

CLIP papers on Intellectual Property in Brussels I and Rome I Regulations

The *European Max-Planck Group for Conflict of Laws in Intellectual Property (CLIP)* is a group of scholars in the fields of intellectual property and private international law that was established in 2004 with the aim of drafting a set of principles for conflict of laws in intellectual property and to provide independent advice to European and national law makers. It is funded by the *Max-Planck Society*.

Two very interesting papers recently released by CLIP have been published on the website of *Max Planck Institute for Comparative and International Private Law (Hamburg)*.

The purpose of the first document ("**Exclusive Jurisdiction and Cross Border IP (Patent) Infringement - Suggestions for Amendment of the Brussels I Regulation**") is to provide input for the report to be prepared by the Commission on the functioning in practice of the Brussels I Regulation, and to submit proposals for its amendment (see Art. 73 of the Regulation).

It deals with adjudication of foreign IP rights at a European level, as resulting from the well-known judgments of ECJ of 13 July 2006 (*GAT*, case C-4/03, and *Roche*, case C-539/03): the Group analyses the jurisdictional issues related to adjudication of foreign IP rights involving validity as an incidental matter (the *GAT* problem) and to claims against multiple defendants (the *Roche* problem). It strongly criticises the outcome of the two decisions, as it "weaken[s] the position of the rightholders and clash[es] with the aim of establishing a genuine European justice area":

In consequence of ECJ judgments [...] it appears no longer feasible for a national court to allow for consolidation of claims against a person infringing parallel intellectual property rights registered in different Member States, and/or to accept a joinder of claims against multiple defendants engaged in concerted actions. It is feared that this will entail considerable impediments for an efficient enforcement of intellectual property rights, in particular of patents.

In order to avoid such a result, the Group proposes a number of **amendments to Art. 6 (1)** of Brussels I Regulation (introduction of a paragraph clarifying the concept of "risk of irreconcilable judgments" and, in case, adoption of the "spider in the web" rule for actions against groups of companies engaged in coordinated activities) **and to Art. 22 (4)** (insertion of a specific provision related to incidental claims on validity or registration of IP rights, with *inter partes* effects).

The second paper contains the Group's comments on the specific provision on **contracts relating to intellectual and industrial property rights** (Art. 4 (1) (f)) introduced by the European Commission in its Rome I Proposal. In the framework of general criticism towards the adoption of a list of fixed connection points in Art. 4 (see extensively the detailed article-by-article "Comments on the Commission's Proposal" of Max Planck Institute for Comparative and International Private Law), the Group denounces risks of inconsistencies of the proposed regime for intellectual property in the field of franchise and distribution agreements, and possible overlappings with provisions set out in Art. 4 (1) (g) and (h).

The paper further analyses the amendments to Art. 4 (1) (f) proposed in the Draft Report currently under examination in the European Parliament Committee on Legal Affairs. The Group welcomes the more flexible approach taken by the Draft Report in Art. 4, but still advocates the deletion of any special rule on contracts relating to IP rights:

The Group recommends the following approach:

- *The European legislator should not introduce a rule on the law applicable to contracts relating to intellectual property rights in Art. 4 of the future Rome I-Regulation.*
- *Should the European legislator prefer to insert such a rule in Art. 4, this rule should be drafted as a presumption and not as a fixed rule. Therefore, the future Art. 4 (1) (f) should rather be based on the European Parliament's Rome I-Draft Report and not on the Commission's Rome I-Proposal [...].*

Both documents can be downloaded here. Highly recommended.