



## Resolution of the Executive Committee, Melbourne, Australia, 12 to 17 October 1986

### “Anti-counterfeiting - Which measures are to be proposed”

**FICPI**, the International Federation of Intellectual Property Attorneys, broadly representative of the free profession throughout the world, assembled at its Executive Committee held in Melbourne, Australia, 12-17 October 1986, resolved that:

**Whereas** FICPI agrees with and wishes actively to further the initiative against trade in counterfeit goods it nevertheless considers that National and Regional laws and remedies should maintain a distinction between infringement of the intellectual property rights of a proprietor in the normal course of trade, and deliberate plagiarization of goods or services covered by those rights with the likely consequence of deception as to the origin of those goods or services (counterfeits).

**To this end** FICPI considers that measures against such counterfeits should not be limited to relief for infringement of registered trade marks, but should be applicable equally against production of counterfeits by deliberate use of unregistered trade marks, trade names, trade dress, registered designs, patent rights, copyright or equivalent rights open to the legitimate proprietor. FICPI has noted that Articles 9 and 10bis of the Paris Convention provide a basis for action against counterfeits, and such Articles have formed a basis for this resolution.

FICPI **commends** the direct use of Customs action as an aid to the enforcement of registered rights, coupled with a right to rapid judicial review. Bearing in mind that action by Custom authorities unilaterally or otherwise can be counter-productive in terms of militating against:

- (i) free movement of goods within a region; and
- (ii) the activities of an honest importer in good faith of possibly infringing non-counterfeit goods,

FICPI **considers** that the appropriate forum for deciding counterfeit issues is the Court. Therefore, National and Regional laws should provide strong remedies for the proprietor of the rights (Plaintiff) while protecting any rights the alleged counterfeiter (Defendant) may have. Such laws should include, in addition to the existing remedies available for infringement of registered rights, the following additional remedies applicable whenever necessary in relation to the provision of alleged counterfeit goods or services:

#### PLAINTIFF

##### A. *Civil or Common Law*

- (i) Immediate seizure upon Court Order of counterfeit goods, documents or the like exclusively used in or relating to the production thereof.
- (ii) Enforceable obligation on grant of an injunction for defendant to disclose details of source of and customers for counterfeits.
- (iii) Freezing of bank or other financial assets of defendant until or unless a sufficient bond or security is given.
- (iv) Payment of all damages or account of profits or in any event payment of at least double a reasonable licence fee.



- (v) Provision for punitive damages.
  - (vi) Payment of all Plaintiff's costs and expenses in relation to the act including in Court and out-of-pocket costs, attorneys' fees, cost of private investigators, etc.
  - (vii) Payment of solidary liability, i.e. defendants shall be jointly and severally liable for payments referred to in sub-paragraphs (iv)–(vi) above.
  - (viii) Class actions to be available in appropriate cases.
  - (ix) Remedies in conversion and detention to be available, i.e. treatment of the counterfeit goods as the property of the plaintiff with the consequences that goods in the defendant's possession will be delivered up to the plaintiff and goods already sold will be subject to payment of damages equal to the whole of the value of the goods at the time of sale.
- B. *Criminal Law*
- (i) Criminal action as such to be possible, including action against anonymous defendant(s).
  - (ii) Evidence obtained in civil proceedings to be available for use in subsequent criminal proceedings against same or related defendants.
  - (iii) Criminal action and sanctions to be available against legal entities and their directors individually.
  - (iv) Criminal action should be available on the initiative of both the state and private individuals or organisations.
  - (v) State authorities should inform plaintiffs, the trade or other injured parties about counterfeits and make available all relevant file documentation, etc. and join those parties as co-plaintiffs.
- C. *Administrative Law*
- (i) Customs or other administrative authorities to have right to stay clearance of or impound counterfeit goods on provision of proper evidence.
  - (ii) Customs authorities of their own motion to be able to provide information to relevant parties such as owner of rights being plagiarised and police or public prosecuting authorities.
- D. *Defendant*
- (i) Ability to pay lump sum security (amount to be assessed by Court), in order to secure release of goods, equipment, tools, moulds, dies, documents and to continue manufacture and sale, such security to cover damages and costs.
  - (ii) To be able to recover costs and expenses and to be paid damages in case of wrongful action by the Plaintiff, such damages to take account of sales lost during period of any injunction granted to the plaintiff.
  - (iii) To be able to claim relief for wrongful criminal actions.
  - (iv) To be able to request at any time payment by plaintiff of security (of adequate amount to be assessed by Court).
  - (v) To be able to request immediate Hearing to decide whether the matter is to be decided under anti-counterfeiting or other laws.