

INTELLECTUAL
PROPERTY AND
PRIVATE
INTERNATIONAL
LAW

SECOND EDITION

Edited by

JAMES J. FAWCETT FBA

Professor of Law, University of Nottingham

PAUL TORREMANS

Professor of Intellectual Property Law, University of Nottingham

OXFORD
UNIVERSITY PRESS

CONTENTS

<i>Tables of Cases</i>	xix
<i>Tables of Legislation</i>	xlix
<i>Table of Treaties, Conventions, and Other Instruments</i>	lxi
<i>List of Abbreviations</i>	lxvii

PART A JURISDICTION

<i>Preliminary Remarks</i>	3
1. Creation and Validity of Intellectual Property Rights: Jurisdiction	
<i>I. Introduction</i>	1.01
<i>II. The Substantive Law Background</i>	1.04
1. How is an Intellectual Property Right Created?	1.04
2. Revocation of a Registered Intellectual Property Right	1.08
3. How does Litigation Arise?	1.09
<i>III. How Jurisdictional Problems Arise</i>	1.14
<i>IV. Jurisdictional Provisions</i>	1.18
1. Introduction	1.18
2. Special Jurisdictional Rules	1.19
3. Jurisdictional Rules of General Application	1.66
<i>V. European Patents: Parallel Validity Proceedings</i>	1.140
1. The Problem of Parallel Validity Proceedings	1.141
2. A Stay of the English Revocation Proceedings	1.144
2. Entitlement to the Grant and Ownership of Intellectual Property Rights: Jurisdiction	
<i>I. Introduction</i>	2.01
<i>II. How Disputes Arise</i>	2.03
<i>III. How Jurisdictional Problems Arise</i>	2.05
<i>IV. Jurisdictional Provisions</i>	2.07
1. Introduction	2.07
2. Special Jurisdictional Rules	2.08
3. Jurisdictional Rules of General Application	2.41
<i>V. European Patents: Parallel Entitlement Proceedings</i>	2.81
3. Contracts in Relation to the Exploitation of Intellectual Property Rights: Jurisdiction	
<i>I. Introduction</i>	3.01

<i>II. The Substantive Law Background</i>	3.02
<i>III. How Jurisdictional Problems Arise</i>	3.08
<i>IV. Jurisdictional Provisions</i>	3.11
1. Introduction	3.11
2. The EC/EFTA Rules	3.12
3. The Traditional Rules	3.100
4. Validity of the Contract	3.160
5. Specific Aspects of Transfer of Technology Contracts	3.161
6. Anti-Trust Issues	3.162
4. Infringement: Preliminary Matters	
<i>I. Introduction</i>	4.01
<i>II. Substantive Law</i>	4.03
1. What Constitutes an Infringement?	4.03
2. The Elements of Infringement	4.47
<i>III. How do Jurisdictional Problems Arise?</i>	4.55
5. Infringement: Jurisdiction under the European Community/European Free Trade Association Rules	
<i>I. Introduction</i>	5.01
<i>II. When do the Rules Apply?</i>	5.02
<i>III. Bases of Jurisdiction</i>	5.05
1. General Jurisdiction: Article 2	5.06
2. Special Jurisdiction: Articles 5 and 6	5.11
3. Exclusive Jurisdiction: Article 22	5.152
4. Exclusive Jurisdiction: Article 23	5.154
5. Submission to Jurisdiction: Article 24	5.156
<i>IV. Abuse of Process</i>	5.158
<i>V. Declining Jurisdiction</i>	5.161
1. Under the EC/EFTA Rules	5.161
2. Using the Doctrine of <i>Forum Non Conveniens</i> ?	5.199
3. Using the Doctrine of 'Reflexive' Effects	5.202
4. Using Case Management Powers	5.204
5. Restraining Foreign Proceedings	5.207
<i>VI. Defendant's Response to Infringement Proceedings</i>	5.211
<i>VII. Delaying Tactics by the Defendant</i>	5.214
1. A Pre-Emptive Action	5.215
2. After Commencement of an Infringement Action	5.224
<i>VIII. Are there Subject Matter Limitations on Jurisdiction?</i>	5.226
1. The Position under the EC/EFTA Rules	5.226

2. Judicial Misunderstanding	5.228
3. The Point is Now Settled	5.231
4. Foreign Rights Created outside the EC/EFTA States	5.243
5. Infringements Committed outside the EC/EFTA States	5.250
6. Difficulties in Establishing a Basis of Jurisdiction against the Person	5.251
<i>IX. Forum Shopping</i>	5.252
1. The Choice of Fora	5.253
2. The Advantages to be Obtained	5.259
<i>X. Infringement and Validity</i>	5.277
<i>XI. Infringement of a European Patent and Opposition Proceedings</i>	5.278
1. The Criteria for the Exercise of the Discretion	5.279
2. Is this Discretion Compatible with the Brussels I Regulation and Lugano Convention?	5.288
<i>XII. Infringement and Licensing Agreements</i>	5.293
<i>XIII. Infringement and Settlement Agreements</i>	5.295
1. An Action for Breach of Contract	5.296
2. An Impediment to an Action for Infringement	5.298
<i>XIV. Provisional Measures</i>	5.301
1. Article 31	5.301
2. Infringement Cases	5.322
<i>XV. Cross-Border Injunctions</i>	5.330
1. Jurisdiction to Grant a Cross-Border Injunction	5.331
2. Willingness to Grant Cross-Border Injunctions	5.342
3. Recognition and Enforcement of Cross-Border Interim Injunctions	5.350
<i>XVI. Obtaining Information</i>	5.351
1. Obtaining Information in England	5.352
2. Obtaining Information Elsewhere in Europe	5.359
6. Infringement: Jurisdiction under the Traditional Rules	
<i>I. Introduction</i>	6.01
<i>II. Bases of Jurisdiction</i>	6.02
1. Service of a Claim Form within the Jurisdiction	6.02
2. Service of a Claim Form out of the Jurisdiction	6.13
<i>III. Declining Jurisdiction and Restraining Foreign Proceedings</i>	6.92
1. <i>Forum Non Conveniens</i>	6.93
2. Restraining Foreign Proceedings	6.119
<i>IV. State Immunity</i>	6.137
<i>V. Subject Matter Limitations in Relation to Jurisdiction</i>	6.139
1. Foreign Immovable Property	6.141
2. Foreign Intellectual Property Rights	6.147

3. Infringements Abroad	6.228
4. Intra-UK Cases	6.259
VI. <i>Forum Shopping</i>	6.260
1. The Choice of Fora	6.260
2. The Advantages to be Obtained	6.262
VII. <i>Infringement and Validity</i>	6.263
VIII. <i>Infringement of a European Patent and Opposition Proceedings</i>	6.264
IX. <i>Infringement and Licensing Agreements</i>	6.265
X. <i>Infringement and Settlement Agreements</i>	6.266
1. An Action for Breach of Contract	6.266
2. An Impediment to an Action for Infringement	6.271
XI. <i>Interim Relief</i>	6.272
XII. <i>Obtaining Information</i>	6.274
1. Obtaining Information in England	6.275
2. Obtaining Information Abroad	6.278
7. Infringement and Validity of Intellectual Property Rights: Jurisdiction	
I. <i>Introduction</i>	7.01
II. <i>The Substantive Law Background</i>	7.03
III. <i>Article 22(4) of the Brussels I Regulation Applies: Infringement Jurisdiction is Based on the Regulation</i>	7.11
1. The Nature of the Jurisdictional Problem	7.12
2. The Issue of Validity: Which EC Member State's Courts are to try this Issue?	7.17
3. The Infringement Claim: Which EC Member State's Courts are to try this Claim?	7.53
4. Declining Jurisdiction	7.147
5. Delaying Tactics by the Defendant	7.174
6. Provisional Measures	7.190
7. Estoppel	7.193
8. Restraining Foreign Proceedings	7.196
IV. <i>Article 22(4) of the Lugano Convention 2007 Applies</i>	7.198
V. <i>Article 22(4) Applies: Infringement Jurisdiction is Based on the Traditional English Rules</i>	7.204
1. The Significance of Article 22(4)	7.204
2. The Significance of the Traditional Subject Matter Limitations on Jurisdiction	7.207
3. Only Article 22(4) Applies	7.208
4. Both Article 22(4) and Traditional Subject Matter Limitations on Jurisdiction Apply	7.213
5. Abolition of the Traditional Subject Matter Limitations on Jurisdiction	7.215

VI. <i>Does Article 22(4) Apply by Way of ‘Reflexive’ Effect?</i>	7.218
1. Jurisdiction is Based on the Brussels I Regulation	7.218
2. Jurisdiction is Based on the Traditional Rules	7.220
VII. <i>Article 22(4) of the Brussels I Regulation/Lugano Convention does not Apply</i>	7.222
1. Infringement Jurisdiction is Based on the EC/EFTA Rules	7.224
2. Infringement Jurisdiction is Based on the Traditional English Rules	7.235
8. Jurisdictional Issues in Relation to European Community Rights	
I. <i>Introduction</i>	8.01
II. <i>Trade Marks</i>	8.02
1. The Substantive Law Background	8.02
2. How Jurisdictional Problems Arise	8.03
3. Jurisdictional Provisions	8.06
III. <i>Designs</i>	8.100
1. The Substantive Law Background	8.100
2. How Jurisdictional Problems Arise	8.102
3. Jurisdictional Provisions	8.105
IV. <i>Patents</i>	8.133
1. The Substantive Law Background	8.133
2. How Jurisdictional Problems Arise	8.135
3. Jurisdictional Provisions	8.137
V. <i>Plant Variety Rights</i>	8.142
1. The Substantive Law Background	8.142
2. How Jurisdictional Problems Arise	8.143
3. Jurisdictional Provisions	8.145
9. Complementary Torts and Other Causes of Action: Jurisdiction	
I. <i>Introduction</i>	9.01
II. <i>Passing-Off</i>	9.02
1. Substantive Law	9.02
2. How Jurisdictional Problems Arise	9.23
3. Jurisdictional Provisions	9.25
III. <i>Malicious Falsehood</i>	9.86
1. Substantive Law	9.87
2. How Jurisdictional Problems Arise	9.94
3. Jurisdictional Provisions	9.96
IV. <i>Defamation</i>	9.105
1. Substantive Law	9.105
2. How Jurisdictional Problems Arise	9.111
3. Jurisdictional Provisions	9.112

V. <i>Unfair Competition</i>	9.147
1. Substantive Law	9.147
2. How Jurisdictional Problems Arise	9.151
3. Jurisdictional Provisions	9.152
VI. <i>Wider Continental Protection In Delict</i>	9.171
1. Substantive Law	9.171
2. How Jurisdictional Problems Arise	9.172
3. Jurisdictional Provisions	9.173
VII. <i>Breach of Competition Rules</i>	9.175
1. Substantive Law	9.175
2. How Jurisdictional Problems Arise	9.192
3. Jurisdictional Provisions	9.196
VIII. <i>Breach of Confidence</i>	9.213
1. Substantive Law	9.223
2. How Jurisdictional Problems Arise	9.236
3. Jurisdictional Provisions	9.237
10. Infringement, the Internet, and Broadcasting: Jurisdiction	
I. <i>Introduction</i>	10.01
II. <i>Intellectual Property and the Internet</i>	10.03
III. <i>Characteristics of the Internet</i>	10.05
1. Territorial Connections	10.05
2. The Position of Intermediaries	10.16
3. Carrying on Business	10.17
IV. <i>Infringement over the Internet</i>	10.25
1. Substantive Law	10.26
2. How Jurisdictional Problems Arise	10.39
3. Characteristics of Infringement over the Internet	10.44
4. Jurisdictional Provisions	10.52
V. <i>Sale of Infringing Goods over the Internet</i>	10.143
1. Substantive Law	10.145
2. Jurisdictional Provisions	10.147
VI. <i>Complementary Torts Committed over the Internet</i>	10.158
1. Passing-Off over the Internet	10.159
2. Malicious Falsehood over the Internet	10.174
3. Defamation over the Internet	10.187
4. Unfair Competition over the Internet	10.211
5. Breach of Confidence over the Internet	10.225

<i>VII. Broadcasting</i>	10.241
1. Infringement of Copyright by Broadcasting	10.242
2. Defamation by Broadcasting	10.264
11. Reform of Jurisdiction	
<i>I. Introduction</i>	11.01
<i>II. Reform of the Brussels I Regulation</i>	11.04
1. Introduction	11.04
2. Multi-Defendant Cases: Reform of Article 6(1)	11.05
3. Infringement and Validity: Reform of Article 22(4)	11.32
4. Reform and the Italian Torpedo	11.100
<i>III. The EU Patent System</i>	11.102
1. Introduction	11.102
2. An EU Patent Regulation	11.107
3. A Unified Patent Litigation System	11.112
<i>IV. CLIP Principles for Conflict of Laws in Intellectual Property</i>	11.148
1. Introduction	11.148
2. Jurisdiction	11.149
3. A Model for Reform?	11.175
<i>V. The American Law Institute Principles</i>	11.180
1. Introduction	11.180
2. Scope	11.181
3. Jurisdiction	11.187
4. A Model for Reform?	11.217
<i>VI. Conclusion</i>	11.220
PART B THE APPLICABLE LAW	
<i>Preliminary Remarks</i>	665
12. Choice of Law Elements in the Intellectual Property Conventions	
<i>I. Introduction</i>	12.01
1. How do Choice of Law Issues Arise?	12.01
2. Why Look at International Conventions?	12.02
3. No Straightforward Answers in the Conventions	12.05
<i>II. The Berne Convention 1886</i>	12.06
1. Qualification Rules	12.06
2. Which Law Applies to Qualifying Works?	12.17
3. National Treatment	12.29

4. Restrictions on the Application of the Law of the Protecting Country	12.33
5. An Alternative Interpretation	12.39
III. <i>The Rome Convention 1961</i>	12.48
1. Qualification	12.49
2. National Treatment and the Law of the Protecting Country	12.50
IV. <i>Paris Convention for the Protection of Industrial Property 1883</i>	12.52
1. National Treatment	12.53
2. The Law of the Protecting Country	12.54
V. <i>International Cooperation Agreements</i>	12.58
VI. <i>Supranational Intellectual Property Rights</i>	12.62
VII. <i>The TRIPs Agreement</i>	12.65
1. National Treatment	12.66
13. Creation, Scope, and Termination of Intellectual Property Rights: The Applicable Law	
I. <i>Introduction</i>	13.01
II. <i>How Choice of Law Problems Arise</i>	13.07
III. <i>Intellectual Property as Property</i>	13.13
1. The Wrong Title?	13.13
2. A Property Characterization	13.14
3. Property Choice of Law Rules	13.17
IV. <i>Copyright</i>	13.41
1. The Creation of the Right	13.44
2. The Scope of the Right	13.50
3. Termination of the Right	13.66
4. Validity of the Right	13.70
5. Authorship, Ownership of Right, and Works Created by Employees	13.73
6. Transferability of the Right	13.95
V. <i>Patents and Trade Marks</i>	13.101
1. The Registration System	13.102
2. The Law of the Protecting Country	13.104
3. Ownership of Rights	13.114
VI. <i>Other Intellectual Property Rights</i>	13.126
1. Widening the Categories	13.126
2. Tortious Protection of Intellectual Property Rights	13.127
3. Breach of Confidence	13.132
4. The <i>Sui Generis</i> Right in Relation to Databases	13.136

VII. <i>Rights Created by International Conventions</i>	13.139
1. The Patent Cooperation Treaty	13.140
2. The European Patent Convention	13.141
VIII. <i>Community Rights</i>	13.146
1. The Community Trade Mark	13.146
2. The Community Patent	13.155
3. The Community Design Right	13.157
4. The Community Plant Variety Right	13.161
14. Contracts in Relation to the Exploitation of Intellectual Property Rights: The Applicable Law	
I. <i>Introduction</i>	14.01
II. <i>Contractual Issues Distinguished from Other Issues</i>	14.05
1. Industrial Property Rights	14.05
2. Copyright	14.14
III. <i>How Questions as to the Applicable Law Arise</i>	14.18
IV. <i>The Rome Convention and the Rome I Regulation on the Law Applicable to Contractual Obligations</i>	14.25
1. When does the Rome Convention 1980 Apply? When does the Rome I Regulation Apply?	14.25
2. The Applicable Law	14.27
3. Limitations on the Applicable Law	14.130
4. A Particular Issue: Formal Validity	14.175
V. <i>Conclusion</i>	14.182
15. Infringement: The Applicable Law	
I. <i>Introduction</i>	15.01
II. <i>How Questions as to the Applicable Law Arise</i>	15.02
III. <i>The Applicable Law: The Rome II Regulation</i>	15.06
1. Scope	15.06
2. Article 8(1)	15.16
3. Article 8(2)	15.34
4. Article 8(3)	15.42
5. Overriding Mandatory Provisions and Public Policy	15.44
6. Multi-State and Ubiquitous Infringement	15.46
7. Non-Contractual Obligations Where There is a Contractual Defence	15.50
IV. <i>The Applicable Law: The English Approach outside Rome II</i>	15.56
1. Introduction	15.56
2. Mandatory Rules of the Forum	15.57

3. Tort Choice of Law Rules	15.87
4. Defences	15.209
16. Complementary Torts and Other Causes of Action: The Applicable Law	
<i>I. Introduction</i>	16.01
<i>II. Article 6 Rome II Regulation: Unfair Competition</i>	16.04
1. The Concept of Unfair Competition	16.05
2. The Choice of Law Rule	16.09
<i>III. Passing-Off</i>	16.16
1. How Choice of Law Problems Arise	16.16
2. The Applicable Law	16.20
<i>IV. Malicious Falsehood</i>	16.66
1. How Choice of Law Problems Arise	16.66
2. The Applicable Law	16.68
<i>V. Defamation</i>	16.86
1. How Choice of Law Problems Arise	16.86
2. The Applicable Law	16.88
<i>VI. Unfair Competition</i>	16.106
1. How Choice of Law Problems Arise	16.106
2. The Applicable Law	16.108
<i>VII. Wider Continental Protection In Delict</i>	16.138
1. How Choice of Law Problems Arise	16.138
2. The Applicable Law	16.140
<i>VIII. Breach of Confidence</i>	16.151
1. How Choice of Law Problems Arise	16.151
2. The Applicable Law	16.153
<i>IX. Breach of Competition Rules</i>	16.175
1. How Choice of Law Problems Arise	16.175
2. The Applicable Law	16.177
17. Choice of Law and the Internet	
<i>I. Introduction</i>	17.01
<i>II. The Conventions and the Right as Such</i>	17.06
<i>III. Contracts in Relation to Intellectual Property</i>	17.08
<i>IV. Infringement on the Internet</i>	17.10
<i>V. Complementary Torts on the Internet</i>	17.16
<i>VI. Ubiquitous Infringement</i>	17.24
1. A <i>De Minimis</i> Rule	17.25
2. Ubiquitous Infringement as the Special Case	17.26

VII. <i>Contributory Liability</i>	17.30
1. A Separate Form of Liability?	17.32
2. A Form of Intellectual Property Infringement?	17.33
3. A Special Rule for a Special Case	17.35
18. Choice of Law Reform	
I. <i>Introduction</i>	18.01
II. <i>The Conventions and Their Tendency to Impose the Law of the Country for Which Protection is Sought</i>	18.03
1. History v Modern Exploitation	18.03
2. A Role for the Traditional Choice of Law Rule	18.05
3. A Departure from It Towards a More Modern Rule	18.09
4. A Radical Departure?	18.10
III. <i>Choice of Law for Contracts in Relation to Intellectual Property</i>	18.11
1. Preliminary Issues	18.11
2. Articles 3 and 4	18.13
IV. <i>Tort Choice of Law in Relation to the Infringement of Intellectual Property Rights</i>	18.30
1. Damages: Freedom to Choose the Applicable Law	18.31
2. Ubiquitous Infringement	18.35
3. Multi-State Infringement	18.36
V. <i>Contributory Liability</i>	18.43
VI. <i>Security Interests</i>	18.44
1. How Problems Arise	18.44
2. Guiding Principles	18.45
3. The Proposal	18.49
PART C RECOGNITION AND ENFORCEMENT OF FOREIGN JUDGMENTS	
<i>Preliminary Remarks</i>	943
19. Recognition and Enforcement of Foreign Judgments Relating to Intellectual Property	
I. <i>Introduction</i>	19.01
II. <i>How Problems Arise in Intellectual Property Cases</i>	19.02
III. <i>The Brussels I Regulation</i>	19.05
1. The Scope of the Regulation	19.07
2. Recognition of the Foreign Judgment	19.13
3. Enforcement of the Foreign Judgment	19.33

<i>IV. The Lugano Convention</i>	19.36
<i>V. The Common Law System</i>	19.37
1. Requirements	19.39
2. Defences against Recognition and Enforcement	19.45
<i>VI. Enforcement of Foreign Judgments by Statute</i>	19.55
<i>VII. Decisions in Relation to Supranational or Semi-Supranational Rights</i>	19.57
<i>VIII. Reform</i>	19.61
<i>Bibliography</i>	963
<i>Index</i>	969