BENEDETTA UBERTAZZI

Exclusive Jurisdiction in Intellectual Property

Max-Planck-Institut für ausländisches und internationales Privatrecht

Studien zum ausländischen und internationalen Privatrecht 273

Mohr Siebeck

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Jürgen Basedow, Holger Fleischer und Reinhard Zimmermann

Benedetta Ubertazzi

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Benedetta Ubertazzi, born 1975; Full-Tenured Researcher of International Law, Faculty of Law, University of Macerata, Italy; Fellow, Alexander von Humboldt Foundation Research Fellowship for Experienced Researchers, Germany, Host Institute: Max Planck Institute for Intellectual Property and Competition Law, Munich, Germany.

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All of what is written in this book is, needless to say, of my own authorship and responsibility. All websites hereafter referred to have been last accessed at November the 30th, 2011.

Milan, 30 November 2011 *Benedetta Ubertazzi*

Table of Contents

Table of Abbreviations

AIDA	Annali italiani del diritto d'autore, della cultura e dello spettacolo
ACTA	Anti-Counterfeiting Trade Agreement
AEDIPr	Anuario español de derecho internacional privado
Am. J. Comp. L.	American Journal of Comparative Law
AJIL	American Journal of International Law
ALI	American Law Institute
ARIPO	African Regional Intellectual Property Organization
B.C. Int'l & Comp. L. Rev.	Boston College International & Comparative Law Review
Brook. J. Int'l L.	Brooklyn Journal of International Law
Brit. Y.B. Int'l L.	British Yearbook of International Law
CLJ	Cambridge Law Journal
Cardozo J. Int'l & Comp. L.	Cardozo Journal of International and Comparative Law
Colum. J. Transnat'l L.	Columbia Journal of Transnational Law
Colum. L. Rev.	Columbia Law Review
CLIP	Conflict of Laws in Intellectual Property
Corn. L. Rev.	Cornell Law Review
COM	European Community Reports
CPL	Civil Procedure Law of the People's Republic of China
Denv. J. Int'l L. & Pol'y	Denver Journal of International Law and Policy
EJCL	Electronic Journal of Comparative Law
ECHR	European Convention on Human Rights
ECtHR	European Court of Human Rights
ECJ	European Court of Justice (Court of Justice of the European Union)
EFTA	European Free Trade Association
EIPR	European Intellectual Property Review
Env. Pol'y & L.	Environmental Policy and Law
EPC	European Patent Convention
EPL	European Patent Law
EPO	European Patent Office
Ford. Intell. Prop. Media & Ent. L.J.	Fordham Intellectual Property, Media & Entertainment Law Journal
GADI	Giurisprudenza annotata di diritto industriale
GRUR Int	Gewerblicher Rechtsschutz und Urheberrecht: Internationaler Teil
Harv. Int'l L.J.	Harvard International Law Journal
Hous. L. Rev.	Houston Law Review
Ind. Int'l & Comp. L. Rev.	India International & Comparative Law Review
ICH	Intangible Cultural Heritage
ICJ	International Court of Justice

IIC	International Review of Intellectual Property and Competition Law
IJCS	International Journal of Cultural Studies
Int'l & Comp. L.Q.	International and Comparative Law Quarterly
Int. J. Law & Inf. Tec.	International Journal of Law and Information Technology
IPRax	Praxis des Internationalen Privat- und Verfahrensrechts
IPQ	Intellectual Property Quarterly
Italian. Intell. Prop.	Italian Intellectual Propety
Italian Y.B. Int'l L.	Italian Yearbook of International Law
JYIL	Japanese Yearbook of International Law
JDI	Journal du droit international
J. Bus. L.	Journal of Business Law
JED	Journal of Environment and Development
J. Int'l Arb.	Journal of International Arbitration
JIPLP	Journal of Intellectual Property Law & Practice
J. Priv. Int'l L.	Journal of Private International Law
J. Pub. Int'l L.	Journal of Public International Law
J. Tech. L. & Pol'y	Journal of Technology Law and Policy
J. Pat. & Trademark Off. Soc'y	Journal of the Patent and Trademark Office Society
J. Tech. L. & Pol'y	Journal of Technology Law and Policy
LMCLQ	Lloyd's Maritime & Commercial Law Quarterly
Marq. I. P. L. Rev.	Marquette Intellectual Property Law Review
Mich. J. Int'l L.	Michigan Journal of International Law
Mich. L. Rev.	Michigan Law Review
N.Y.U. J. Int'l L. & Pol.	New York University Journal of International Law and Politics
NZULR	New Zealand University Law Review
NZYIL	New Zealand Yearbook of International Law
OAPI	Organisation Africaine de la Propriété Intellectuelle
OHIM	Office for the Harmonization in the Internal Market (Trade Marks and Designs)
OJ	Official Journal of European Union
OUP	Oxford University Press
PCIJ	Permanent Court of International Justice
Pol. Dir.	Politica del diritto
PIL	Private International Law
RabelsZ	Rabels Zeitschrift für ausländisches und internationales Privatrecht
Recueil des Cours	Recueil des Cours de l'Académie de droit international de La Haye
REDI	Revista española de derecho internacional
RCDIP	Revue critique de droit international privé
RIDC	Revue de droit international et de droit comparé
Riv. Dir. Ind.	Rivista di diritto industriale
RDI	Rivista di diritto internazionale
RDIPP	Rivista di diritto internazionale privato e processuale
Rich. J. Global L. & Bus.	Richmond Journal of Global Law & Business
CHTLJ	Santa Clara Computer and High Technology Law Journal
SZIER	Schweizerische Zeitschrift für internationales und europäisches Recht

So. Cal. L. Rev.	Southern California Law Review
Transparency Proposal	Transparency of Japanese Law Project, Transparency Proposal on Jurisdiction, Choice of Law, Recognition and Enforcement of Foreign Judgments in Intellectual Property
TRIPs Agreement	Agreement on Trade-Related Aspects of Intellectual Property
TLR	Temple Law Review
Tul. L. Rev.	Tulane Law Review
ULPS	Unified Patent Litigation System
UNCLOS	United Nationals Convention on the Law of the Sea
UNCTAD	United Nations Conference on Trade and Development
UNIDROIT	Institut international pour l'unification du droit prive
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNRIAA	United Nations Reports of International Arbitral Awards
U.C. Davis L. Rev.	University of California Davis Law Review
U. Pa. J. Int'l Econ. L.	University of Pennsylvania Journal of International Economic Law
U. Pa. L. Rev.	University of Pennsylvania Law Review
Va. J. Int'l L.	Virginia Journal of International Law
Vand. J. Transnat'l L.	Vanderbilt Journal of Transnational Law
Waseda Proposal	Principles of Private International Law on Intellectual Property Rights (Waseda University Global COE Project)
Washington L. Rev.	Washington Law Review
W. Va. L. Rev.	West Virginia Law Review
WIPO	World Intellectual Property Organisation
Wm. & Mary L. Rev.	William and Mary Law Review
WTO	World Trade Organisation
WPPT	WIPO Performances and Phonograms Treaty
YJIL	Yale Journal of International Law
Y.B. Priv. Int'l L.	Yearbook of Private International Law

Chapter I

Introduction

I. Premise

1. Exclusive Jurisdiction in IPRs Cases between Public and Private International Law

Whereas substantive intellectual property (IP) law is far advanced in terms of international harmonisation[1], despite recent efforts *inter alia* of the World Intellectual Property Organization (WIPO)[2] issues of jurisdiction, applicable

[1] See *infra*, paras 5 and 34. See Marketa Trimble Landova, 'When Foreigners Infringe Patents: an Empirical Look at the Involvement of Foreign Defendants in Patent Litigation in the U.S.' (2011) 27 CHTLJ 499, 500; Fiona Rotstein, 'Is there an International Intellectual Property System? Is there an Agreement Between States as to What the Objectives of Intellectual Property Laws Should Be?' (2011) 33 EIPR 1-4 <http://www.austlii.edu.au/au/ journals/UMelbLRS/2011/1.html> accessed 30 November 2011.

[2] *Inter alia,* from 30-31 January 2001 in Geneva WIPO organised a WIPO Forum on Private International Law and Intellectual Property. See the related papers and documents at the WIPO website <http://www.wipo.int/meetings/en/details.jsp?meeting_id=4243>, namely André Lucas, 'Private International Law Aspects of the Protection of Works and of the Subject Matter of Related Rights Transmitted Over Digital Networks' WIPO/PIL/01/1 Prov; Jane Ginsburg, 'Private International Law Aspects of the Protection of Works and Objects of Related Rights Transmitted Through Digital Networks (2000 Update)' WIPO/PIL/01; Fritz Blumer, 'Patent Law And International Private Law On Both Sides Of The Atlantic' WIPO/PIL/01/3; Graeme Dinwoodie, 'Private International Aspects of the Protection of Trademarks' WIPO/PIL/01; Graeme Austin, 'Private International Law And Intellectual Property Rights - A Common Law Overview' WIPO/PIL/01/5; Henry Perritt, 'Electronic Commerce: Issues in Private International Law and the Role of Alternative Dispute Resolution' WIPO/PIL/01/6; Rochelle Dreyfuss and Jane Ginsburg, 'Draft Convention on Jurisdiction and Recognition of Judgments in Intellectual Property Matters' WIPO/PIL/01/7; Masato Dogauchi, 'Private International Law On Intellectual Property: A Civil Law Overview' WIPO/PIL/01/8; International Bureau, Background Paper,WIPO/PIL/01/9. See also the Paris Union and WIPO Joint Recommendation Concerning the Protection of Marks, and Other Industrial Property Rights in Signs, on the Internet, adopted by the Assembly of the Paris Union for the Protection of Industrial Property and the General Assembly of the WIPO at the Thirty-Sixth Series of Meetings of the Assemblies of the Member States of WIPO 24 September to 3 October 2001. The preface of this recommendation states that "the determination of the applicable law itself is not addressed by the present provisions, but left to the private international laws of individual Member States". On this Joint Recommendation see Axel Metzger, 'Applicable Law Under The CLIP-Principles: A Pragmatic Revaluation Of Territoriality' in Jürgen Basedow, Toshiyuki Kono and Axel Metzger (eds), *Intellectual Property*

law and recognition and enforcement of judgments still remain untouched by universal international harmonisation measures[3]. In fact, besides the substantive harmonisation of IP laws[4], States constituted international governmental organisations that centralize all or part of the administrative procedures that are necessary for the granting of certain intellectual property rights (IPRs)[5]. Particularly, these organisations established a centralized deposit, reducing the costs of making individual applications or filings in all of the countries in which protection is sought, and therefore "making it easier the acquisition of equivalent IPRs on the same subject matter in a number of jurisdictions approximately at the same time"[6]. Yet, the rights granted according to those procedural conventions typically give rise to a portfolio of national or EU[7] rights enforceable only as territorial rights, without containing significant rules addressing either the international jurisdiction of the courts of the member States to adjudicate IP related claims, or the recognition and enforcement of foreign judgments in the area of IPRs. Additionally, notwithstanding that the existing and negotiated universal international instruments on IP, especially the ones concluded and negotiated in the past two decades, including the Agreement on Trade Related Aspects of Intellectual Property Rights of April 1994 (hereinafter: TRIPS Agreement)[8] and the Anti-Counterfeiting Trade

in the Global Arena (Tübingen, Mohr Siebeck 2010) 172-173. See also, *infra*, para 63, for the application of the Joint Recommendation by the German Federal Court of Justice in *Hotel Maritime* (Case IZ R 163/02, 13 October 2004).

[3] Note, these issues are usually addressed by regional international rules. For instance, in Europe, the Convention on the Grant of European Patents (adopted 5 October 1973, entered into force 7 October 1977) 1065 UNTS 199 (European Patent Convention), on which see *infra* para 4, includes the Protocol on Jurisdiction and the Recognition of Decisions in respect of the Right to the Grant of a European Patent (Protocol on Recognition). The text is available at <http://www.epo.org/law-practice/legal-texts/html/epc/2010/e/ma4.html> accessed 30 November 2011. Council Regulation (EC) 40/94 of 20 December 1993 on the Community trade mark [1994] OJ L011 (see amending acts at <http://europa.eu/legislation_summaries/other/l26022a_en.htm#AMENDINGACT> accessed 30 November 2011) includes Title X on Jurisdiction and Procedure in Legal Actions Relating to Community Trade Marks. Council Regulation (EC) 6/2002 of 12 December 2001 on Community designs [2002] OJ L3/1 includes Title IX on Jurisdiction and Procedure in Legal Actions Relating to Community Designs. Council Regulation (EC) 2100/94 of 27 July 1994 on Community plant variety rights [1994] OJ L227/1 includes Part Six on Civil Law Claims, Infringements, Jurisdiction.

[4] See *infra*, paras 5 and 34.

[5] Ibid.

[6] Pedro de Miguel Asensio, 'Cross-border Adjudication of Intellectual Property Rights and Competition between Jurisdictions' (2007) 41 AIDA 117.

[7] See *infra*, para 4.

[8] Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPs), Annex 1C of the Marrakesh Agreement Establishing the World Trade Organization, (signed in Marrakesh, Morocco, 15 April 1994) available at <http://www.wto.org/english/docs_e/legal_e/ legal_e.htm> accessed 30 November 2011. For the text of the treaty see <http://www.wipo.

Agreement concluded on 15 November 2010 (hereinafter: ACTA)[9], strongly emphasise the need to effectively enforce IPRs, and though enforcement of IPRs across national borders is crucial for their effective protection[10], those international instruments fail to address problems of cross-border enforcement of IPRs through civil litigation and focus their emphasis on purely domestic issues[11], "ignor[ing]"[12] transnational disputes. So, while the first steps in the direction of harmonising international jurisdiction and applicable law rules on IPRs were undertaken by the Hague Conference in 1999 when it launched its preliminary draft proposal for an international Convention on Jurisdiction and Enforcement in Civil and Commercial Matters[13], followed by a new draft in

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int/treaties/en/summary.jsp> accessed 30 November 2011. The TRIPs agreement incorporates various IP conventional norms by reference, including the principles of territoriality and national treatment. However, the TRIPs agreement also "departs from the long tradition whereby international IP conventions confined themselves to imposing on Members only negative obligations, in particular by requiring national treatment of foreigners, and takes the unprecedented step of mandating positive obligations, including most-favoured nation treatment and greatly expanding minimum IP protection standards". See Marco Ricolfi, 'The First Ten Years of the TRIPs Agreement: Is There an Antitrust Antidote Against IP Overprotection Within TRIPs?' (2006) 10 Marq I. P. L. Rev. 305. See also Marco Ricolfi, 'The Interface between Intellectual Property and International Trade: the TRIPs Agreement' (2002) 29 Italian Intell. Prop. 29; Christopher Wadlow, '"Including Trade in Counterfeit Goods": The Origins of TRIPs as a GATT Anti-counterfeiting Code' (2007) 3 IPQ 350.

[9] See the preamble of this agreement, the paragraphs of which are not numbered and which states that "*Noting* that effective enforcement of intellectual property rights is critical to sustaining economic growth across all industries and globally [...] *Intending* to provide effective and appropriate means, complementing the TRIPS Agreement, for the enforcement of intellectual property rights, taking into account differences in their respective legal systems and practices; *Desiring* to address the problem of infringement of intellectual property rights, including infringement taking place in the digital environment". The negotiating parties of ACTA are a mix of developed and emerging economies: Australia, Canada, the European Union, Japan, Korea, Mexico, Morocco, New Zealand, Singapore, Switzerland and the United States. See <http://ec.europa.eu/trade/creating-opportunities/trade-topics/intellectualproperty/anti-counterfeiting/> accessed 30 November 2011. See also Eddan Katz and Gwen Hinz, 'The Impact of the Anti-Counterfeiting Trade Agreement on the Knowledge Economy: The Accountability of the Office of the U.S. Trade Representative for the Creation of IP Enforcement Norms Through Executive Trade Agreements' (2009) 35 YJIL 24 <http://www.yjil.org/docs/pub/o-35-katz-hinze-ACTA-on-knowledge-economy.pdf> accessed 30 November 2011.

[10] Trimble Landova, 'When Foreigners Infringe Patents' (n 1 Chapter I) 500 and de Miguel Asensio, 'Cross-border' (n 6 Chapter I) 107.

[11] Trimble Landova, 'When Foreigners Infringe Patents' (n 1 Chapter I) 500.

[12] Ibid 514.

[13] The Hague Preliminary Draft Convention on Jurisdiction and the Effects of Judgments in Civil and Commercial Matters (adopted on 30 October 1999), with an explanatory report by Peter Nygh and Fausto Pocar, 'Preliminary Document No. 11' in Fausto Pocar and Costanza Honorati (eds), *The Hague Preliminary Draft Convention on Jurisdiction and Judgments: Proceedings of the Round Table held at Milan University on 15 November 2003* (Mi-

2001[14] which included also rules on cross-border IPRs issues, this text and its IPRs rules were very contentious[15].

Reasoning for this current frame can be inferred in at least two ways. First, since the failure of the proposed Hague Convention on Jurisdiction and Enforcement in Civil and Commercial Matters was mainly due to the lack of consensus on cross-border IPRs rules, this failure might have discouraged States from attempting to negotiate any cross-border litigation instrument. Second, "as with other issues that do not receive adequate attention in the international trade arena, there might be a lack of pressure by interests groups to place the problems on the agenda"[16], which might also be grounded on the fact that the current system obliges enforcement of IPRs on a national basis, country by country according to the so-called mosaic approach. This causes economic inequalities, where the big multinational companies are generally able to finance litigation in every relevant jurisdiction, or at least in the ones that would be likely to produce spill-over effects, whereas the medium-small size enterprises may well lack the same financial strength to defend each national proceeding[17].

Indeed, empirical studies have shown in recent years that cross-border cases are growing in number and increasing in proportion to the total number of IPRs cases that have been filed[18]. Additionally, this increase is seen in cases affecting IPRs that are particularly relevant to the national economy of countries involved[19]. Therefore, given the frequent exploitation of IPRs beyond national borders and the need for their cross-border enforcement, an internation-

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lan, Wolters Kluwer 2005) 209. The text of the DHJC, its history and the ensuing developments, are also available from Pocar and Honorati. See also Andrea Schulz, 'The Hague Conference Project for a Global Convention on Jurisdiction, Recognition and Enforcement in Civil and Commercial Matters: An Update' in Josef Drexl and Annette Kur (eds), *Intellectual Property and Private International Law. Heading for the Future.* (Oxford, Hart Publishing 2005) 5. With respect to IPRs see Dreyfuss and Ginsburg (n 2 Chapter I); Annette Kur, 'International Hague Convention on Jurisdiction and Foreign Judgments: A Way Forward for IP?' (2002) 24 EIPR 175; Petkova Svetozara, 'The Potential Impact of the Draft Hague Convention on International Jurisdiction and Foreign Judgments in Civil and Commercial Matters on Internet-related Disputes with Particular Reference to Copyright' (2004) 2 IPQ 173.

[14] See Permanent Bureau, 'Report of the experts meeting in the intellectual property aspects of the future Convention on jurisdiction and foreign judgments in civil and commercial matters' Preliminary Document No. 13 (1 February 2001), page 7, available at <http://www.hcch.net/upload/wop/jdgmpd13.pdf> accessed 30 November 2011.

[15] Schulz (n 13 Chapter I) 7-8 and Kur (n 13 Chapter I) 175.

[16] Trimble Landova, 'When Foreigners Infringe Patents' (n 1 Chapter I) 514.

[17] See *infra*, para 98.

[18] Trimble Landova, 'When Foreigners Infringe Patents' (n 1 Chapter I) 548.

[19] Ibid.

al agreement should remain the ultimate goal to be achieved[20]. Thus, both previous and current negotiations are occurring at different international fora of an academic nature, aimed at proposing four different sets of principles related to the international jurisdiction rules concerning the IPRs cross-border litigation issues[21]. Finally, most recently the International Law Association started to work on the four sets of principles, namely comparing and summarizing their major outcomes with respect to international jurisdiction, applicable law and recognition and enforcement of judgments (hereinafter: PIL) rules concerning the IPRs cross-border enforcement[22].

In the absence of universal international binding rules on the cross-border enforcement of IPRs, prestigious Courts around the world have recently refused to adjudicate cases relating to foreign registered or unregistered IPRs, where the proceedings concerned an IPR infringement claim or where the defendant in an IPR infringement action or the claimant in a declaratory action to establish that the IPR is not infringed pleaded that the IPR is invalid and that there is also no infringement of that right for the aforementioned reason (so-called validity issues incidentally raised)[23]. In these cases the refusal to adjudicate the foreign IPRs infringement and validity claims was grounded on exclusive subject matter jurisdiction (hereinafter: exclusive jurisdictio[24]) rules[25]. According to those rules, the State that granted[26] the IPR has the exclusive jurisdiction to address claims related thereto, regardless of whether it also has personal jurisdiction over the defendant. Among those decisions[27] are

[20] See François Dessemontet, 'The ALI Principles: Intellectual Property in Transborder Litigation' in Basedow, Kono and Metzger (n 2 Chapter I) 33 recalling a Basle PhD Thesis proposing this goal at the beginning of the XVIIIth century already. See also Troller Aloïs, *Das internationale Privat- und Zivilprozessrecht im gewerblichen Rechtsschutz und Urheberrecht (*Basel, Verlag für Recht und Gesellschaft 1952); Eugen Ulmer, *Intellectual Property Rights and the Conflict of Laws* (Springer 1976) 34, research and proposal presented in 1975 at the Nymphenburg Colloquium at the request of the Commission of the European Union.

[21] See para 5.

[22] See para 5.

[23] See para 5 for this terminology.

[24] See also *infra*, para 2.

[25] Of a statutory or a case law nature, see *infra*.

[26] On the notion of State that granted an IPR see *infra* para 5.

[27] See also the judgments referred to in Toshiyuki Kono and Paulius Jurčys, 'XVIIIth International Congress on Comparative Law, Intellectual Property and Private International Law' (provisional draft of the general report) (July 2010) in Toshiyuki Kono (ed), *Intellectual Property and Private International Law* § II(4) (forthcoming, Hart Publishing); and the decisions quoted by the following national reports on *Jurisdiction and Applicable Law in Matters of Intellectual Property* (forthcoming) ibid.; Marie-Christine Janssens, 'The Relationship between Intellectual Property Law and International Private Law viewed from a Belgian Perspective', § I(II)(2)(1)(3); Joost Blom, 'Report for Canada (including Quebec)', subsection II(A); Ivana Kunda, 'Report for Croatia', subsection I(B); Marie-Elodie Ancel, 'Report for France', subsection I(ii); Axel Metzger, 'Report for Germany', subsection I(2)(a)(1); Van-

the Supreme Court of Appeal of the South Africa's *Gallo Africa Ltd. v Sting Music (Pty) Ltd.*[28] decision of 3 September 2010; the United Kingdom Court of Appeal's 16 December 2009 decision in *Lucasfilm Entertainment Co. v Ainsworth*[29] (which was reversed by the Supreme Court's 27 July 2011 ruling[30]); the US Court of Appeals for the Federal Circuit's 2 January 2007 decision in *Voda v Cordis Corp.*[31]; and the Court of Justice of the European Union *GAT* decision of 13 July 2006[32].

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dana Singh, 'Report for India', subsection I(2); Nerina Boschiero and Benedetta Ubertazzi, 'Report for Italy', subsection II. Case 2, available at (2010) 16 Cardozo Electronic Law Bulletin 291 (<http://www.unipa.it/scienzepolitiche/files/Italian%20National%20Reports%20to%20Washington%202010.pdf> accessed 30 November 2011); Dai Yokomizo, 'Report for Japan', subsection 1(1)(2); Alexandre Dias Pereira, 'Report for Portugal', subsection I(B)(2)(2); Damjan Možina, Report for Slovenia, subsection I(II)(1); Pedro de Miguel Asensio, 'Report for Spain', subsection 1(2)(1)-(3); Amélie Charbon, 'Report for Switzerland', subsection I(1); Dick van Engelen, 'Report for The Netherlands', subsection 3(6).

[28] [2010] (6) SA 329 (SCA) (S. Afr.). The case is available at <http://www.saflii.org/za/cases/ZASCA/2010/96.html> accessed 30 November 2011.

[29] [2009] EWCA (Civ) 1328 (Eng.). The case is available at <http://www.bailii.org/ew/cases/EWCA/Civ/2009/1328.html> accessed 30 November 2011. Jacob LJ delivered the Court's judgment. On this judgment, see Paul Torremans, 'Lucasfilm v Ainsworth' (2010) 7 IIC 751; Andrew Dickinson, 'The Force be with the EU? Infringements of US Copyright in the English Courts' (2010) 2 LMCLQ 181. On the Court of First Instance decision of this same case, see Graeme Austin, 'The Concept of "Justiciability" in Foreign Copyright Infringement Cases' (2009) 40 IIC 393. See also the recent English judgment by the Royal Courts of Justice, Strand, London, *Crosstown Music Company 1, LLC v Rive Droite Music Ltd. & Ors,* [2009] EWHC Civ 1222, partly available at <http://vlex.co.uk/vid/hc07c01296-55141239> accessed 30 November 2011 (in which an attempt by one party to argue for a wider application of the UK Court of Appeal's *Lucasfilm* judgment failed).

[30] *Lucasfilm Ltd. & Ors v Ainsworth & Anor* [2011] UKSC 39 (27 July 2011) <http://www.supremecourt.gov.uk/decided-cases/docs/UKSC_2010_0015_Judgment.pdf> accessed 30 November 2011.

[31] 476 F.3d 887 (Fed. Cir. 2007). See Jane Ginsburg, 'Jurisdiction and Recognition of Judgments under the ALI Principles' in Stefania Bariatti (ed), *Litigating Intellectual Property Rights Disputes Cross-Border: EU Regulations, ALI Principles, CLIP Project* (Padova, CEDAM 2010).

[32] Case C-4/03 *Gesellschaft für Antriebstechnik mbH & Co. KA (GAT) v Lamellen und Kupplungsbau Beteilgungs KG (LuK)* [2006] ECR I-6509. Note that the Court of Justice of the European Union is the former European Court of Justice, for simplicity reasons this court will hereafter be referred to as ECJ. See para 5. With this judgment the ECJ pronounced not on its jurisdiction, but rather on the jurisdiction of the courts of the EU member States. For critics of this decision, see Annette Kur, 'A Farewell to Cross-Border Injunctions? The ECJ Decisions GAT v. LuK and Roche Nederland v. Primus and Goldenberg' (2006) 7 IIC 844; Cristina González Beilfuss, 'Nulidad e infracción de patentes en Europa después de *GAT* y *ROCHE'* [2006] AEDIPr 275; The European Max Planck Group for Conflict of Laws in Intellectual Property, 'Exclusive Jurisdiction and Cross Border IP (Patent) Infringement. Suggestions for Amendment of the Brussels I Regulation' (CLIP Report of 20 December 2006)

These decisions are grounded on the assumption that since IPRs relate to a State's sovereignty or domestic policies, the granting of the IPR is a State act and the effects of the granting of this act of State are limited to the territory of the State that granted the IPR in issue. Therefore, if a State other than that which granted the IPR exercised jurisdiction, this State would risk creating an unreasonable interference with the State which initially granted the IPR in question. To avoid this unreasonable interference, the petitioned Courts de-decline jurisdiction in foreign IPRs cases. This declination of jurisdiction is not the result of any general public international law obligation, but rather is a discretionary act of self-restraint based on domestic rules of international pro-procedural law grounded on reasons of *comity to the courts* and on the *act of State doctrine*[33]. (Hereafter, the terms "comity to the courts" and the "act of State doctrine" will be interchangeable throughout this introductory chapter)[34]. Indeed, notwithstanding the fact that these comity rules are of a domestic nature, the same rules are rooted in the concept of territorial sovereignty within a system of equal nation-States. Thus, "even more important than the conflicts of law rules themselves are the basic contours of comity […] name-

available at <http://www-cl-ip.eu>; Lydia Lundstedt, 'In the Wake of *GAT/LuK* and *Roche/Primus'* (2008) 2 Nordiskt immateriellt rättsskydd 122, 123; Paul Torremans, 'The Widening Reach of Exclusive Jurisdiction: Where Can You Litigate IP Rights after GAT?' in Arnaud Nuyts, *International Litigation in Intellectual Property and Information Technology* (Kluwer 2008) 61; Marcus Norrgård, 'A Spider Without a Web? Multiple Defendants in IP Litigation' in Stefan Leible and Ansgar Ohly (eds), *Intellectual Property and Private International Law* (Tübingen, Mohr Siebeck 2009) 217; Luigi Fumagalli, 'Litigating Intellectual Property Rights Disputes Cross-Border: Jurisdiction and Recognition of Judgments under the Brussels I Regulation' in Bariatti (ed.), *Litigating Intellectual Property Rights* (n 31 Chapter I) 15; Annette Kur and Benedetta Ubertazzi, 'The ALI Principles and the CLIP Project– A Comparison' in Bariatti (ed.), *Litigating Intellectual Property Rights* (n 31 Chapter I) section 1 and subsection 2(c). See also Rafael Arenas, 'El Reglamento 44/2001 y las cuestiones incidentals: dar vueltas para (casi) volver al mismo sitio' (2011) La Ley-Unión Europea 1-19. But compare, Manlio Frigo, 'Proprietà intellettuale, Gli standards di tutela dell'UE a confronto con gli standard internazionali' Address at the Italian Society of International Law XV Congress in Bologna (10-11 June 2010), available at <http://streaming.cineca.it/SIDI-XV/play.php?dim_get=320&player_get=flash&flusso_get=flash> accessed 30 November 2011 (according to which the *GAT* decision should be positively evaluated since it grants the principle of legal certainty in conformity with Article 6 of the ECHR. Indeed, as will be explained in greater detail *infra,* in chapter VI, this last Article militates against exclusive jurisdiction provisions).

[33] See Ian Brownlie, *Principles of Public International Law* (7th edn, OUP 2008) 504.

[34] See chapter III for further clarification of the use of these terms interchangeably. See Jake Tyshow, 'Informal Foreign Affairs Formalism: The Act of state Doctrine and the Reinterpretation of International Comity' (2002) 43 Va. J. Int'l L. 278, 298. This article also describes the similarities and differences between comity and the Act of State doctrine.

ly"[35] the goals that must be accomplished by adopting it, including the need to avoid harmful effects on international stability, interaction among nations and "the practical desirability of making decisions which would 'further the development of an effectively functioning international system'"[36]. Therefore, "the question of extending comity touches upon issues concerning the interaction of sovereign nations – matters typically within the scope of public international law"[37] and comity can be defined as a non-binding principle governing international affairs or as "a bridge between public and private international law"[38].

The decisions examined here, then, seem in line with attempts to develop a general public international law theory of allocation of jurisdiction in civil matters that began in the 18th century in the Netherlands; continued to develop in Anglo-American legal systems; was popular in Germany around the turn of the 19th century[39]; has "more recently been revived by [certain] public international lawyers"[40]; and is based on "comity" reasons[41]. In con-

[35] Nadine Jansen Calamita, 'Rethinking Comity: Towards a Coherent Treatment of International Parallel Proceedings' (2006) 27 U. Pa. J. Int'l Econ. L. 601, 623.

[36] Ibid 622.

[37] Ibid 619. See also Harold G. Maier, 'Extraterritorial Jurisdiction at a Crossroads: an Intersection between Public and Private International Law' (1982) 76 AJIL 280, 281 ("the doctrine of comity is not a rule of public international law, but the term characterizes many of those same functional elements that define a system of international legal order"). See also Thomas H. Hill, 'Sovereign Immunity and the Act of state Doctrine. Theory and Policy in United States Law' (1982) 46 RabelsZ 126.

[38] Calamita (n 35 Chapter I) 619. See also Jörn Axel Kämmerer, 'Comity' in Rüdiger Wolfrum (ed), *Max Planck Encyclopedia of Public International Law* (OUP 2006) <http://www.mpepil.com/subscriber_articles_by_author2?author=K%C3%A4mmerer,%20J%C3%B6rn%20Axel&letter=K> accessed 30 November 2011, according to whom "comity does not pertain to the sources of international law as provided for in Article 38(1) of the Statute of the International Court of Justice" on which see *infra*, para 13. "Nonetheless, it has always been a matter of interest in public international law". See also Cedric Ryngaert, *Jurisdiction in International Law* (OUP 2008) 143 and Azar Deborah, 'Simplifying the Prophecy of Justiciability in Cases Concerning Foreign Affairs: a Political Act of State Question' (2010) 9 Rich. J. Global L. & Bus. 482.

[39] See the studies of Ulrich Huber and Story, referred to by Maier (n 37 Chapter I) 280, and there the necessary references, and respectively the studies of Zitelmann and Frankenstein, referred to by Ralf Michaels, 'Public and Private International Law: German Views on Global Issues' (2008) 4 J. Priv. Int'l L. 125.

[40] Michaels, 'Public and Private International Law' (n 39 Chapter I) 125.

[41] Ibid 130. See also Maier (n 37 Chapter I) 281. On comity as a PIL rule in general see Lawrence Collins, 'The United States Supreme Court and the Principles of Comity: Evidence in Transnational Litigation' (2006) 8 Y.B. Priv. Int'l L. 53; Donald Earl Childress III, 'Comity as Conflict: Resituating International Comity as Conflict of Laws' (2010) 44 U.C. Davis L. Rev. 11; Francisco Javier Zamora Cabot, 'On The International Comity In The Private International Law System Of The U.S.A' (2010) 19 Revista Electrónica de Estudios Internacionales 1 <http://www.reei.org/reei19/doc/Nota_ZAMORA_FranciscoJavier.pdf> accessed 30

trast, this book adopts the opinion that "these attempts have been unsuccessful"[42]; public international law does not limit a State's exercise of jurisdiction to inside its borders[43], and "public international law can play a role in private international law [only] in […] the broader conception of human rights"[44], imposing the duty of granting the right of access to courts upon the States and therefore the abandoning of their international jurisdiction provisions inconsistent with this right, namely the exorbitant[45] and exclusive[46] jurisdiction rules, of which this book examines only the latter and in relation to IPRs.

November 2011. On comity as a PIL rule with respect to IPRs, see John Braithwaite and Peter Drahos, *Global Business Regulation* (New York, Cambridge University Press 2000) 58. See also William Patry, 'Choice of Law and International Copyright' (2000) 48 Am. J. Comp. L. 383, 416, who, however, concentrates on copyright conflict of laws issues rather than on the international procedural matters examined here.

[42] Michaels, 'Public and Private International Law' (n 39 Chapter I) 125, 130. See also Alex Mills, *The Confluence of Public and Private International Law. Justice, Pluralism and Subsidiarity in the International Constitutional Ordering of Private Law* (Cambridge University Press 2009) 23.

[43] Save in exceptional circumstances, such as those concerning subjects that are immune from foreign jurisdiction. As regards immunity from jurisdiction with respect to issues related to IPRs, see Virginia Morris, 'Sovereign Immunity: The Exception for Intellectual or Industrial Property' (1986) 19 Vand. J. Transnat'l L. 115; Akihiro Matsui, 'Intellectual Property Litigation and Foreign Sovereign Immunity: International Law Limit to the Jurisdiction over the Infringement of Intellectual Property' (2003) Institute of Intellectual Property, Tokyo <http://www.iip.or.jp/e/summary/pdf/detail2002/e14_20.pdf> accessed 30 November 2011; Benedetta Ubertazzi, 'Intellectual Property and State Immunity from Jurisdiction in the New York Convention of 2004' (2009) 11 Y.B. Priv. Int'l L. 599, see here for the necessary case law references originating in different countries.

[44] Michaels, 'Public and Private International Law' (n 39 Chapter I) 125, 130.

[45] See Carlo Focarelli, 'The Right of Aliens not to be Subject to So-Called "Excessive" Civil Jurisdiction' in Benedetto Conforti and Francesco Francioni (eds), *Enforcing International Human Rights in Domestic Courts* (Martinus Nijhoff 1997) 441; Diego P. Fernández Arroyo, 'Compétence exclusive et compétence exorbitante dans les relations privées internationales' (2006) 323 Recueil des Cours de l'Académie de droit international de La Haye 9; Giuditta Cordero Moss, 'Between Private and Public International Law: Exorbitant Jurisdiction as Illustrated by the Yukos Case' (2007) 32 Review of Central and East European Law 1; Ryngaert (n 38 Chapter I) 165; Nerina Boschiero, 'Las reglas de competencia judicial de la Unión Europea en el espacio jurídico internacional' (2009) 9 AEDIPr 35, 47. On the impact of the fundamental human right of access to a court (due process) with respect to the issue of (exorbitant) international jurisdiction, see Franz Matscher, 'IPR und IZVR vor den Organen der EMRK – Eine Skizze' in Werner Barfuss, Bernard Dutoit, Hans Forkel, Ulrich Immenga and Ferenc Majoros (eds), *Festschrift für Karl H. Neumayer zum 65. Geburtstag* (Nomos 1985) 459; Peter Schlosser, 'Jurisdiction in International Litigation—The Issue of Human Rights in Relation to National Law and to the Brussels Convention' (1991) LXXIV RDI 5; Emmanuel Guinchard, 'Procès equitable (article 6 CESDH) et droit international privé' in Arnaud Nuyts and Nadine Watté (eds), *International Civil Litigation in Europe and Relations with Third States* (Bruxelles, Bruylant 2005) 199; James Fawcett, 'The Impact of Article 6(1) of the ECHR on Private International Law' (2007) 56 Int'l & Comp. L. Q. 6, 36; Fabien

2. What is Included in Exclusive Jurisdiction Rules and what is not. Exclusive Jurisdiction and Subject Matter Jurisdiction.

The notion of exclusive jurisdiction adopted in this book only covers the asaspects of foreign IPRs litigation that are typically included in the corresponding rules[47]: namely the IPR subsistence, scope, validity, registration and infringement[48]. It excludes disputes that can affect some of those issues but where the real object of the litigation[49] is different, notwithstanding the fact that they may result in decisions that can be the basis for changes in the records of the registries of a State[50], namely *inter alia* IPRs first ownership and entitlement issues[51], as well as transferability and assignability matters and the contractual transfer of ownership[52].

Marchadier, *Les objectifs généraux du droit international privé à l'épreuve de la convention des droits de l'homme* (Bruylant 2007) 37.

[46] For the abandoning of any exclusive jurisdiction provision see Fernández Arroyo, 'Compétence exclusive' (n 45 Chapter I).

[47] See Stefania Bariatti, 'La giurisdizione e l'esecuzione delle sentenze in materia di brevetti di invenzione nell'ambito della C.E.E.' [1982] RDIPP 511; Paul Torremans, 'The Sense or Nonsense of Subject Matter Jurisdiction over Foreign Copyright' (2011) 33(6) EIPR 349-356. For a comparative analysis of those rules see *infra*, chapter II.

[48] See Bariatti, 'La giurisdizione' (n 47 Chapter I) 516; Torremans, 'The Sense or Nonsense' (n 47 Chapter I) 349. See *infra* chapter II for a detailed comparison of the relevant rules.

[49] See *infra*, the following remarks of this para.

[50] See Bariatti, 'La giurisdizione' (n 47 Chapter I) 516; Torremans, 'The Sense or Nonsense' (n 47 Chapter I) 349.

[51] See Case 288/82 *Duijnstee v Goderbauer* [1983] ECR 3663, *infra* para 8, with regard to disputes concerning the right to a patent when what is involved is an invention of an employee. Yet "doubtless, the same will be true even if it is not an invention of an employee", as such James Fawcett and Paul Torremans, *Intellectual Property and Private International Law* (2nd edn, OUP 2011) 20. See the French Cour de Cassation's ruling in *GRE Manufacturas v Agrisilos* [2006] I L Pr 27, according to which the exclusive jurisdiction rule of the Brussels system, namely Article 22(4) of the Brussles I Regulation, does not apply where the issue was wether the defendant possessed the right. For a case on ownership and entitlement see Distric Court of Utrecht's ruling in *Roucar Gear Technologies BV v Four Stroke SARL vase* 277615/HA ZA 09-2640, 30 June 2010 available at <http://www.rechtspraak.nl> accessed 30 November 2011. See Fawcett and Torremans (n 51 Chapter I) 20. Finally see Shigeki Chaen, Toshiyuki Kono and Dai Yokomizo, 'Jurisdiction in Intellectual Property Rights Cases' in Basedow, Kono and Metzger (n 2 Chapter I) 90 according to whom "there is no reason to require that the country of registration that grants the right has exclusive jurisdiction over actions concerning the ownership of an IP right". See also *infra*, para 75.

[52] The inclusion of the transferability matter in exclusive jurisdiction rules remains unclear. Yet, according to prevailing opinion, issues that arise by virtue of the transfer of a right by contract are not covered, even though changes in the registries entries related to the right might be necessary. See Paris Cour d'Appel, in *SA des Etablissements Salik et SA Diffusal v SA J Esterel*, discussed in RCDIP (1982) 135. See also Fawcett and Torremans (n 51 Chapter I) 20.

As for the subsistence, scope, validity and registration notions included in exclusive jurisdiction rules they relate *inter alia* to the definition of the varivarious categories of protected works, the originality, novelty and legal requirements, the granting, the fixation, the registration (including its abandonment or revocation) and the scope of protection, namely the various exclusive rights and the way in which they are defined and limited as well as the term of the right in question[53]. For present purposes the notions of subsistence, validity, registration and scope of an IPR will be altogether referred to with the category of "validity". Additionally the notion of validity claims includes claims that have as their object the (in)validity of the IPR (validity issues principally raised), as well as the claims where the defendant in an IPR infringement action or the claimant in a declaratory action to establish that the IPR is not infringed plead that the IPR is invalid and that there is no infringement of that right for that reason (validity issues incidentally raised). In addition, the following specifications are necessary[54]. The notion of proceeding on validity issues principally raised comprises "proceeding[s] concerned with the registration or validity of patents, trade marks, designs, or other similar rights required to be deposited or registered"[55]; "proceedings relating to the registration or validity of a patent"[56]; "proceedings in which the relief sought is a judgment on the grant, registration, validity, abandonment, revocation […] of a patent or a mark"[57]; "the adjudication of the validity of registered rights granted under the laws of another State"[58]; "disputes having as their object a judgment on the grant, registration, validity, abandonment or revocation of a patent, a mark, an industrial design or any other intellectual property right protected on the basis of registration"[59]; "actions concerning the existence, registration, validity or ownership of foreign intellectual property rights"[60]; and "dispute[s] arising out of acquiring, registering, disclaiming or revoking

[53] See Torremans, 'The Sense or Nonsense' (n 47 Chapter I) 351, criticising however the exclusion from this notion *inter alia* of the transferability and first ownership matters. See *infra* the following remarks of this para.

[54] For further discussion of the below mentioned articles and provisions see generally para 5 and chapter II.

[55] Article 22(4) of the Brussels system, on which see the following remarks of this para.

[56] *GAT v LuK* (n 32 Chapter I) para 31. On this case see *infra*, para 8.

[57] Article 12(4) Alternative A of The Hague Preliminary Draft Convention on Jurisdiction (n 13 Chapter I).

[58] Section 211(2) of 'Intellectual Property: Principles Governing Jurisdiction, Choice of Law, and Judgments in Transnational Disputes' (Proposed Final Draft, 30 March 2007), The American Law Institute (Philadelphia 2007) 305 (ALI Principles).

[59] Article 2:401(1) of the 'Principles for Conflict of Laws in Intellectual Property', European Max Planck Group on Conflict of Laws in Intellectual Property (CLIP Principles) (published 31 August 2011). Available at <http://www.cl-ip.eu/> accessed 30 November 2011.

[60] Article 103(2) of the Transparency Proposal published in Basedow, Kono and Metzger (n 2 Chapter I) 394.