

Summary Report

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Questionnaire on the HCCH Judgment Project

Introduction

An important current project of the Hague Conference on Private International Law (*HCCH*) is the development of a convention on the recognition and enforcement of foreign judgments (*Convention*). This is generally referred to as the "Judgment Project".

The current draft of the Convention (February 2017) can be found [here](#) (the *Draft Convention*). Important articles on intellectual property in the Draft Convention are articles 2(1)(l), 5(1)(k)-(m), 6(a), 7(1)(g), 8(3) and 12.

At HCCH's invitation, AIPPI will attend the Third Meeting of the Special Commission on the Recognition and Enforcement of Foreign Judgments as an Observer. That meeting will take place in The Hague from 13-17 November 2017. Next on the agenda will be a Diplomatic Conference, probably end 2018 / beginning 2019.

Given the time constraints, a concise questionnaire was prepared by AIPPI's Reporter General Team (see [link](#)), in order to enable AIPPI to at least take a general position during the November 2017 meeting on what should eventually be included in the Convention. In due course, after the aforementioned meeting and well in time for the Diplomatic Conference, a more detailed and updated questionnaire will be sent out.

The Reporter General has received replies from the following Groups and Independent Members in alphabetical order: Argentina, Australia, Belgium, Bulgaria, Canada, China, Denmark, Ecuador, France, Independent Member Kazakhstan, Independent Member TW, Israel, Japan, Mexico, the Netherlands, the Philippines, Sweden, Turkey, the United Kingdom (*UK*), the United States of America (*US*), Vietnam.

21 replies were received in total. The Reporter General thanks all contributors for their helpful and informative replies.

This Summary Report does not attempt to reproduce the detailed responses in any given reply. If any question arises as to the exact position in a particular jurisdiction, or for a detailed account of any particular answer, reference should be made to the original replies.

In this summary:

- references to replies by one or more "Groups" may include references to Independent Members;
- where percentages of responses are given, they are to the nearest 5%.

Summary replies

1) a) Should any intellectual property rights be included in the scope of the Convention? Please explain.

The Groups are more or less split on this question, with a small majority (11 of the 21 Groups, i.e. just over 50%) being in favour of inclusion.

Of the groups that replied NO to this question, the UK Group notes among other things, that while there would be some benefit in a simplified framework for litigation and enforcement of intellectual property rights, recognition and enforcement of foreign judgments raises concerns and questions, especially because the Draft Convention does not deal with jurisdiction and choice of law.

b) If you answered YES to question 1)a), do you think certain intellectual property rights should nevertheless be excluded? If so, which? Please explain.

Of the 11 Groups that answered YES to question 1)a), a majority of those Groups (i.e. 7 Groups or 65% of respondents) is of the view that all intellectual property rights should be included. However, some Groups mention that patents should be excluded, or that validity issues should be excluded.

2) a) Should the Convention only cover judgments exclusively granting a remedy consisting of monetary damages? Please explain.

13 Groups (60%) take the position that (if intellectual property rights are included in the scope of the Convention), only judgments exclusively granting monetary damages should be covered.

b) Should the Convention cover judgments which grant, amongst other remedies, a remedy consisting of monetary damages? If so, please explain and specify whether the Convention should in these cases only cover the remedies in a judgment granting monetary damages or the whole judgment including non-monetary damages.

The replies to this question are in line with those to question 2)a). Again, a majority answered that the Convention should only cover the monetary part of judgments. Partially, the reason given (e.g. by the Danish Group) is that if the Convention will cover intellectual property at all, then the scope should be limited as much as possible. The UK Group notes, among other things, that cross-border enforcement of remedies other than monetary damages would be complicated.

3) Should a judgment that ruled on the infringement of an intellectual property right only be eligible for recognition and enforcement if given by a court of a contracting state the law of which governs the right concerned (i.e. the country where the right is registered etc.)? Please explain.

The Groups are more or less split on this issue, with a slight majority (55%) answering YES. The Australian Group points to differences between the intellectual property laws of different jurisdictions. The Danish Group notes that articles 5(1)(k) and (m) of the Draft Convention should be the exclusive bases for jurisdiction in intellectual property matters. Thus, article 5(1)(a) (for example) should not provide an additional basis. Also the UK Group points out that it is problematic that articles 5 (1) (k) and (m) are not exclusive.

Of the Groups that answered NO to this question, the French Group notes that the plaintiff should have the choice between basing jurisdiction on the defendant's domicile or the place of the infringement.

4) Should a judgment that ruled on the ownership of an intellectual property right only be eligible for recognition and enforcement if given by a court of a contracting state the law of which governs the right concerned (i.e. the country where the right is registered etc.)? Please explain.

A majority (65%) of the Groups answered YES to this question. The Chinese Group however answered YES for registered rights only, and not for unregistered rights.

5) Should a judgment that ruled on the registration or validity of an intellectual property right only be eligible for recognition and enforcement if given by a court of a contracting state the law of which governs the right concerned (i.e. the country where the right is registered etc.)? Please explain.

A majority (80%) of the Groups answered YES to this question. However, the Belgian Group notes that this can be different in case of a preliminary ruling. Both the Danish and the UK Groups point to article 8(3) of the Draft Convention, which may water down protection.

6) Should the application of a law other than the law governing a particular intellectual property right, be a ground for refusal for recognition or enforcement? Please explain.

A majority (70%) of the Groups answered YES to this question. The Belgian Group does not necessarily agree for all intellectual property rights and states that the issue is slightly different with regard to copyright (because some countries determine ownership/existence in light of the law of the country of origin of the work).

7) Should, for a judgment to be eligible for recognition and enforcement, all appeal options in relation to the judgment have been exhausted? Please explain.

A majority (60%) answered YES to this question. Some Groups point to article 4(4) of the Draft Convention, which deals with the issue; AIPPI UK considers that the provision set out in Article 4(4) is appropriate as it gives the court of the requested State the discretion to consider all circumstances of the case before deciding which course is appropriate, and separates the question of eligibility for recognition from actual recognition.

8) Do you have any other comments?

Many Groups provided additional comments and observations. For example, some Groups comment that administrative decisions are excluded from the scope of the Convention, whereas in a number of jurisdictions such decisions may address certain intellectual property matters.

The US and the Swedish Groups in particular recommend studying the issues the subject of the questionnaire in more detail. The UK Group has a key concern that the Draft Convention does not deal with jurisdiction; the UK Group would be in favour of a project dealing with jurisdiction, choice of law and recognition and enforcement. A number of the Groups furthermore specify that the fact that they have replied to all questions does not change their negative reply to question 1)a).

Conclusion and recommendation

The Groups that replied to the questionnaire are more or less split on the key question asked, i.e. whether or not intellectual property rights should be included in the scope of the Convention. Furthermore, several replies contain a detailed discussion on points not yet specifically studied by AIPPI; and some Groups (most notably the US and the Swedish Group) recommend to study the subject of the questionnaire in more detail.

Also, it is important to remember that AIPPI's Resolution on Q153 - "Hague Conference on Private International Law" (2001, Melbourne), (i) recommended excluding intellectual property matters from the substantive scope of the then envisaged "Convention on jurisdiction and foreign judgments in civil and commercial matters", and (ii) called on the HCCH to elaborate a specific protocol on intellectual property to be added to the then envisaged convention in due time. While this previous work mostly focused on jurisdiction issues, it should be noted that indirectly jurisdiction does play a role in the current Draft Convention and thus this Resolution continues to have relevance.

In view of the above, and also in view of the relatively short time for replying to the questionnaire, not all Groups were in a position to provide a full reply to the questionnaire, and it is therefore recommended that AIPPI make a statement along the following lines during the meeting from 13-17 November 2017:

- AIPPI, which stands for the International Association for the Protection of Intellectual Property (in French, *Association Internationale pour la Protection de la Propriété Intellectuelle*), and which was founded in 1897, is a leading international organization dedicated to the development and improvement of legal regimes for the protection of intellectual property. AIPPI currently has over 9000 Members representing more than 100 countries. AIPPI's members include lawyers (both external counsel and in-house), patent attorneys, trademark attorneys, judges and academics;
- in 2001, AIPPI passed a Resolution which recommended excluding intellectual property matters from the substantive scope of the then envisaged "Convention on jurisdiction and foreign judgments in civil and commercial matters" and calling on the HCCH to elaborate a specific protocol on intellectual property to be added to the envisaged convention in due time;

- following AIPPI being invited to attend the present meeting, replies to a recent questionnaire sent by AIPPI to its members do not show a consensus as to the intellectual property related provisions in the current Draft Convention; the replies show a split position as to the question whether or not intellectual property rights should be included in the scope of the Convention, and several of AIPPI's Groups are concerned that a number of complex issues have not yet been sufficiently studied;
- whether or not intellectual property rights should be included in the scope of the Convention is in fact a complex question; while there would be some benefit in a simplified framework for litigation and enforcement of intellectual property rights, recognition and enforcement of foreign judgments raises concerns and questions, especially because the current draft Convention does not deal with jurisdiction (at least not directly) and choice of law;
- AIPPI will therefore further study the issue in more detail, and it intends to do well in time for the Diplomatic Conference, which it understands may be scheduled end 2018 / early 2019. AIPPI expects that by then it will be able to state whether its position is different from the Resolution just referred to, or whether it is of the view that intellectual property rights should also be excluded from this Convention.
