

INTA Comments on IP Key Cooperation Programmes December 2017

The International Trademark Association (INTA) would like to thank the European Commission for the opportunity to provide comments and suggestions to be included in the first Annual Work Plans (covering the period April 2018 – March 2019) of the new IP Key cooperation programmes for 2017-2020.

INTA commends the European Commission's and EUIPO's efforts on the ground in the development of a robust intellectual property system in third countries. With its global and diverse membership, comprising brand owners from major corporations and SMEs, law firms and non-profits, among others, and with Representative Offices in the regions at issue – China, South-East Asia (Singapore) and Latin America (Santiago, Chile), INTA is available to provide assistance and support the development and implementation of IP Key programmes. In this context, we would support a more active and closer cooperation with international organizations that are already working on the ground in the countries covered by the IP Key programmes, such as INTA. Such cooperation could increase chances of success of the programmes.

In December 2016, replying to a request for input by the Commission, INTA provided suggestions for the 2017-2020 IP Key programmes, most of which are still valid. We thus reproduce below some of the comments previously made, with an update as needed. In addition, for each of the three IP Key programmes, we provide comments and suggestions, some applicable to the whole region at issue and others country-specific.

A. GENERAL COMMENTS ON IP KEY PROGRAMMES

INTA has always been a strong supporter of EUIPO's international activities. As such, INTA welcomes EUIPO's efforts to benchmark its tools and practices with trademark offices and other institutions in an increasing number of countries, and to develop ties with other authorities. In this context, we would like to suggest that the European Commission and EUIPO consider exploring the possibility of an EU funded project in Africa.

In any case, we would caution that any international activity of EUIPO should focus in priority on trademarks and designs within the limits of EUIPO's financial means and in close coordination with the Commission.

INTA also strongly welcomes the active involvement of non-EU businesses, and consideration of their interests in international cooperation activities. EUIPO's funds derive from a global community of trademark and design owners from more than 170 countries. Therefore, EUIPO's funds and efforts under IP Key should be dedicated to supporting and promoting the interests of all businesses regardless of their provenance.

INTA would welcome increased transparency and accountability as regards the budget allocated and the results achieved with each IP Key programme. In particular, we would welcome detailed information on each country covered and the distribution of funds between the different recipients and the concrete activities undertaken (training, IT support, awareness, etc.) In this context, it would be useful if some Key Performance Indicators (KPIs) were provided.

INTA supports the suggested link between the activities considered within IP Key programmes and the priorities conveyed by the industry in the context of Free Trade Agreements (FTAs) and IP Dialogues and Working Groups between the EU and China, South-East Asian and Latin American countries, on which we regularly provide input.

INTA suggests that the initiatives covered by IP Key China, South-East Asia and Latin America include:

- The promotion of EUIPO's practices and tools such as TMView, DesignView and TMClass;
- Enforcement-related activities:
 - a) Dialogues on online counterfeiting,
 - b) Development of best practices or trainings on administrative procedures at the borders, i.e. for small consignments, for instance;
 - c) Promotion of Customs Records Systems to improve information sharing between brand owners and customs officials;
 - d) Trainings on the subject of preliminary measures in contentious IP matters to increase harmonization and avoid forum shopping.

INTA recommends that the programmes address brand restrictions, i.e. measures by governments that prohibit or significantly restrict the use of trademarks for lawful products and services, including plain and highly standardized packaging measures. Such measures are detrimental to consumers, trademark owners, innovation and competition, and can lead to the expropriation of valuable trademark rights without due process.

It is INTA's position, reflected in comments provided to several governments around the world, that plain and highly standardized packaging measures should be rejected since they violate various international treaties and national laws including the Paris Convention, the Technical Barriers to Trade Agreement and the Agreement on Trade-related Aspects of Intellectual Property Rights. Governments should be encouraged to consider less drastic alternatives to address health and safety goals.

B. SPECIFIC COMMENTS ON THE THREE IP COOPERATION PROGRAMMES FOR THE PERIOD 2017-2020

1) IP KEY CHINA

In China, IP Key has been very visible and our members have praised its success. Considering the fast development of the Internet-based industry and its growing impact on the distribution of trademark infringing products, INTA suggests that IP Key focuses on the improvement of **online enforcement of intellectual property rights**. INTA recommends that efforts focus on practical means of cooperation between trademark owners and companies involved in online marketing, sales, and distribution of goods in addressing the problem of counterfeit goods being sold over the Internet. In particular, focus should be given to the establishment of mechanisms to ensure:

- a) A timely and effective process of notification of illegal sale of counterfeits as well as takedown mechanisms, provided that an appropriate legal framework for such purpose is in place;
- b) Procedures for identifying and taking more effective action against repeat offenders;
- c) Preventive measures to reduce the sale of counterfeits by anonymous counterfeiters;
- d) Procedures that facilitate access by trademark owners and law enforcement authorities to information about counterfeiters and the distribution of trademark infringing products;
- e) Promotion of cooperation between trademark owners and intermediaries so that information is efficiently and timely shared and enforcement of IP rights is expedited.

The sale of counterfeit goods over the Internet is a top priority for INTA. The Association is consistently monitoring and addressing the developments of online sales of counterfeits in a fast-

moving and changing digital reality. In this context and given our vast and diverse membership as well as our China Representative Office, INTA is available to provide the needed assistance in the operation of IP Key China.

In addition, we suggest that the initiatives covered by IP Key China include:

- **The promotion of several treaties:** namely the Madrid Protocol and the Singapore Treaty of the Law on Trademarks, and the Hague Agreement concerning the International Registration of Industrial Designs, to increase harmonization and legal certainty to the benefit of businesses of all sizes.
- **Enforcement-related activities:** One of the most notable events coming from IP Key in China in 2016 was a joint conference with the Chinese Ministry of Commerce (MOFCOM) regarding Online Counterfeiting in China. It attracted policy leaders and industry to a very dynamic seminar that covered in-depth the many intricacies of the issue. With a new e-commerce law pending for China, another round in 2018 would be very useful.
- **Trademark protection:** trainings and assistance on bad faith registrations, development of the law on trade dress protection and parallel imports and enhancement of its general understanding;
- **Designs protection:** trainings, education and assistance on designs registration and enforcement.

2) IP KEY SOUTH-EAST ASIA

INTA recommends that IP Key South-East Asia covers the promotion of the Madrid Protocol and the Singapore Treaty on the Law of Trademarks, and the Hague Agreement concerning the International Registration of Industrial Designs, for the above-mentioned reasons. Our Representative Office in Singapore is willing to provide support in the activities undertaken within IP Key South-East Asia.

i. In Vietnam

INTA stresses that the following initiatives in the context of IP Key would be welcome in Vietnam:

a) Trademarks

- Peer-to-peer exchange on best practices for examination, opposition and cancellations;
- Organization of seminars on evaluation, equity and development of brands for Vietnamese companies;

b) Designs

- Designs protection: trainings, education and assistance on designs registration and enforcement.
- Assistance in organizing seminars in Vietnam on the EU Design system and in the EU on the protection of industrial designs in Vietnam.

c) Customs/Enforcement

- Meetings between EU and Vietnamese Customs on IPR enforcement cooperation (in both Vietnam and the EU).
- Development of best practices or training on administrative procedures at the borders, i.e. for small consignments, for instance.
- Trainings on the subject of preliminary measures in contentious IP matters to increase harmonization and avoid forum shopping.

ii. In Indonesia

In the framework of IP Key, INTA would welcome increased efforts to support the development of an effective national IP strategy in Indonesia, and that priority be given to improving IP enforcement. INTA would particularly welcome cooperation in the development of a more effective criminal IP enforcement system (including with Customs).

Moreover, INTA has identified a number of problematic issues in Indonesia, listed below. We suggest that, in the context of IP Key, EUIPO cooperates with local authorities to set up mechanisms and practices such as dialogues, roundtables, trainings of judges, IP administrators and Customs, etc. towards improving the country's situation.

a) Trademarks

- **Recording of License**

Following the issuance of Minister of Law and Human Rights Regulation No. 8 of 2016 concerning the Requirement and Procedure of Intellectual Property License Recordings, the treatment of license recordings remains unclear, particularly with regard to applications for recording which were submitted prior to the issuance of the regulation. INTA suggests that trainings are provided in this respect, considering EUIPO's expertise as concerns trademark and design recordings.

- **Madrid Protocol**

Legislation to implement the Madrid Protocol in Indonesia is necessary.

- **Amendements of typographical errors**

The Indonesian trademark Law only stipulates the possibility of issuing amendments of typographical errors of the name and/or address of the applicant in a trademark application. It is unclear whether amendments are also available for other actions such as the recording of an assignment of rights or license agreement. Clarification is thus needed in this respect.

b) Designs

INTA has identified the following issues in the field of Design law:

- Unclear guidance on the criteria used by courts to determine similarity of design features.
- Unclear timeframe applicable to substantive examination.
- Unclear process to be followed in the examination stage for right holders.

c) Customs

Government Regulation No. 20 of 2017 on Control of Import and Export of Goods Resulting from IP Infringement remains unclear and still requires further implementing regulations. In particular, the timeframe for Customs restraint and/or suspension is unclear.

d) E-Commerce

- The Minister of Communication and Informatics issued Circular Letter No. 5 of 2016 on Limitation and Responsibility of Providers of Platforms in the form of User Generated Content and Merchants of Electronic Commerce Using the Platforms. A higher level of regulation, e.g. Government/Minister Regulation addressing the subject-matter of the Minister's Circular Letter is still required and needed.
- The current 14 day timeframe of the takedown mechanism used for IP infringing products sold online is considered too long;
- There is a need to establish and develop procedures that facilitate access by trademark owners to information about counterfeiters and the distribution of IP infringing products.

3) IP KEY LATIN AMERICA

INTA would like to suggest that the IP Key programme in Latin America covers the following matters:

- Design registration and enforcement.
- Trademark examination matters: trainings and workshops in order to improve practices and procedures of IP offices and promote the development of the law on issues such as classification, non-traditional marks, famous and well-known marks and coexistence agreements as well as best practices for the offices.
- Promotion of enhanced interaction between IP offices and Customs authorities, including the sharing of registration data of IPR right holders to facilitate the identification of counterfeit goods within the borders of each country.
- Acknowledgement and promotion of the current cooperation mechanisms between government authorities (such as IP offices, judges, Customs officers, prosecutors, etc.) on IPR enforcement issues so as to obtain its incorporation in the law.
- Further promotion of inter-sectorial initiatives, such as dialogues, roundtables and workshops, bringing together trademark examiners, Custom officers, government officials, judges, industry, etc. to exchange information, best practices and enhance cooperation between the different IP actors.
- Assistance in the development of useful and adequate means of alternative dispute resolution in IP matters.
- Support in the liaison with local health authorities to exchange on and discuss the impact of brand restrictions on trademark rights, the economic development and innovation of Latin American countries and the means to achieve a balance between IP rights and public health concerns.
- Development of a training program on IP matters specifically addressed to judges, in order to improve knowledge and skills needed to deal with IP cases.
- Development of trainings on IP matters tailored to the specific needs and concerns of particular industry sectors.
- Development of initiatives, perhaps together with the Latin America IPR SME Helpdesk, focusing on the specific needs and concerns of SMEs based in Latin America and in the EU on IP matters (filings, registrations, agreements, fees, etc.).

INTA Representative Office in the Region (Santiago, Chile) is fully available to support the development and implementation of the IP Key programme by participating in meetings or other fora of discussion and cooperating with EUIPO and local authorities as deemed appropriate.

We hope you find this contribution useful. We remain at your disposal should you have any questions. Please contact H el ene Nicora, Chief Representative Officer, Europe at hnicora@inta.org / +32 2 880 37 22 or Carolina Oliveira, Policy Officer, Europe, at coliveira@inta.org / + 32 2 808 37 23.

For IP KEY Latin America and China matters you may also contact, respectively, Jos e Luis Londo o, Chief Representative Officer, Latin America and Caribbean, at jlondono@inta.org, and Seth Hays, Chief Representative Officer, Asia-Pacific and China, at shays@inta.org.