the parties, it will generally correspond to an expert who is associated to a specialized center as those in universities, eg. DICTUC or CESMEC (in Chile), which are formed by professional and technical experts. If the parties do not agree on the expert, the judge will appoint one from a list that is formed by the Court of Appeals of the city in which the trial is being substantiated.

The fees and expenses of the designated expert shall be borne by the party who requested this evidence, unless the court considers it a necessary measure to clarify the issue, regardless of what may be ultimately resolved on the payment of the costs of the proceeding.

Columbia:

The participation of experts (*perito*) for the recognition of products in criminal proceedings is commonplace and frequent in the field of trademark counterfeiting, to the extent that these experts, their opinions and testimonials are essential to demonstrate the existence of the crime, *i.e.* to show that the products are in fact counterfeit. As such,

the prosecution uses these *perito* expert witnesses to a greater extent¹ in these cases than in other procedural matters to prove the theory of the case brought before the criminal court. These *perito* expert witnesses are used from the start of the inquiry to verify that a crime has been committed, to justify the seizure of the suspected counterfeit products and finally to show to the judge, by way of reports and testimonies, that a crime has occurred. In this context, prosecutors and to a lesser extent, the defense, can both resort to official *perito* experts and individuals. There are also lists of individuals who are ancillaries within the justice system that, for a fee, perform the functions of a *perito* expert and who can also provide support at a given moment to demonstrate that a product is counterfeit. However, it is very rare to use *perito* experts from the lists of ancillary experts within the justice system because using them is very complex, time consuming and sometimes costly for a system that must use economic resources from its reserves to pay the fees of these experts.

Prosecutors usually acquire official *perito* experts from judicial police crime labs and victims provide prosecutors with private individual experts as a form of active collaboration in resolving the conflict concerning the counterfeiting of their products. Additionally, prosecutors may acquire *perito* experts from universities and academic, industrial or trade associations.

In Colombia the victim may suggest, not demand, the use of their suggested *perito* experts to be appointed according to the prosecution's necessary criteria in each case. Sometimes prosecutors only use *perito* official experts. It should be noted however that the work done by official *perito* experts, individual experts and experts who are suggested by the victims are of equal value before the law and an assessment of their work should therefore be measured accordingly.

Article 420 of the Penal Code regarding the assessment of *perito* expert testimony states:

Article 420. Assessment of *perito* expert evidence. In order to assess *perito* expert evidence in an oral and public trial, the scientific and moral technical suitability of the expert, the clarity and accuracy of their answers, their behavior in responding, the degree of acceptance of the scientific, technical or artistic principles on which the *perito* expert relies, the instruments used and the consistency in the set of answers shall be taken into account.

There is no kind of fee for or hierarchy among the *perito* expert witnesses. Thus, reemphasizing what has already been stated, the value of expert testimony when used for brand recognition carries the same level of importance regardless of whether the individual is an official expert, a private individual or hails from the list of ancillary experts in the justice system.

Conclusion:

¹ Also, but to a lesser extent the defense in criminal proceedings uses *perito* expert witnesses as a tool to prove his/her theory of the case.

In Colombia the counterfeiting of products is a crime punishable by imprisonment. Experts in the recognition of products fulfill key functions in criminal proceedings to prove the criminal offense and act as *perito* experts. These experts can be official or private individuals and can come from judicial police forensic laboratories, lists of individuals who are ancillaries within the justice system, academic institutions, professional associations etc., or they may be suggested by the victims. In the case we reviewed, the legal nature of these experts is that of a *perito*, who are primarily witnesses with specialized and in depth knowledge in the area of recognizing counterfeit products. Usually, the prosecution relies on the *perito* experts from judicial police crime labs, those suggested by the victims and to a lesser extent the *perito* experts enrolled in the lists of individuals who are ancillaries within the justice system, and to a much lesser extent *perito* experts from academic institutions or trade associations. There can be as many *perito* experts in a case as needed or requested and their opinions can be binding depending on whether the judge chooses to accept or reject it according to the rules of assessment for this kind of testimony.

Costa Rica:

It is mandatory for Judicial and Administrative Authorities to order ex-parte an expertise or to appoint expert witnesses in anticounterfeiting judicial and administrative proceedings, in order to identify counterfeit products.

Is it not required that the expert report be made before the seizure of the counterfeit products, in fact, the opposite occurs. The expertise must be based and prepared by the expert using the counterfeit goods seized.

The parties are allowed to participate in the appointment of the experts in both judicial and administrative proceedings. However, the authorities can discretionally request an additional expert from the laboratories of the Judicial Police, without involving the parties in the appointment process.

Nevertheless, the authorities do not normally practice this right and therefore the party-appointed experts would be more frequently used as a source of expertise. The expert's opinion is binding for the Authorities, who may even request additional expertise if they have certain doubts that need to be clarified in the process.

Dominican Republic:

According to the Law 20-00 on Industrial Property, it is mandatory for the judge to order an expertise in anticounterfeiting proceedings before rendering a decision on the case. The parties are allowed to participate in the appointment of experts and they bear the costs of appointing the experts.

Regarding the process of appointment, there are some diversities in civil and criminal proceedings. In civil proceedings, the parties can agree on the designation of the experts, who are appointed by means of a judgment to be rendered by the Court. If no agreement is reached between the parties, the Judge will appoint the expert ex-officio. The judge can appoint up to three experts, unless the parties consent to proceed with

only one expert. In criminal proceedings, if the case is being handled by the District Attorney, he can designate a specific expert during the preparatory stage. However, if the case is being handled by the court, the judge can appoint an expert at the request of the parties. The number of experts is determined by the complexity of the particular case, with consideration given to the parties' recommendations on the complexity.

If the expert report is contradictory, the judge can order another expertise at the request of the parties. The judges are not obliged to adopt the opinions of the experts. However, in an eminently scientific expertise the competent authority in a discretionary manner may rely on the results in order to provide a final pronouncement regarding the anticounterfeiting proceeding.

Ecuador:

In order to identify counterfeit products, it is not mandatory for Judicial or Administrative Authorities to order ex-officio an expertise or to appoint expert witnesses in anti-counterfeiting judicial or administrative proceedings. However, the parties usually request such an appointment during the corresponding evidentiary term. In civil proceedings, an expert report should be filed along with the law suit as part of the evidence supporting the claim. In addition, the expert should give testimony in a hearing in order to defend his or her report. The experts are appointed through a ballot system from a list of experts that have been preselected by the Judicial Council. The expert's reports are not binding for the Judicial Authorities and it is within the discretion of the judges to decide whether the Reports will be accepted or not.

Recommendation

The technical knowledge that may be involved in this kind of expertise, as well as the diversity of the cases and products that may be subject to this analysis, allows us to consider that no Judicial Council would be sufficiently informed and prepared in order to keep a list of experts that may complete an accurate analysis of the facts. Moreover, it is not clear whether such Judicial Council would be able to perform periodical updates of such a list.

Although we believe that it would be convenient to limit the experts to be appointed by the Court to a list of experts that is supposed to be reviewed and controlled by special Judicial Council, it is advisable to allow the parties to appoint at least independent experts that may work together with the expert to be appointed by the Court, in the analysis of the facts and the preparation of the corresponding report. It is clear that the Rights Holder will have the information and capacity to select an expert that may complete or aggregate special knowledge and skills to such an analysis.

El Salvador:

The common civil procedure in El Salvador states the possibility of incorporating technical experts to prove facts during a process. Based on this legal principle, it is

possible that the right holder proposes the expert's opinion during the evidence term of the judicial proceeding, and the parties will participate in the appointment of the experts and bear the cost of the same. The expert's opinions are not binding on the courts. However, the decisions are usually based on the expert's opinions.

In the criminal process, it has been the practice for the recent years that the pronouncements of the judges are strongly based on the technical opinion of the expert. The claiming party can offer one expert that to be a representative of the right holder. However, the counterpart usually challenges this designation, arguing a conflict of interest in the opinion for being an employee or a representative of the right holder. The same issue occurs when the attorney tries to appear as technical expert, he or she is challenged based on a conflict of interest and for not having the technical knowledge or preparation to give an opinion.

It is recommendable to designate a third party with knowledge of the field and give him (her) the sufficient training to prepare the technical opinion according to the court's requirements, and to be able to present such opinion during the pertinent step of the process. It is very possible that the counterpart will designate its own expert and that his/her opinion will be opposite to the other part expert. In this case the judge must select a third expert, which is recommendable to suggest that is a designated from the Trademarks Office if is the case of comparison of trademarks, or a high qualified expert according to the field discussed, from professional associations or local chambers of commerce.

The Court can ask for an expert from a specific Professional Association, and appoint the expert from a list of experts that such association may recommend.

RECOMMENDATION:

We always recommend to give a deep training to the representatives of the corporation, especially persons with some academic degree in the field subject to technical discussion (technology, textiles, fashion, etc..) to propose one of them to be expert during the process, with all the preparation and legal terminology that helps the authority to recognize the counterfeit products and also to be a qualified element when the judge issues a decision.

Guatemala:

It is mandatory for Judicial and Administrative Authorities to appoint expert witnesses in anticounterfeiting judicial or administrative proceedings in order to identify counterfeit products. The parties can participate in the appointment of the experts together with the judicial and administrative authorities. The experts are appointed from a particular list of experts provided by the National Institute of Forensic Sciences. An expert may only be appointed freely if the National Institute of Forensic Sciences is not able to provide a list of experts for a particular field. The parties must present a detailed list of the experts they are proposing for the case, so the Court may appoint the one that it may consider to be the most appropriate. However, if it is not possible to provide a list of experts for a certain case or filed, the interested party may propose only one expert, but must make it

evident why that person is the most appropriate. Depending of the nature of the goods, the court can ask for a referral of an expert in a professional association, and appoint the expert that such association may recommend. The expert's opinion is not binding for the courts, since it represents only one of the evidences, but, practically, the court would almost always rely on the expert's opinions.

Recommendation

The technical knowledge that may be involved in Intellectual Property cases, and the diversity of products that may be subject to analysis, allow to consider that no official institution, such as the National Institute of Forensic Sciences, would be sufficiently informed and prepared in order to keep a list of experts that may complete an accurate analysis of the facts. Moreover, it is not clear whether such an official institution would be able to perform periodical updates of such a list.

Therefore, considering that the Intellectual Property Right holder has experts with the capacity to accurately identify the legitimate goods, enriching the investigation, it is advisable that the court and Authorities allow the active participation of an expert provided by the interested party. If the court considers that it is necessary to provide an expert of the National Institute of Forensic Sciences or of a professional association to guarantee impartiality, then the expert provided by the party may assist in the investigation.

Honduras:

As a background it is important to mention that in Honduras any counterfeiting process starts with a private claim (whether is a civil or criminal proceeding), which could be file either by an unsatisfied consumer or the trademark owner against the alleged offender.

The judicial process in Honduras allows the parties the right to sustain the claim though any means that seems sufficient (such as: questionings, private or public documents, testimonies, inspections, experts opinions and others), the counterfeit proceedings are not any different. Taking the previous information into consideration, it is important to mention that the court proceedings are not the first step that can be taken by trademark owner whose rights have been affected, there is an administrative claim before the IP registry office, in which the trademark owner will provide all the experts information and opinions to prove that the counterfeit is indeed been executed by the offender. The result of this process serves two purposes: a) to sanction the offender with a fine (money that is collected by the Honduran government) and b) to obtain a document provided by the most specialized entity in the country that can certify that an IP infringement has been committed, in this case the counterfeit of a product. The only process that will not succeed though this administrative claim is the blocking of any parallel imports, which is not an IP infringement according to the Honduran legislation.

In Honduras, it is not mandatory to provide expert opinion in any judicial process, it is actually a right that both parties have and that the judge can also request during the process in case the information provided during the proceeding is not sufficient to rule on. Even though the most important and indisputable experts opinion should be the one

provided by the manufacturer or trademark owner, locally the most valuable expert's opinion will be the one provided by the specialized office in the matter, in this case any ruling or opinion provided by the IP registry office. Since the IP registry office is only allowed to participate in a process through a judicial request and the IP registry office might not be qualified to identify any products authenticity, its ruling from the administrative process will be taken as a very important piece of evidence of such counterfeit.

If the IP ruling is not available or was not considered on time, it should be noted that the expert's opinion is also debatable. The attorney of each party can question the expert and discredit any so called experience, through inquiry regarding their qualifications, updates with the companies securities system, relation with the manufacturing company, or any information that could be relevant to support such expertise. It is notable that one reason to discredit an expert's opinion is their direct or indirect relation or interest with any of the companies involved. Therefore, the expert in Honduras cannot be an employee of either party. It is also noteworthy that if the expert's opinions of each party contradict each other, the judge is allowed to request another expert's opinion.

Jamaica:

While there is no mandatory requirement for the appointment of an expert in anticounterfeiting proceedings in Jamaica, the court may admit evidence from expert witnesses or trade witnesses to assist the court in identifying counterfeit products and assessing damages or other losses. Either party to the proceeding may make an application requesting the appointment of an expert. However, the determination of whether a person shall be appointed as an expert is in the sole discretion of the judge who will assess whether the person is sufficiently qualified to speak to the issues in the proceedings. The judge will appoint such a person if he is satisfied that he possesses special knowledge in a technical or specialized area which he has acquired through academic training, professional experience or otherwise.

Expert witnesses are appointed in accordance with certain procedural rules and, once appointed, they owe a duty of impartiality to the court. This duty of impartiality overrides any obligations owed to the person(s) to whom he/she is employed or paid. Expert witnesses are required to express independent, unbiased and objective opinions.

The main advantage of the appointment as expert witness is that the expert's statements are usually heavily relied on by the court. Additionally, the expert is expected to assist the court in answering the very question presented to it, and in doing so ought to present facts and express opinions about the various issues relevant to the proceedings.

As a result of the express duties of independence and impartiality imposed on the expert witness, it seems unlikely that an employee or affiliate of a complainant (brand owner) would qualify to be appointed as an expert witness in Jamaica. However, in civil proceedings an application may be made by the complainant for the appointment of an expert witness (of its own selection) to be instructed by it.

Employees, affiliates of the brand owner or other persons involved in the relevant trade may be called as witnesses to give evidence on relevant facts and issues. The evidence of these witnesses may be admissible but not in the capacity of “expert evidence”.

Mexico:

It is mandatory for judicial and administrative authorities to order ex-officio an expertise or to appoint expert witnesses in anticounterfeiting judicial or administrative proceedings in order to identify counterfeit products. The parties are allowed to appoint experts and to participate in the appointment of experts. There are no specific rules in this regard. Parties may appoint their own experts, however the parties are then obliged to provide evidence demonstrating that the experts have adequate knowledge of the relevant field. The parties are able to choose a single expert, but each party normally chooses their own expert while the court appoints the third one.

Additionally, the law does not require an expert appraisal. The Attorney General’s office has the practice of appointing an official expert from the same institution. Unfortunately their guidelines and actual expertise is unclear and they often demand an original sample submission in every case which can be especially complicated in the luxury goods industry when there is not a comparable product. Also, there is not an open opportunity to challenge such official appraisals even though the appraisal is often the main proof used in the criminal investigations.

It is not mandatory for the courts and administrative authorities to rely on the expert’s opinion, but the decisions usually rely on it.

Nicaragua:

It is not mandatory to incorporate as evidence an expertise or to appoint expert witnesses in anticounterfeiting judicial proceedings in order to identify counterfeit products. However, the administrative and court authorities usually base their decision regarding counterfeit products on the expert report from the police laboratory. The parties can participate in the appointment of experts. The expert’s opinion is not binding for the courts, since it represents only one of the evidences, but, practically, the courts would almost always rely on the police expert’s opinions.

Recommendation

The technical knowledge that may be involved in this kind of expertise, and the diversity of the cases and products that may be subject to this analysis, allows us to consider that police experts are not sufficiently informed and prepared to execute a proper, detailed and accurate analysis of the facts. 3d trademarks open a new kind of analysis from the police experts which we are afraid it would be hard for them to execute properly. Training sessions are highly important in this matter.

Panama:

The Adversarial System in Criminal Justice has been in force in the Republic of Panama since September 2nd, 2016 (Law 63 of August 28, 2008). The Adversarial System applies for cases related to Industrial Property Crimes, and according to the new System, the expert witness shall appear in two stages:

The first stage being before the Intellectual Property Prosecutor Office, at the beginning of the investigation to determine if the goods are counterfeit or genuine. The expert shall render a sworn personal declaration.

The second stage being before a criminal judge in order to ratify his statement rendered before Intellectual Property Prosecutor Office. At this stage, the expert will be cross examined by the defense attorney, prosecutor, and then brand owner.

The expert witness is appointed by the brand owner who entitled to act in The Adversarial System. However, it is highly possible that prosecutor will also appoint a qualified forensic professional who belongs to the Legal Medicine Office of Panama District General's Attorney Office. The objective of the appointment of the qualified forensic professional is to reduce the amount of arguments that the defense may use to attack the qualification of the expert appointed by the brand owner.

Recommendation: Panama Industrial Property Law No. 62 of 2012 does not include a provision regarding to expert witness. It is our opinion that the Panama Industrial Property Law shall rule on this matter, indicating, expressly, that the brand owners are the one entitled to confirm if the goods are counterfeit or genuine.

Paraguay:

The Expert Witness opinion is mandatory in anti-counterfeiting judicial proceedings for the identification of the counterfeit products. The Expert Witness must be licensed by the Supreme Court of Justice. In present days, the Expert Witness is an employee of the Prosecutor's Office and he is in charge of rendering the expert witness opinions in all cases regarding trademark infringement. This Official Expert has no cost for the parties as he receives a regular salary from the Prosecutor's Office.

If the Expert Witness employed by the Prosecutor's office is not sufficiently prepared to complete an accurate analysis of the facts, brand owners may not appoint an "independent" expert that may work together with the "official" expert witness.

Right holders may always influence the opinion by providing samples and data to differentiate, legitimate and counterfeit goods. The work of the Official Expert has been mostly reliable so far. Nonetheless, the parties may address the judge to challenge the appointment of the Official Expert or request the appointment of an additional expert witness chosen by the challenged party. This extra expert must always be among those licensed by the Supreme Court to act as a trademark expert. The requesting party must bear the cost of the extra expert. Such challenge or extra expert rarely takes place, as most parties are not willing to cover the extra cost and prefer to rely on the Official Expert. Courts and Prosecutor Office normally follow the opinion of the experts. Parties may timely challenge the opinion of the expert and request the judge to call him to clarify his opinion.

Recommendation

Things have improved comparing years ago when the Prosecutor's Office freely appointed an expert from any of those licensed by the Supreme Court, without any intervention of the parties, even though they had to cover the cost of the experts. Moreover, the work of the experts was not reliable in many cases. However, much of the improvement rests on the reliability of the current Official Expert of the Prosecutor Office, which might change at any moment. Therefore, it would be advisable that the Prosecutor Office asks the parties whether they want an expert opinion and, if so, whether they want to appoint any extra expert. In many cases, the origin of the goods is not questioned, making the expert opinion unnecessary. If needed and the Official Expert's opinion turns unreliable, the extra expert would help to balance a misguided or wrong opinion from the former. Furthermore, the particularities of each case may require experts with specific knowledge the Official Expert may not have.

Uruguay:

It is not mandatory for judicial authorities to order an expertise or to appoint expert witnesses. However, criminal judges always order experts in the cases related with anticounterfeiting. Expertise is performed in most cases for the Scientific Police who perform a comparison study between the suspicious and genuine product. Normally, the officers from the specific police area will also attend the seminars and trainings in order to get knowledge about counterfeit and genuine products.

Uruguay's trademark law (17011, art 84) recently had an amendment which stated that after the expertise is completed the merchandise could be destroyed, which allows the brand owner to have the merchandise destroyed before the end of the trial.

Venezuela:

It is not mandatory for judicial authorities to order ex-officio an expertise or to appoint expert witnesses in order to identify counterfeit products. The interested party –mostly the Right Holder- must provide the evidence in this regard. If an expertise is requested by any of the parties, both parties shall appoint one expert (a third party expert) and the court will appoint a second. The parties may however, agree to the designation of a sole expert to review the case and prepare the corresponding reports. However, the judges at their own discretion may order ex-officio the production of additional evidence, including additional expertise or expert witnesses in order to clarify the case. Even under these circumstances the parties may participate in the selection and appointment of the experts for the expertise. Civil courts shall not require ex-officio the declarations of expert witnesses that are not mentioned in the files. Some reference to these expert witnesses must be included in the files in order for the court to request his or her declaration. Finally, the civil judge, at his or her own discretion, may even interrogate the parties to clarify any technical doubt regarding the counterfeit products.

Regarding criminal proceedings, the Scientific Police, usually trained for recognition of the counterfeit products, conducts the expertise –particularly at the beginning of the investigation during the preparatory phase before entering into a formal criminal trial.

Genuine samples of the products are to be provided by the owners, as well as any other element that may help the police to perform this task. It is also acceptable for the Right Holders to provide any expertise they may have conducted with respect to the authenticity of the products in question, in order to help the investigation and the comparison of products to be performed by police specialists. This analysis performed by the police specialists may be sufficient to obtain a seizure or any other preventive measure at the beginning of the proceeding. The experts can be appointed, in this preparatory stage, by the Attorney General's Office.

Additional evidence may be required if the case reaches the judicial phase and a final decision from a court is required. Once the criminal proceeding reaches the judicial phase, the judge has important discretion and autonomy in ordering the production of evidence ex-officio, including an expertise and/or the declaration of an expert witness. The parties may participate together with the court in the appointment of the experts that will participate in the expertise. The judge, at his or her own discretion, may even interrogate the parties to clarify any technical doubt regarding the counterfeit products.

The parties bear the costs of the experts, even if the expertise is required ex-officio by the court.

It is unusual for judges to order an expertise or the declaration of an expert witness ex-officio. On the contrary, this proactivity may be interpreted as a personal interest of the judge in the results of the case, and may raise additional issues, even disciplinary complaints. Thus, it is common for judges to rely on the evidence produced in court by the interested parties.

The opinion of the expert witness (or the report to be issued as a conclusion of the expertise) is not binding for the judge. It must be analyzed together with the rest of the evidence produced in the trial, in order to support the decision. Although the judge, based on the rest of the evidence, may reach a conclusion different from the one presented by the experts, it is mandatory for the judge to explain the reasons why he or she disagrees with such an expert opinion or report.

Europe

Bulgaria:

In Bulgaria an expert is usually appointed to examine whether there is a valid registration of the mark placed on suspected counterfeits and to identify the right holders. However, the expert is not required to examine the origin of the goods and whether they are counterfeits. This is to be determined by the right holders.

The appointment of an expert is customary in criminal cases and the experts appointed in such cases are paid from the state budget. After identifying the trade mark owners on the basis of the expert report, the criminal authorities always question the right holders to confirm whether the goods at issue are genuine or counterfeit.

In civil cases the appointment of an expert witness is not unusual. The expert is usually asked to assess whether the sign that the allegedly infringing goods are bearing is confusingly similar to the protected marks invoked by the plaintiff. The appointment of an expert may be requested by the parties or appointed ex-officio by the judge. Sometimes the alleged infringer may request an expert opinion seeking to establish that the infringing goods are genuine. The party that requested the opinion bears its costs. The expert witness is determined by the court but the parties may object in the event of conflict of interest or lack of expertise. The parties may also request a second opinion from a panel of three experts.

The experts are usually appointed from a list preapproved by the courts, but the judges in their own discretion can also appoint experts from outside the list. They must hold proven expertise in the field of intellectual property – i.e. certified IP professionals, chemists, engineers, etc. The courts are not legally bound by the opinions of the experts, but these opinions are usually followed.

Recommendation

In criminal cases, right holders are advised to assist the competent authorities by timely responding to any inquiries and providing most complete information. They may also actively participate as civil claimants in the trial phase of the criminal procedure. In civil cases, trade mark owners should not rely on expert opinions as far as determining the origin of the goods is concerned. If, however, an expert is appointed by the court ex-officio or at the request of the alleged infringer, the right holders may assist the expert by submitting evidence and information, which can help in obtaining a well-reasoned or subsequently challenge an erroneous opinion.

Hungary:

According to the respective laws the appointment of an expert is mandatory in judicial and administrative proceedings when the judge or administrative authority does not have the necessary knowledge to decide whether the product in question is counterfeit or not. In practice, it is quite common in criminal proceedings that the authorities assign such an expert in order to decide upon the nature of the goods, as well as upon the financial loss caused to the injured party. However, it is also common that the authorities contact the TM owner or the representative of the TM owner to confirm either the counterfeit/genuine nature of the goods or the amount of the financial loss. On one hand, the parties are allowed to participate in the appointment of experts in civil and administrative proceedings. On the other hand, in criminal proceedings, the experts are appointed by the court and the parties are not entitled to participate in the process of the appointment. Due to the lack in the parties' participation, experts are selected ad hoc, from an official list of experts based on their field of expertise. The special requirements applied to experts depend on their field of expertise. The following general requirements are applicable: education (degree/diploma) of the profession and a minimum number of years (generally 5) of professional practice in the field. The judicial and administrative authorities are not bound by the experts' opinion, but the expertise usually strongly influences the final decision (in practice, decisions are based on the expert's opinion). Furthermore, in civil cases it is possible for the parties to disagree with the experts' opinion and to request the appointment of a new expert. Moreover, if the opinion is

contradictory in of itself or to other evidences, the experts are requested to clarify their opinions; it is even possible appointing a new expert in such situations.

It appears that experts usually do not take the best interests of the TM holder into account and are often superficial and hasty, and only independent in theory. As a consequence of the above, (usually) there are three different expert witnesses involved in a procedure: one appointed by the investigation officer (not a prosecutor), one invited by the defendant (this will be considered as witness opinion not as an expert opinion) and one appointed by the court in order to neutrally resolve the contradictions of the other two expert opinions (the Court appoints an expert only in very rare cases, and tries to solve the contradictions with confrontation). It is also a great problem that experts simply lack the necessary expertise to decide certain questions and in addition experts many times (mostly during the investigation period of the criminal procedure) makes legal statements that they are not allowed to. According to the relevant legal provisions, the task of the expert is to decide in questions concerning technical issues. Despite their task, experts usually give legal opinions and provide such conclusions (e.g. regarding the damages caused by the infringement) that they simply do not have competence nor the adequate knowledge to decide.

Recommendation

Although experts appear to be selected ad hoc from a list and must fulfill certain criteria to be appointed, the Task Force noted the issues raised by the respondents regarding the (only theoretical) impartiality of the expert witnesses, as well as the superficial/hasty nature of their service. In such respect, it may turn useful that experts are either required to sign a neutral/impartial undertaking, as well as to be subject to the approval of both parties (plaintiff / defendant) before being officially appointed by the authority, court, having in mind their impartiality towards the case (as well as, of course, their expertise). Also, it would be useful and advisable that the experts involve the TM owners into the process of determining the original or counterfeit nature of the goods as well as the amount of the financial loss. This could lead to a more solid expert's opinion, which would eliminate the necessity of involving three expert witnesses and thus the procedures brought in front of the court would be very much shortened. As for an educational/professional requirement, we suggest a kind of training educational program with exams at the end.

Poland:

The appointment of an expert in judicial (criminal and civil) proceedings is not mandatory. However, in criminal proceedings the prosecution authorities (or the Police) typically order an independent expertise (in ca. 50% of cases, an expert opinion – that is not the TM holder – is requested in order to determine the nature of the goods in question). Nonetheless, the recent practice of selected criminal courts indicates that an expertise (i.e. a confirmation of the counterfeit status of goods) from the brand owner himself or even from his legal representatives should be sufficient for confirming the counterfeit status of the products in question; this is an ideal scenario and is strongly supported by the Task Force. Unfortunately, the practices of the courts and prosecution authorities are not harmonized in this area.

The brand owners are sometimes consulted in the process of the experts' appointment, if an expertise is required. That way they can suggest the most competent experts in the given field. The experts are chosen from the official lists provided by the District Courts. However, it is also possible to appoint an ad hoc expert that is not featured on the court's list (in practice this scenario rarely occurs in counterfeiting cases). Persons must be specialized in the relevant IP field relevant for the case (trademarks, patents, designs) and, at times, even appropriately qualified customs officers can be appointed as experts. It also happens that appointed experts consult brand owners or their representatives if there is an issue of the product's authenticity. It is not mandatory for the courts and other authorities to rely on the experts' opinion; however, in practice the results of their opinions are adopted by the respective authorities. Nevertheless, if there is any contradiction in the expert's findings, the parties should have a right to comment, question or even request the appointment of another expert.

Turkey:

It is necessary for the courts to appoint experts for the matters "that cannot be resolved with the judge's knowledge", meaning that an expert needs to be appointed for the establishing of non-legal technical details. The parties can participate in the appointment of the experts and/or expert witnesses in civil and administrative proceedings, while in criminal proceedings their participation is not allowed. In the civil and administrative proceedings, the competent authorities ask each party to propose an expert and to agree with the counterparty's proposal. If the parties do not propose their experts, or if they do not agree with the counterparty's choice, the competent authority will appoint an expert. Moreover, if the expert is appointed directly by the court, the parties may object such an appointment.

However, in criminal proceedings, the parties are not allowed to participate in the experts' appointment. However, the parties can object the appointment of the experts if there are circumstances that puts their impartiality in question, or if they lack knowledge in the specific field. In each single criminal action, the Turkish IP courts (and sometimes the public prosecutors during their investigations) appoint an expert or expert panel for examination of the seized materials to determine whether they are counterfeits. The expert is selected from other brand owners in the same field, namely from the competitors of the owner of the brand subject to the proceedings. In most cases, the expert or majority of the experts in the panel are selected from the competitors in the industry, who are not experts of the brand involved in the proceeding. Appointing industry experts has many disadvantages. These experts do not have the expertise to identify the difference between counterfeit and genuine materials since the expert does not have the expertise of the brand owner to make that distinction. The experts come from a pool of local manufacturers, wholesaler, and retailers that may be active in the counterfeiting trade in their industry. The experts who are indeed counterfeiters are obviously unreliable. The expert examination can also extremely lengthen the criminal proceedings as the judge or prosecutor may appoint a second or third expert to the

panel until an appropriate report is obtained. It is not mandatory for the courts or Administrative Authorities to rely on the results of the experts' reports or the expert witnesses' statements. However, the expert reports are highly influential on the prospective decisions and those decisions of the authorities are mostly being in compliance with the results of the experts' reports or the expert witnesses' statements.

Recommendation

A possible solution to this problem might be the establishment of an independent institution under the Minister of Justice which would evaluate and approve a closed list of the experts specialized in the respective fields of commerce/industry. The goal would be to identify those experts who have no conflicts of interest and would therefore be able to prepare a reliable and impartial written report about his/her determinations regarding the seized materials.

Ukraine:

For the time being the situation has not been radically improved. According to the law in force it is mandatory for Judicial and Administrative Authorities to order ex-parte an expertise or to appoint expert witnesses in anti-counterfeiting judicial and administrative proceedings, in order to assess and identify counterfeit products.

To initiate a criminal case, an application on committing of a crime is submitted to the police. In the application a right holder mentions the facts of the infringement of his trademark rights. The application may be accompanied by the separate document, indicating some counterfeit features of the goods, revealed by the right holder. During pre-trial criminal investigation proceedings, a public investigator may appoint any type of forensic examination to confirm or refute the circumstances of the case.

The parties are allowed to participate in the appointment of the experts. They are entitled to propose the candidates for conducting the expertise. The proposed candidates are limited to particular lists of the certified court experts registered with the Ministry of Justice. However, due to our applicable procedural laws in case of multi-discipline expert panels or single-discipline expert panels is conducted the specialist in particular sphere and with special knowledge will may be joined along with the expert in court expertise conducting.

The parties choose among those experts who have the respective qualification required for the specific type of expertise; however it remains at the sole discretion of the court to choose an expert, which can be further challenged by the parties.

The expert is not entitled to collect the materials for examination at his own discretion. Therefore, the parties of the dispute should provide the court (and as a result, the expert) with all proofs which may be used by the expert during the examination.

The expert is not able to confirm whether the goods are genuine or not, but merely establish elements of similarity, the use of a trademark etc. The expert's report is reviewed by the judge under the general rules of assessment of evidences only as one of the evidences. However, as practice shows, the results of a court expertise quite often have a strong effect on the outcome of the proceedings.

Thus, since the last review there were no changes regarding the authorization to the right holders' experts to conduct the court expertise concerning determination of the counterfeit nature of products and origin of goods.

At the same time, as part of the judicial reform which is currently carried out, a new type (for Ukraine) of the specialized court is going to be established, namely the High Court on the Intellectual Property Issues as a court of the first instance for copyright, trademark and patent disputes. This court is going to be established by autumn 2017. Thus, due to the above mentioned changes into the court system, current procedural rules and legislation, particularly regarding the issue who can be appointed as experts in the proceedings in order to identify counterfeit products, will be also a subject of the review.

Bosnia & Herzegovina:

The issue of brand protection is a very complex one in Bosnia and Herzegovina jurisdiction, due to the fact that counterfeiting and other related activities are of great scale and the civil and criminal procedural mechanisms in fighting them are rather undeveloped. However, it is manageable to provide meaningful brand protection through administrative proceedings to IP holders in matters regarding product counterfeiting in Bosnia and Herzegovina.

Bosnia and Herzegovina has taken obligation to follow EU regulatory and practice developments and transform it in its national legislation on its path to become EU member. Therefore, it is generally accepted in practice that sole person or entity entitled to provide the actual assessment of the nature of goods being the subject of court, administrative or criminal proceedings is the Right Holder. IP right holder would have role as an expert witness. This role of assessing the nature of goods could also be given to a third party which is court expert authorized by the Ministry of Justice for specific field of expertise. Please note that there would be a difference between the (i) expert witness and (ii) authorized court expert. The expert witness does not have to be registered before the relevant authority (Ministry of Justice) as such, it is usually someone specialized for anti-counterfeiting matters in IP holder's team and it can be someone from the foreign country. But, its testimony will only have probative weight of witness in the civil court procedure. On the other hand, in order to achieve the probative weight of the authorized court expert's opinion, the expert has to be authorized by the relevant authority in Bosnia and Herzegovina (Ministry of Justice) which would make them credible. There is an official list of court experts authorized by the Ministry of Justice for different fields available. It is also possible for the specialized Institution to be appointed.

According to the formal rules in civil procedure, at the request of a party, the Court or the right holder may appoint or request the appointment of an authorized court expert or expert witness. Usually, a party (IP holder) may choose authorized court expert or its own expert witness and submit the proposal and its written statement during the first hearing or at the main hearing at the latest so the other party has the right to respond. The authorized court expert or expert witness will be invited to a court hearing during which he will be cross-examined as a witness or as a court expert by the parties and court as well. The court at its sole discretion may appoint another court expert if it finds that the opinion of the originally appointed court expert is not complete and/or professional enough at its own initiative and decide who that would be. The authorized court expert from the other country can be appointed as well but only in case if there is no relevant authorized court expert on the list or the specialized Institution. The role of an authorized court expert or expert witness is to provide an expert assessment (which has to be in one of the official languages in Bosnia and Herzegovina - Bosnian or Serbian or Croatian) in cases involving alleged counterfeit goods confirming the goods' nature (counterfeit/genuine). The court's decision should be fairly based upon all evidences provided and presented in the court procedure including the expertise and testimony.

The practice of the state prosecutor's office in criminal proceedings is rather poor in violation of intellectual property rights. Usually, the prosecutor in charge for the particular case invites the IP holder to provide the actual assessment of the nature of the counterfeited goods (expert's witness opinion) that could help the case. This would be taken as a witness testimony and could be challenged in cross examination during the proceeding. IP holder would have a position of an interested party and/or witness in the criminal proceeding. However, there is a general legal possibility to propose either by the prosecutor or by the defendant the authorized court expert from the official list of the Ministry of Justice whose opinion could be challenged and it can be cross-examined in the criminal proceeding as well.

It would be preferable to always give priority to the assessment provided by the expert witness as the IP holder in civil and criminal procedures instead of independent authorized court expert opinion appointed by the parties or by the court in relation to the nature of the goods. This is preferable because only the IP holder has deep knowledge about the elements that differentiate genuine products from counterfeits. Basing the court's decision on the authorized court expert's opinion possibly could raise important issues when the expertise is incorrect, i.e. when the authorized court expert did not take into consideration and include it in its opinion IP holder's specific knowledge and expertise regarding certain characteristics of the genuine goods.

In practice, the custom's procedure is very well developed and the most effective legal method for tackling of counterfeited goods. Counterfeited goods are usually seized by the customs authorities and are subject to a specific rules in Administrative Procedure.

Due to the huge imports of all of kinds of goods in our country, custom service even though entitled to, is not likely to hold up the goods ex-officio. Therefore, in order to fight counterfeited goods and protect brand integrity, it is always recommended to submit a Motion for Increased Custom Supervision of protected goods, in which case the custom will hold up every shipment that comes through the country borders. Customs officers will contact the IP holder or its representative as the persons entitled to examine the goods being seized. The assessment whether the goods are counterfeited or genuine can also be done based on the actual photos taken. Accordingly, necessary measures are taken and seized goods would be destructed as a part of administrative procedure at the costs of the IP holder who can claim its damages from the importer in the civil procedure afterward.

Kosovo:

Courts in this jurisdiction request an expert opinion (in criminal cases) or expert witness opinion (in civil cases) in order to determine the counterfeit nature of the goods. In criminal infringement proceedings, it is not compulsory to appoint an expert. If appointed, the expert's role is to assess and confirm the nature of the goods; the Court's decision is generally based on such opinion. In civil proceedings, it is at the free will of the parties to invite witness experts, but this is not compulsory. The expert witness selection is performed ad hoc. In the cases where such an expert witness is appointed, the court's decision is usually based upon such expertise.

Recommendation

Since the court's decision follows the opinion of the expert (or of the expert witness opinion in case of civil proceedings), it would be preferable to replace or at least always adjoin to the independent expert's opinion appointed by the court the assessment provided by the TM holder in relation to the nature of the goods, considering that only the TM holder has deep knowledge about the elements that differentiate genuine products from the counterfeits. Also, basing the court's decision solely on the expert's opinion (without also relying on the TM holder's assessment) could raise important issues when the expert is in error (i.e. when the expert is not aware of certain characteristics of the genuine goods), irrespective of the expert's neutrality / impartiality towards the case.

Macedonia:

Expert witness opinions are often used as evidence in Macedonia in order to determine not only the counterfeit nature of the goods, but also to give an opinion whether the goods could mislead the average consumer. Although the appointment of an expert witness is not mandatory according to the law, it this has become a common practice in both criminal and civil cases. In criminal proceedings the role of the expert witness is to assess and confirm the nature of the goods. In civil proceedings, if either party wishes to

file an expert witness opinion they must indicate so in their summons/arguments in defense and attach the opinion thereto, but there are instances when the judge can allow the expert witness opinion to be introduced at a later stage under certain conditions (e.g. the party expressed its intention in the summons, but did not have time to submit the opinion). The court will appoint an expert witness ex officio only in the situation when both parties have submitted contradicting expert witness reports. Parties may choose the expert witness from the Register of approved experts with the Ministry of Justice. In order to qualify as an expert, a person must either pass an exam or, if they hold a PhD or another relevant degree in a specialized field, may file a request for being licensed as experts with the Ministry of Justice. According to the law, the results of the expert witness reports do not bind the judicial or administrative authorities; however, in practice, most of the court's decisions are based on the expert witness reports which often go against the interests of the right holders.

Russia:

It is not mandatory to order ex-parte an expertise or to appoint expert witnesses in proceedings concerning counterfeit goods, regardless of the nature of the proceedings (civil, criminal, or administrative). Expertise and expert witnesses are only one of the sources of evidences for the court. The court may use other evidences for the decision making process and its justification. However, the courts in this jurisdiction usually request an expert opinion or expert witness opinion (which is not that of the TM holder) in both criminal/civil proceedings in order to determine the counterfeit nature of the goods. A trademark owner may provide its view on the origin of products and confirm this with relevant evidence, e.g. with an internal examination statement; however this may be considered as a position of the party, and not as an expert opinion or expert witness opinion.

In civil trademark infringement proceedings, an expert witness is appointed only if expertise is requested by any of the parties to the proceeding, but such is not compulsory. Both parties have a right to propose the expert for the appointment or ask for expert's recusal. The Court issues the final decision on experts' appointment and both parties have a right to challenge it. The role of the expert witness is to provide his/her assessment towards the nature of the goods.

In administrative or criminal proceedings, the courts choose an expert from the list of certified state experts. Experts can be appointed either ad hoc but also from a pool of certified individuals. The results of the experts' reports or the expert witnesses' statements should be considered in comparison with other evidences. Both parties may challenge the results of the experts' reports or the expert witnesses' statements if they find it unreliable; the court may also reject it for the same reason. However, it is not rare practice that the courts' decisions are based on the opinions provided by the experts.

Recommendation

Considering that there are indications towards the fact that expert opinions are requested in criminal infringement cases and that such opinions strongly influence (albeit in only some cases) the court's ruling, the Task Force recommends that in such cases it would be preferable to replace, or at least always adjoin to the independent expert's opinion appointed by the court, the assessment provided by the TM holder in relation to the nature of the goods, considering that only the TM holder has deep knowledge of its products and the elements that differentiate such products from the counterfeits. Also, basing the court's decision solely on the expert's opinion (without also relying on the TM holder's assessment) could raise important issues when the expert is in error (i.e. when the expert is not aware of certain characteristics of the genuine goods), irrespective of his/her neutrality / impartiality towards the case.

Serbia:

In criminal proceedings, an expert may be appointed by the public prosecutor (in the pre-trial stage) or by the court (during trial) when the opinion of an expert is necessary to establish a relevant fact. If an expert is appointed, the court must address the expert's opinion in the reasoning, but the court's decision is not based only on such opinion.

At the request of a party, the court may appoint an expert in civil trademark infringement cases if the opinion of an expert is necessary because the judge does not possess specialized knowledge necessary to establish a relevant fact. Also, a party may choose its own expert and submit the expert's written statement during the first hearing at the latest; the other party has the right to respond. The expert will be invited to a court hearing during which he will be examined by the parties. The court may appoint another expert if it finds that the opinion of the originally appointed expert is not complete and/or professional enough. There is an official pool of court experts for different fields, including IP. However, the court may accept an expert who is not on the list, but who possesses sufficient knowledge in the relevant field.

Switzerland:

The public prosecutor and courts in criminal proceedings shall request the services of one or more experts if they do not have the specialist knowledge and skills required to determine or assess the facts of the case. The appointment of an independent expert is driven by the argument that the prosecutor should not ask the TM owner to act as expert in a proceedings concerning the counterfeiting of its rights. A balance must be struck between the need to have someone who has the knowledge to act as an expert in a specific field (such as the Federation, which is somehow independent, neutral and reliable) and the fact that the expert should not be too close to either of the parties in the proceedings. As a matter of fact however, whether or not the public prosecutor or a court actually does consider it necessary to appoint an independent expert or not mainly

depends on whether or not they consider *other* evidence – including evidence provided by the TM owner – satisfactory or not. Even if an independent expert is appointed, he/she will normally take information provided by the TM owner into consideration. Hence, whether or not an expert is appointed at all, as well as the result of the expert's opinion will heavily depend on the quality of evidence offered by the TM owner.