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Report Q204

in the name of the Argentine Group
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Liability for Contributory Infringement of IPRs

Questions

I) Analysis of current legislation and case law

1) *Does your national law provide for liability for contributory infringement of IPRs, in respect of the offering or supply of means for working an invention, for enabling illicit commercial use of a trademark, for making a copyrighted or design protected product, etc.?*

The National Laws dealing with IP do not explicitly provide for contributory infringement of IPRs. However, contributory infringement activities can be held liable based on our Case Law and the general principles derived from our Laws (i.e.: Civil Code, Criminal Code, etc.).

2) *If so, is it a condition for such liability that the means supplied are actually used by another (the person supplied) for committing acts that amount to direct infringement of the IPR in the same country (or in another country where there is a corresponding IPR)? Are there any additional conditions that apply in such cases?*

Should a case be brought forward before a Court it would be a condition that the means supplied are actually used or intended to be used by another for committing acts that amount to direct infringement.

3) *If it is not a condition for liability for contributory infringement that the means supplied are actually used by another (the person supplied) for committing acts that amount to direct infringement in the same country (or in another country where there is a corresponding IPR), is it then, on the other hand, a condition for such liability, for example*

- *that the means offered and/or supplied were suitable to be put into an infringing use;*
- *that the means relate to an essential, valuable or central element in the invention or product or service that constitutes direct infringement;*
- *that the means offered and/or supplied were actually intended for such use on the part of the person supplied;*
- *that the means offered and/or supplied were intended to be put to that use in the country in which they were offered or supplied;*
- *that, at the time of offering and/or supply of the means, the suitability and intended use were known to the supplier or were obvious under the circumstances; or*
- *that, to the extent the means are staple commercial products, the supplier induces the person supplied to infringe directly?*

Are there other conditions? Please respond separately for patents, trademarks, designs, copyright etc., if the rules differ from each area of IPR to the other.

The response is the same as in 2 above. Even though contributory infringement is not explicitly contemplated in our IP Laws, if a case were to be brought forward before a Court, any of the conditions mentioned would be useful in proving same. Moreover, the above conditions would be considered by the courts on a case by case basis.

4) *Are the rules concerning contributory infringement set out in the laws protecting IPR?*

There are no specific rules concerning contributory infringement set out in the laws protecting IPRs.

5) *If such protection is not set out in the laws protecting IPR, does it follow from generally applicable principles of e.g. tort law?*

Even though as mentioned above our national IP laws do not contain regulations regarding contributory infringement, the latter can be derived from the general principles of our National Laws (i.e.: Civil Code, Criminal Code, etc.).

6) *What are the legal consequences of holding an act to be a contributory infringement of an IPR, in particular:*

– *can the IPR owner obtain injunctive relief to the same extent as in case of direct infringement?*

We believe that an IP owner would be able to obtain injunctive relief in a contributory infringement scenario provided that very solid proofs to that extent be brought forward to Court.

– *can the IPR owner obtain damages and other compensation to the same extent as in case of direct infringement, or only relative to the contributory infringer's contribution?*

In principle, damages and compensation could be obtained only to the extent of the contributory infringer's contribution.

II) Proposals for substantive harmonisation

7) *Should measures generally be available against acts that qualify as contributory infringement of IPRs, as defined in these Working Guidelines?*

Our group believes that measures and sanctions should be available against acts that qualify as contributory infringement of IPRs as defined in the Working Guidelines.

8) *If so, what should be the conditions for holding an act to be a contributory infringement of an IPR?*

That the means supplied are used by a third party and/or that said means be suitable for putting into use in an infringing manner and/or that suitability of the intended use be known to the supplier or be obvious under the circumstances. Provided all or any of the above cited conditions are met, all participants involved in the cooperation for the commitment of the infringement should be considered contributory infringers.

In the case of staple or ordinary commercial products, e.g. blank CDs, additionally the supplier should have induced the infringer or have knowledge of his intent to infringe.

9) *Should the conditions be different for different kinds of IPRs? Why?*

We do not believe that in general the conditions should be different for different kinds of IPRs. The damage caused to the IPR owner should be punished regardless of the kind and monetary value of the IPR infringed.

10) *What should be the legal consequences of holding an act to amount to contributory infringement of an IPR, in particular?*

– *Should the IPR owner be able to obtain injunctive relief to the same extent as in case of direct infringement?*

We believe that in those cases where there is bad faith or knowledge of the supplier or were same induces the act of infringement, the IPR owner should be able to obtain injunctive relief to the same extent as in a case of direct infringement.

– *Should the IPR owner be able to obtain damages and other compensation to the same extent as in case of direct infringement, or only relative to the contributory infringer's contribution?*

Again, we believe that in cases of bad faith or were the supplier had knowledge of the infringement or induces the infringement the IPR owner should be able to obtain damages and other compensation as in a case of direct infringement. In other cases, damages should be awarded taking into consideration the contributor infringer's contribution, the amount of infringing goods involved and, eventually, the benefit obtained by the contributor with its contribution.

11) *Should the legal consequences be different for different kinds of IPR? Why?*

We do not believe that the legal consequences should be different for different kinds of IPR. We are aware that it is easier to induce a copyright infringement than a high tech patented chemical procedure infringement. Nevertheless, both acts harm the IPR owner in the same way.

12) *Does your Group have any other views or proposals for harmonisation in this area?*

There are no further proposals regarding this question.

Summary

Our National IP Laws do not provide for contributory infringement, however, same can be derived from the general principles of our National Laws.

It would be a condition that the means supplied are actually used or intended to be used by a third party. Any other condition would be considered by the Courts on a case by case basis.

Injunctive relief could be obtained if solid proofs are brought forward while damages could be obtained only to the extent of the contributory infringement's contribution.

Sanctions should be available against contributory infringement of any kind of IPRs. However, a distinction regarding the conditions for holding an act to be a contributory infringement should be made in the case of staple products.

In cases of bad faith we believe that damages or injunctive relief should be available to the same extent as in a case of direct infringement.

Résumé

Nos lois nationales sur PI ne comprennent pas de règles concernant la participation accessoire dans la réalisation d'actes illicites, bien que certaines règles puissent se déduire des principes généraux des lois nationales.

Une condition serait que les moyens pourvus soient réellement utilisés ou puissent être utilisés par un tiers. Toute autre condition serait jugée par les tribunaux selon le cas.

Une interdiction judiciaire pourrait être obtenue si des preuves suffisantes étaient produites, mais il ne serait possible de demander un dédommagement que dans le cas de participation dans la réalisation d'un acte illicite.

Il serait nécessaire d'établir des sanctions punissant la participation accessoire dans la réalisation d'actes illicites relatifs à tout type de droits de PI. Cependant, il faudrait distinguer les conditions pour considérer un acte comme participation accessoire dans la réalisation d'un acte illicite dans le cas de produits non élaborés.

Dans les cas de mauvaise foi, nous croyons que le dédommagement ou l'interdiction judiciaire devraient être appliqués comme s'il s'agissait de la violation directe de la norme.

Zusammenfassung

Unsere landesweit geltenden urheberrechtlichen Bestimmungen sehen keinen konkurrienden Verstoss vor, obwohl dieser von den allgemeinen Grundsätzen unserer nationalen Gesetze abgeleitet werden kann.

Eine Bedingung wäre, dass die gelieferten Mittel seitens Dritter tatsächlich benutzt wurden oder der Versuch dazu bestand. Jede weitere Bedingung wird von den Gerichten Fall für Fall berücksichtigt.

Eine gerichtliche Abfindung kann erhalten werden, insoweit solide Beweise beigebracht werden, während ein Schadenersatz nur im Masse der Beteiligung am konkurrierenden Verstoss zu erwarten ist.

Zwangsmassnahmen aufgrund des konkurrierenden Verstosses gegen jedwedes Recht auf geistiges Eigentum sollten verfügbar sein. Im Falle von Grundstoffen sollte jedoch ein Unterschied in Bezug auf die Bedingungen gemacht werden, um eine Handlung als konkurrierenden Verstoss zu bezeichnen.

Wir meinen, dass für Fälle von Schlechtgläubigkeit der Schadenersatz oder die gerichtliche Abfindung im selben Masse möglich sein sollten, wie im Falle eines unmittelbaren Verstosses.