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from: Netherlands delegation
to: Working Party on Intellectual Property

No. prev. doc.: 5863/04 PI 14 CODEC 133
No. Cion prop.: 6777/03 PI 19 CULT 17 CODEC 204

Subject: Proposal for a directive of the European Parliament and of the Council on measures and procedures to ensure the enforcement of intellectual property rights
- Suggestions for drafting amendments to 16289/03

Article 5

Persons entitled to apply for the application of the measures and procedures

1. Member States shall recognise as persons entitled to seek application of the measures and procedures referred to in this Chapter the holders of intellectual property rights, [...]
licensees and sublicensees in so far as they are explicitly authorised to that purpose by the holder of the intellectual property right and [... in so far as permitted by and in accordance with the provisions of the applicable law, or their representatives.

2. Paragraph 1 shall apply mutatis mutandis to rights management bodies, federations, and associations having legal standing to assert such rights, regardless of the Member State in which the rights management body, federation or association is established. Member States may make an exception for the measures provided for in Articles 16 and 17.
Explanation:

Section 1: The (sub)licensees that are explicitly authorised by the holder of the IP right to initiate proceedings can be the only “persons authorised to use those rights” who are relevant in this context. So there is no need to make a distinction between licensees and other persons.

Section 2: If the organisations mentioned in section 1 would have the right to ask for damages (and the “pecuniary compensation of Article 16) on behalf of their right holders, how should the division of the damages to the right holders take place? As far as this delegation is informed, there is no Member State where the recovery of damages by way of a group action is allowed, neither is there any EU directive containing a precedent in this direction (see e.g. Directive 98/27/EC on injunctions for the protection of consumers’ interests (OJ EC 1998, L 166/51), which contains only a procedure for injunctions, not for damages).

Article 8
Measures for protecting evidence

4. Where the evidence protection measures have been revoked, or where they lapse owing to any act or omission by the applicant, or where it is subsequently found that there has been no infringement or threat of infringement of any intellectual property right, or where it is subsequently found that the measures have been disproportional in relation to the seriousness of the infringement, the judicial authorities shall be empowered to order the applicant, at the defendant’s request, to provide the defendant with adequate compensation for any injury caused by the measures.

Explanation

Also in case of an infringement, the measures taken to protect the evidence can be disproportional and cause injury to the infringer. If the right holder has the impression that the infringement is a serious case of large-scale counterfeit or piracy, and he has got authorisation for the whole range of
measures – seizure off all allegedly infringing products, production materials and documents – but it turns out to be just a very small infringement (in number or in scope), then these measures can be out of all proportion to the infringement. Therefore, damages should be possible also in case of disproportional measures.

Article 10
Provisional measures

5. Where the provisional measures have been revoked or where they lapse due to any act or omission by the applicant, or where it is subsequently found that there has been no infringement or threat of infringement of an intellectual property right, or where it is subsequently found that the measures have been disproportional in relation to the seriousness of the infringement, the judicial authorities must be empowered to order the applicant, at the request of the defendant, to provide the defendant with adequate compensation for any injury caused by these measures.

Explanation

Mutatis mutandis as for article 8.