

INTA's additional comments

on

the EU Commission's public consultation on the 'Evaluation of the activities of the EU Intellectual Property Office related to enforcement and the European Observatory on Infringements of Intellectual Property Rights (Regulation No 386/2012)'

October 2018

First of all, INTA would like to respectfully thank the European Commission for the opportunity to provide such comments.

INTA would like to recognize the overall work of the EUIPO and the Observatory since 2012.

I. General comments

INTA would nonetheless like to stress the following 4 priorities for INTA to be taken into consideration for the work of the European Observatory in the future:

1. Clear the confusion between the role, competences and attributions of the EUIPO and the Observatory. As mentioned in previous comments, INTA would like to stress that, oftentimes, there appears to be a blurred line between the EUIPO and the European Observatory in terms of role, responsibilities and tasks which creates confusion for our members and all stakeholders (e.g. the 'international cooperation' part seems to fall under both the EUIPO and the Observatory's remit with no clear distinction as to their respective roles and competences in the matter; a similar example can be found with regards the 'authentic cities' project). As the Observatory has its own Regulation (EU) No 386/2012, INTA would advocate for the Observatory to have also its own dedicated work plan, that would clearly indicate when some tasks are done with the EUIPO and how such tasks are performed; the work plan also does not necessarily have to be aligned to the EUIPO's own Strategic Plan. The EUIPO and the Observatory should make an effort to consistently and clearly distinguish between their respective role, competences, tasks and projects, including in all their communications and events, and not use reference to one as an alternative to reference to the other.
2. Focus on trademarks and designs-related infringements. While we recognize that the Observatory focuses on IPR infringements, the Observatory is currently handling various and multiple activities in that matter, as attested by the Work Programme 2019. We notice that more and more is done on patents, copyrights and geographical indications, resulting in less activities on designs and trademarks. We urge the Observatory to do more on trademark and designs-related infringements, and to address all kinds of trademark and design infringements and not only counterfeiting. INTA respectfully opposes any inclusion of patents in the competences of the EU Observatory. Indeed, the activities of the Observatory are funded by trademark and design registration fees, the expenditure of which is of great interest to INTA members.

3. Communication and Dissemination of the Observatory's work. We have already stressed in previous comments that INTA's membership appreciates the extensive studies of the Observatory and has been suggesting in several instances that they receive greater promotion and publicity. We therefore would like to commend the Observatory for creating a new WG focused on outreach and dissemination of studies. Moreover, although the Observatory relies on its network to circulate the information, we believe that it should also allocate sufficient resources to the promotion its thought-leadership pieces. The Observatory Outreach Working Group should support the development and implementation of a comprehensive strategy for disseminating this information to a wider audience. The Outreach WG could also consider utilizing some further return on investment metrics to determine the influence of these studies. It could also be involved to consider the promotion and dissemination of a study before its publication.
4. Preserving a balanced, efficient and inclusive approach regarding the new structure of the Working Groups (WGs) of the Observatory. While INTA understands the Observatory's willingness to improve its WG structure, INTA can only support a new structure of the WGs if several safeguards are put into place:
 - It is essential that INTA's participation in the new WGs is not limited to one WG. INTA has been part of all 5 WGs so far and would therefore aim at retaining as much participation as possible in the new structure. Indeed, INTA is a truly global association, with a strong footprint in Europe, and its members have provided robust and recognized input to the various WGs it seated in.
 - The Observatory should reconsider the repartition of access to the WGs among the various stakeholders. While we welcome the inclusion of civil society representatives, the Observatory's mission revolves around infringements of IPRs, so participation in the WGs, if it is to be limited, should be provided in priority to public stakeholders and to private stakeholders, the latter representing the very businesses which are directly impacted by infringements of their rights. Brand-owners, practitioners and lawyers - all of which fall under the private stakeholders' category- bring the necessary expertise and undertake the substantial work of the WGs, both elements which are essential to maintain the WG's quality of work.
 - INTA welcomes the Observatory's proposal on stakeholders' information with regards WGs in which they are not represented as well as ensuring that they can provide input "*in a timely and effective manner – to any ongoing and new project*". Timely information and possibility to provide input is essential if the Observatory is to retain its collegial approach, which has made it a success story so far.

Finally, INTA notes, as it did in previous input to the EU Commission's public consultation, that the limited space (in terms of word limits) to reply to specific questions is detrimental to the full and detailed arguments needed to support our answer. We respectfully urge the Commission to provide more such space for answers in future consultations.

Therefore, we would like to reproduce below our full answer to questions 26, 31, 43, 58, 66, 70, 73 and 90

II. Specific comments on several questions where space was limited

- **Question 26**

Although question 25 refers to the European Union Intellectual Property Office (EUIPO or "the Office"), we understand that the whole evaluation focuses on the work of the European Observatory for IPR infringements as per Regulation (EU) No 386/2012 of the European Parliament and of the Council of 19 April 2012, which requires the Office to administer, support and organize the

Observatory as a mean to carrying on tasks related to facilitating and supporting the activities of national authorities, the private sector and the Union institutions against infringements of IPRs.

We regret that the evaluation overall refers to the Office instead of the Observatory, since this nurtures a confusion about their respective tasks, roles and competences. As mentioned in previous comments, INTA would like to stress that, oftentimes, there appears to be a blurred line between the two which creates confusion for our members and all stakeholders. The EUIPO and the Observatory should make an effort to consistently and clearly distinguish between their respective roles, competences, tasks and projects, including in all their communications and events, and not use reference to one as an alternative to reference to the other.

Reference to the Office instead of the Observatory may also trigger biased responses in this evaluation. Please note that we will thus focus our comments on the Observatory, as our views could be different on the assessment of the EUIPO itself, given the specificities of its role, structure and responsibilities.

- **Question 31**

We recognize that the Observatory focuses on IPR infringements but note that more and more activities focus on patents, copyrights and geographical indications, resulting in less activities on trademarks and designs. We urge therefore the Observatory to do more on trademark and designs-related infringements, and to address all kinds of trademark and design infringements and not only counterfeiting.

The work of the Observatory is very important on all relevant aspects listed above in question 29, but we believe more could be done in terms of communicating/disseminating/promoting the work done by the Observatory, at EU and national level, to public and private stakeholders as well as citizens and the public at large. In particular, the use of the sectorial studies on counterfeiting in events to raise public awareness should be increased. Although the Observatory relies on its network to circulate the information, we believe that the Observatory should allocate sufficient resources of its own to the promotion and post-publication advocacy of its thought-leadership pieces. This should include the development and implementation of a broader strategy for disseminating this information to a wider audience.

In that sense, INTA welcomes the proposal made by the Observatory in its Extension of its multiannual plan 2019-2020 to create a dedicated Working Group *“to propose actions to be implemented by all participants in the network to improve the dissemination of the results of the Observatory related work to reach all relevant target audiences”*.

INTA would propose that the European Observatory considers using some further return on investment metrics to determine the influence of these studies. The Working Group could also be involved to consider the promotion and dissemination of a study before its publication.

Finally, we commend the work of the Observatory in supporting EUROPOL IPC3. We would nonetheless request the Observatory to provide more transparency on the activities, funding as well as on stakeholders' involvement. We would suggest the Observatory to consider more efforts at national level only if specific and concrete objectives are set to help EU Member States better coordinate trademark enforcement between national entities (such as police, prosecutors, customs and all relevant agencies), together with dedicated KPIs. We would also respectfully ask to avoid attributing the Chair of the IPC3 Stakeholder Advisory Group to one private stakeholder, so as to improve stakeholders' involvement.

- **Question 43**

INTA believes the European Observatory should focus its resources in priorities towards designs and trademarks infringements as well as anticounterfeiting projects. In that regard, in our comments

on the recent Draft Work Programme 2019 of the Observatory, INTA respectfully reiterated its suggestion on a new study on brands restriction. Trademark laws are consumer protection laws. Consumers rely on trademarks and trade dress in order to make well-informed decisions about their purchases. Brand restrictions, including but not limited to plain and standardized packaging, not only limit the trademark owners in using their rights, but limits the consumers' ability to make informed decisions about their purchases. More seriously, plain packaging allows counterfeits to easily copy genuine goods, creating an increase of potentially harmful counterfeit goods in the marketplace. INTA would like to respectfully reiterate its request that the Observatory examine all forms of brand restrictions, and their effects on brands, consumers and the counterfeit trade, as it is an important and growing issue for brand owners. Although a very sensitive subject, we also believe that there would be much added value in having a study looking at the link between counterfeiting and other crimes. Perhaps the Observatory could at least start compiling existing information on this subject, and supporting and promoting the compilation of such information, especially at national level. We heard several anecdotal evidences from national enforcement authorities, which would be most helpful if compiled.

Question 58

INTA has serious concerns regarding the formulation of question 55 and hope that it is only an unintended mistake. INTA stresses the need to expressly mention and include right-holders when referring to meetings of "experts", and not refer to only "academic experts and relevant representatives of civil society" in question 55. Right-holders are indeed the core and main basis of expertise with regards the fight against counterfeiting and they can provide valuable practical information about their brand protection efforts in these sorts of seminars.

INTA believes that enforcement training and seminars are of utmost importance as it allow to connect government officials with private stakeholders and allow each side to benefit from the others' perspective, experience and specific skills. It further facilitate the contact and relationship between the parties when a concrete IPR infringement case takes place and the development of efficient best practices.

INTA acknowledges the need to adopt an inclusive approach towards academics and civil society but stresses the need to invite more right-holders representatives, who have strong and thorough expertise as practitioners, especially when exchanging information at trainings.

- **Question 66**

INTA welcomes the databases and online tools as they provide platforms to exchange information and therefore allow national authorities and brand-owners to fight and tackle IPR infringements more effectively and efficiently.

In that regard, INTA welcomes the new portal's aim to provide "*a unique entry point for accessing the enforcement tools (the Enforcement Database – EDB, ACIST and ACRIS)*". Nonetheless, we would maintain our concern raised in previous earlier submissions that the multiplication of databases could be confusing and counter-productive; it can also reduce the appeal, effectiveness and efficiency of each database. We thus strongly support the objective to seek greater integration and interoperability between existing databases so as to obtain consolidated enforcement information, which we hope the portal will contribute to. Indeed, INTA has long advocated for a one-stop shop mechanism which guarantees the interoperability of the databases.

Finally, INTA believes one of the highly appreciated features of the EDB is that much of the information is translated to allow enforcement authorities to access data in their own language. Therefore, we believe – as stressed in previous submissions- that an important improvement would be to have all the documents available in EDB also available in all official EU languages.

Finally, we would recommend the Observatory to continue its effort of promoting the EDB towards brand owners, as it appears that it is not yet very popular in certain jurisdictions.

- **Question 70**

INTA believes that the Observatory has managed to establish an efficient, inclusive and diverse network which has contributed to its success. INTA is pleased to be part of this network and to contribute to the work of the Observatory by being actively engaged in all its working groups. The possibility to meet with representatives from the public and private sectors, as well as civil society representatives, to exchange ideas, experiences and best practices is by far the most positive aspect of our engagement with the Observatory. Among the positive aspects of our experience, we can also mention the possibility to be informed in advance about projects and plans of the Observatory, the possibility to give a contribution to the work of the Observatory, supporting some projects which have already been proposed (e.g. the upcoming cybersquatting study to which INTA provided several members to participate in) and started, and proposing new projects and ideas (e.g. our proposal that the Observatory focuses more on disseminating its studies and research with the creation of a dedicated WG). Also, we can reiterate our earlier comment that INTA has promoted EDB several times – to NY members in 2015, at the Annual Meetings in 2015, 2016, and 2017, and in a webcast in 2016. Moreover, we invited the Observatory to present on various topics, including on its tools and databases to our members at our programming (including our Anticounterfeiting Workshops).

- **Question 73**

First of all, INTA respectfully opted for ‘poorly’ in its assessment as it could not assess it as ‘satisfactorily’. It would have been preferable to have an intermediate level which would read ‘fairly’, which we believe here would be more appropriate.

INTA appreciates the work of the European Commission in improving the protection of IP rights in third countries and often participate in the relevant preparatory meetings of the IP Dialogues and Working Groups for these countries. INTA members also work with IP Key and our Association invites IP Key to our various events around the world. Most notably, INTA partnered with ECAP-III in 2015 for a joint customs seminar in the ASEAN region. IP Key representatives have been invited to speak at several INTA events – most recently at an INTA policy dialogue in Buenos Aires in April 2018. The Association finds working together with IP Key is helpful, especially in improving anticounterfeiting efforts worldwide.

INTA has always been a strong supporter of EUIPO’s international activities focused on benchmarking 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 support the creation 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.

We noted and appreciate that the website for IP key projects has been improved significantly and provides more information than in the previous version. However, while we are quite familiar with DG TRADE’s work outside of the EU, INTA would appreciate a more comprehensive report of the state of play of the EUIPO’s work in these third countries. The current approach varies from region to region, and INTA membership does not see a sufficiently coordinated and transparent approach re. the EUIPO’s work with DG TRADE outside of the member states. The IP stakeholders would benefit from a road map of the EUIPO’s IPR strategy outside of the EU and information regarding a

cost-based activity budget allocated to the work commissioned by DG TRADE, as well as some feedback as to the outcome of these efforts.

In general, our membership is growing confused on the entity entrusted with international cooperation and would request both clarity and consistency on the EUIPO and the Observatory's respective responsibilities and tasks, and which resources and funds are used for such programs. We would also suggest enhanced clarity, transparency and better cooperation in that regard with private sector's associations, as well as with EU and EU Member States IP Attachés, in order to reciprocally benefit from each other's strengths and prevent any 'double-use' of the respective resources on a same issue. This is particularly true since there are discrepancies between regions: for instance, cooperation with private stakeholders in IP Key China is more efficient than in other programmes.

In particular, it is not always clear the extent to which the Office participates in the funding of the IP Key Programmes. The IP Key website (<https://ipkey.eu/en>) seems to indicate that the existing programmes are entirely funded by the European Commission. 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.

We are pleased to acknowledge some improvements that have been achieved in this regard with the new IP Key website. In particular, we welcome the information provided regarding the 2018 initiatives and respective calendar for each of the IP Key programmes (China, Latin America and South-East Asia). We encourage the Office to provide this kind of information for the activities planned for 2019, as soon as possible. Having visibility of the IP Key initiatives planned in advance would be helpful to provide assistance to the Office in the implementation of the programmes. Indeed, with its global and diverse membership, comprising brand owners from major corporations and SMEs, law firms and non-profits, and with Representative Offices in China, South-East Asia (Singapore), Europe 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.

Moreover, The EUIPOs engagement in the TM5 and ID5 process and its sharing of TMView and TMClass is welcome and should be further expanded.

- **Question 92**

Indeed, the electronic platform (i.e. website) used by the Observatory to upload materials and documents is very slow and not user friendly. Hence some improvements may have to be considered. Moreover, documents, agendas and minutes are very often uploaded later, without giving the necessary timeframe to experts of the WGs and stakeholders to be promptly informed about news, activities and deadlines.

With regards the restructuring of the Working groups of the Observatory, INTA defends preserving a balanced, efficient and inclusive approach regarding the new structure of the Working Groups (WGs). While INTA understands the Observatory's willingness to improve its WG structure, INTA can only support a new structure of the WGs if several safeguards are put into place:

- It is essential that INTA's participation in the new WGs is not limited to one WG. INTA has been part of all 5 WGs so far and would therefore aim at retaining as much participation as possible in the new structure.
- The Observatory should reconsider the repartition of access to the WGs among the various stakeholders, to give priority to representatives of right holders and public stakeholders. While we welcome the inclusion of civil society representatives, it is important to ensure the expertise of businesses directly impacted by infringements of their IP rights. After all, the Observatory's mission revolves around infringements of IPRs. Brand-owners, practitioners and lawyers - all of which fall under the private stakeholders' category- bring the necessary expertise and

undertake the substantial work of the WGs, both elements which are essential to maintain the WG's quality of work.

- INTA welcomes the Observatory's proposal on stakeholders' information with regards WGs in which they are not represented as well as ensuring that they can provide input "*in a timely and effective manner – to any ongoing and new project*". Timely information and possibility to provide input is essential if the Observatory is to retain its collegial approach, which has made it a success story so far

About INTA

INTA is a global association of brand owners and professionals dedicated to supporting trademarks and related intellectual property (IP) to foster consumer trust, economic growth, and innovation. INTA's members are more than 7,200 organizations from 191 countries. The Association's member organizations represent some 31,000 trade mark professionals and include brand owners from major corporations as well as small and medium- sized enterprises, law firms and nonprofits. There are also government agency members as well as individual professor and student members. Further information about our Association can be found at www.inta.org.

Should you wish to further discuss any of the points we have raised or additional issues, please contact H el ene Nicora, Chief Representative Officer, Europe at hnicora@inta.org or Hadrien Valembois, INTA Policy Officer, Europe at hvalembois@inta.org