COUNCIL OF THE EUROPEAN UNION

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WORKING DOCUMENT
from: Spanish delegation
to: Working Party on Intellectual Property
No. prev. doc.: 12579/03 PI 83 CODEC 1185
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 – Article 12 or 14

Article 12: Supply of goods to charitable associations or organisations

"1. Without prejudice to the damages due to the right holder by reason of the infringement, Member States shall lay down that the judicial authorities may order the recall, at the infringer's expense in appropriate cases, of the goods which have been found to infringe an intellectual property right.

2. Member States shall lay down that the judicial authorities may order that the goods referred to in paragraph 1 be supplied for humanitarian purposes, in the case of goods suitable for such purposes, at the operator's option and the infringer's expense, according to the specific circumstances of the individual case as assessed by the magistrate or court. The necessary
steps shall in any event be taken in order to remove or obliterate any visible features identifiable by consumers as guaranteeing goods to be genuine, so as to make it clear to them that those goods are not genuine."

EXPLANATION

In Section 5, "Measures resulting from a decision on the merits of the case", the Directive makes provision for the judicial authorities to order the recall, disposal outside commercial channels or destruction of goods, for the adoption of preventive measures to prohibit continuation of the infringement and for alternative measures where the infringer has acted without fault or negligence and the measures imposable under the section would cause him disproportionate harm, provided the injured party can reasonably be satisfied with pecuniary compensation.

As the Spanish delegation stated at the Working Party meeting on 12 September 2003, however, we can see the wisdom of including in that section a measure serving useful social and charitable purposes. Holders' rights would be effectively protected by making supply for such purposes an option for the right holder, who would not suffer any financial loss if such supply were at the infringer's expense. Moreover, in the eventuality of the goods in question re-entering commercial channels, it can be ensured that they are clearly distinguishable by consumers as counterfeit goods by removing or obliterating any visible features identifiable by consumers as guaranteeing goods to be genuine.

As an alternative, should Article 12 not be thought the appropriate place to include the proposed measure, we would suggest the wording below for Article 14 of the draft Directive.
Article 14: Destruction of goods or supply for humanitarian purposes

"Member States shall lay down that the judicial authorities may, without there being any entitlement to compensation, order the destruction of the goods which have been found to infringe an intellectual property right, or their supply for humanitarian purposes, in the case of goods suitable for such purposes, at the operator's option and the infringer's expense, where their destruction would cause disproportionate harm to the owner or infringer, according to the circumstances of the individual case as assessed by the magistrate or court. The necessary steps shall in any event be taken in order to remove or obliterate any visible features identifiable by consumers as guaranteeing goods to be genuine, so as to make it clear to them that those goods are not genuine."

EXPLANATION

As for the preceding proposal.