Int'l IP

- Module 6
- Int'l Enforcement of Intellectual Property Rights

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6-1

Commercial Piracy

- Apex MNE hypothetical
 - Role of organized crime
- Copyright piracy
- Trademark piracy
 - the most serious form of piracy
- Patent piracy?
 - deemphasized as commercial piracy
- Comparison to narcotics trafficking for the above
- Trading partners and border seizure

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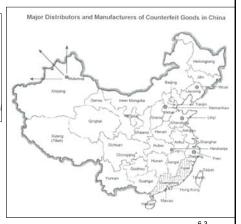
Measures Protecting IP in China (WTO Panel, 2009)

- TRIPS Art. 61
- China's criminal law for IP-based counterfeiting
- Need for the U.S., as challenger, to show counterfeiting "on a commercial scale"

Fiscal Year	Value of Seizures	Number of Seizures
2010	\$188,125,346	19,959
2009	\$260,697,937	14,841
2008	\$272,728,879	14,992
2007	\$196,754,377	13,657
2006	\$155,369,236	14,675
2005	\$93,234,510	8,022

Source: Intellectual Property Rights 2010 Seizure Statistics—Fins Report, U.S. Customs Office.

Immigrat	s and Border Pro tion and Customs Trading Partners	
Trading Partner	Domestic Value	Percent of Total Seizures
China	\$204,656,093	79%
Hong Kong	\$26,887,408	10%
India	\$3,047,311	1%



London Film v. ICI (S.D.N.Y. 1984)

- Locations
 - London a UK plaintiff
 - ICI a NY defendant
 - Alleged infringement in Chile and South America
- ICI specializes in distributing "public domain" works
- ICI claims the NY district court should abstain from exercising jurisdiction
 - Alien treaty rights
 - Forum non conveniens
 - · Complex foreign law for many countries
 - Act of state doctrine
- Comity
 - Difficulty of determining foreign IP rights validity
 - But, validity not as large an issue in copyright
 - No good alternative forum

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Sarl Louis Feraud Int'l v. Viewfinder Inc. (S.D.N.Y. 2005)

- French fashion clothing companies
- Viewfinder fashion websites
- Default judgment in France in favor of French companies
- Comity
- Source of law to determine if foreign judgment is enforced
 - NY state law via uniform act
- Copyright law analysis
 - Fashion designs not copyrightable under U.S. law
 - Even if copyrightable, Viewfinder's use was fair use
 - But, French copyright law isn't "repugnant"
- Freedom of expression under the U.S. Constitution
 - Against this, the French copyright law is "repugnant"
 - · Commercial speech is still protected speech
- But, the French companies argue . . .
 - Not action by Viewfinder to send a message
 - Not news

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IHT Int'l Heinztechnik v. Ideal Standard (ECJ 1994)

- TM in "Ideal Standard"
 - France
 - 1984, IDSA (subsidiary of American Standard) assigns in France to SGF who assigns to CICh for heating equipment
 - IDSA keeps the mark for sanitary equipment; continues to sell sanitary equipment under the mark in France
 - Germany
 - IHT, a "corporate sibling" of CICh, imports CICh-made (in France) heating equipment into Germany
 - IDG (also a subsidiary of Am. Standard) objects to use of the mark on heating equipment in Germany; IDG sells sanitary and heating equipment in Germany under the mark
- EC treaty article 30 free movement of goods
- EC treaty article 36 exceptions from article 30
- EU regional exhaustion invoked by consent from economically linked entity
 - LicEE/LicOR; parent; subsidiary; exclusive distributor (possibility of control)

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Kmart v. Cartier 486 U.S. 281 (1988)

- 1930 Tariff Act
- Prohibit parallel importation unless
 - common control
 - authorized
- Inconsistent with §526 of 1930 Tariff Act?
 - "owned" and "merchandize of foreign manufacture"
 - "authorized" is not ambiguous

- Parallel Importation
 - Case 1 (foreign mfg with US TM LicEE/AssignEE)
 - Case 2 (foreign affiliated mfg and US mfg)
 - Foreign firm sets up US subsidiary and it registers a US mark identical to foreign mark [who owns the mark?]
 - US company sets up a subsidiary or division abroad to make and sell goods overseas ["merchandise of foreign manufacture]
 - Case 3 (foreign LicEE)
 ["authorized use"]

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Lever Bros. v. U.S. (D.C. Cir. 1993)

- Shield soap and Sunlight liquid in the US and in the UK
- Lever US and Lever UK
- Is common control and ownership exception compatible with Sec. 42 of the Lanham Act?
 - Materially and physically different gray market goods
 - If goods are the same . . . common control provision still applies
- "Trademarks applied to physically different foreign goods are not genuine from the viewpoint of the American consumer."

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Quality King v. L'anza 523 US 135 (1998) [_not assigned_]

- Copyright distribution right 17 U.S.C. § 106(3)
- §602(a) copyright act importation right
 - Limited by §107 to §120?
 - Is §109(a) "first sale" applicable to imported copies
- Dist. Ct. and Circuit Ct. §602 is meaningless if limited by §109
- Reversing . . .
 - "the literal text of §602(a) is simply inapplicable to both domestic and foreign owners of L'anza's products who decide to import them and resell them in the United States."

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Kirtsaeng v. John Wiley (2013)

- Kirtsaeng is obtaining books printed abroad and sold abroad with the copyright owner's authorization, and then selling those books in the U.S.
- "lawfully made under this title"?
 - Geographic sense?
 - Authorization sense (in accordance with, in compliance with) independent of geography?
- Disagreeing with the two courts below, the Supreme Court notes:
 - "under" doesn't mean "where"
- Various additional statutory construction and effects arguments
 - "... reliance upon the "first sale" doctrine deeply embedded in the practices of those, such as booksellers, libraries, museums, and retailers, who have longrelied upon its protection."

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