ECJ Rules on Geographical Scope of Customs Regulation

On 6 February 2014, the Court of Justice of the European Union delivered its judgment in Blomqvist v. Rolex (case C-98/13).

In January 2010, Mr Blomqvist, a resident of Denmark, ordered a watch described as a Rolex from a Chinese on-line shop. The order was placed and paid for through the English website of the seller. The seller sent the watch from Hong Kong by post. The parcel was inspected by the customs authorities on arrival in Denmark, who suspended the customs clearance of the watch. Rolex established that it was counterfeit, and requested that the buyer consent to destruction, as provided by Regulation (EC) No 1383/2003 of 22 July 2003 concerning customs action against goods suspected of infringing certain intellectual property rights and the measures to be taken against goods found to have infringed such rights ('the customs regulation'). The buyer refused. Rolex went to court and won.

On appeal, the Danish court raised the question whether an intellectual property right had actually been infringed, as required for the implementation of the customs regulation, given that, for that regulation to apply, first, there must be a breach of copyright or of a trade mark right which is protected in Denmark and, second, the alleged breach must take place in the same Member State.

The ECJ ruled:

> *26 In those circumstances the questions referred must be understood as meaning that the referring court seeks to know whether it follows from the customs regulation that, in order for the holder of an intellectual property right over goods sold to a person residing in the territory of a Member State through an online sales website in a non-member country to enjoy the protection afforded to that holder by that regulation at the time when those goods enter the territory of that Member State, that sale must be considered, in that Member State, as a form of distribution to the public or as constituting use in the course of trade. The referring court also raises the question whether, prior to the sale, the goods must have been the subject of an offer for sale or advertising targeting consumers in the same State.*

27 In that regard, it must be borne in mind, first, that the proprietor of a trade mark is entitled to prohibit a third party from using, without the proprietor's consent, a sign identical with that trade mark when that use is in the course of trade, is in relation to goods or services which are identical with, or similar to, those for which that trade mark is registered, and affects, or is liable to affect, the functions of the trade mark (Joined Cases C-236/08 to C-238/08 Google France and Google [2010] ECR I?2417, paragraph 49 and the case-law cited).

28 Second, under the copyright directive, an exclusive right is conferred on authors to authorise or prohibit any form of distribution to the public by sale or otherwise of the original of their works or copies thereof. Distribution to the public is characterised by a series of acts going, at the very least, from the conclusion of a contract of sale to the performance thereof by delivery to a member of the public. A trader in such circumstances bears responsibility for any act carried out by him or on his behalf giving rise to a 'distribution to the public' in a Member State where the goods distributed are protected by copyright (see, to that effect, Donner, paragraphs 26 and 27).

29 Accordingly, European Union law requires that the sale be considered, in the territory of a Member State, to be a form of distribution to the public within the meaning of the copyright directive, or use in the course of trade within the meaning of the trade mark directive and the Community trade mark regulation. Such distribution to the public must be considered proven where a contract of sale and dispatch has been concluded.

30 It is not disputed that, in the case in the main proceedings, Rolex is the holder in Denmark of the copyright and trade mark right which it claims and that the watch at issue in that case constitutes counterfeit goods and pirated goods within the meaning of Article 2(1)(a) and (b) of the customs regulation. Nor is it disputed that Rolex would have been entitled to claim an infringement of its rights if those goods had been offered for sale by a trader established in that Member State, since, on the occasion of such a sale, made for commercial purposes, use would have been made, on distribution to the public, of its rights in the course of trade. It therefore remains to be ascertained, in order to reply to the questions referred, whether a holder of intellectual property rights, such as Rolex, may claim the same protection for its rights where, as in the case in

the main proceedings, the goods at issue were sold from an online sales website in a non-member country on whose territory that protection is not applicable.

31 Admittedly, the mere fact that a website is accessible from the territory covered by the trade mark is not a sufficient basis for concluding that the offers for sale displayed there are targeted at consumers in that territory (L'Oréal and Others, paragraph 64).

32 However, the Court has held that the rights thus protected may be infringed where, even before their arrival in the territory covered by that protection, goods coming from non-member States are the subject of a commercial act directed at consumers in that territory, such as a sale, offer for sale or advertising (see, to that effect, Philips, paragraph 57 and the case-law cited).

33 Thus, goods coming from a non-member State which are imitations of goods protected in the European Union by a trade mark right or copies of goods protected in the European Union by copyright, a related right or a design can be classified as 'counterfeit goods' or 'pirated goods' where it is proven that they are intended to be put on sale in the European Union, such proof being provided, inter alia, where it turns out that the goods have been sold to a customer in the European Union or offered for sale or advertised to consumers in the European Union (see, to that effect, Philips, paragraph 78).

34 It is common ground that, in the case in the main proceedings, the goods at issue were the subject of a sale to a customer in the European Union, such a situation not being therefore in any event comparable to that of goods on offer in an 'online marketplace', nor that of goods brought into the customs territory of the European Union under a suspensive procedure. Consequently, the mere fact that the sale was made from an online sales website in a non-member country cannot have the effect of depriving the holder of an intellectual property right over the goods which were the subject of the sale of the protection afforded by the customs regulation, without it being necessary to verify whether such goods were, in addition, prior to that sale, the subject of an offer for sale or advertising targeting European Union consumers.

35 In the light of the foregoing, the answer to the questions referred is that the customs regulation must be interpreted as meaning that the holder of an

> *intellectual property right over goods sold to a person residing in the territory of a Member State through an online sales website in a non-member country enjoys the protection afforded to that holder by that regulation at the time when those goods enter the territory of that Member State merely by virtue of the acquisition of those goods. It is not necessary, in addition, for the goods at issue to have been the subject, prior to the sale, of an offer for sale or advertising targeting consumers of that State.*

Ruling:

> ***Council Regulation (EC) No 1383/2003 of 22 July 2003 concerning customs action against goods suspected of infringing certain intellectual property rights and the measures to be taken against goods found to have infringed such rights must be interpreted as meaning that the holder of an intellectual property right over goods sold to a person residing in the territory of a Member State through an online sales website in a non-member country enjoys the protection afforded to that holder by that regulation at the time when those goods enter the territory of that Member State merely by virtue of the acquisition of those goods. It is not necessary, in addition, for the goods at issue to have been the subject, prior to the sale, of an offer for sale or advertising targeting consumers of that State.***

H/T: Bernd Justin Jutte

Conflict of Laws Bibliography 2013

I am pleased to pass on that Professor Symeon Symeonides has once again compiled a bibliography that covers private international law, or conflict of laws, in a broad sense. In particular, it covers judicial or adjudicatory jurisdiction, prescriptive jurisdiction, choice of forum, choice of law, federal-state conflicts,

recognition and enforcement of sister-state and foreign-country judgments, extraterritoriality, arbitration and related topics. You can find it here.

Thanks to Professor Symeonides for continuing to publish this incredibly helpful resource.

Pribetic on Foreign Judgments in Canada

Antonin Pribetic (Himelfarb Proszanski) has posted Recognition and Enforcement of Foreign Judgments in Canada on SSRN.

> *This paper provides an overview of the governing conflict of laws principles for the recognition or enforcement of foreign judgments, including an analysis of the recent Court of Appeal for Ontario decision in Yaiguaje et al. v. Chevron Corporation et al. and its implications for the recognition and enforcement of foreign judgments, generally. The issue of state immunity as an obstacle to foreign judgment enforcement is also considered.*

University of Missouri Call for Proposals: "Judicial Education and the Art of Judging: From Myth to

Methodology”

The University of Missouri is issuing a call for proposals for an upcoming works-in-progress conference as well as a call for papers for a student writing competition. Both of these calls are affiliated with a symposium that is being convened at the University of Missouri’s Center for the Study of Dispute Resolution on Friday, October 10, 2014.

The symposium is entitled “Judicial Education and the Art of Judging: From Myth to Methodology” and addresses a number of issues relating to the role of judges and the goals and methods of judicial education. The symposium features the Honorable Duane Benton of the United States Court of Appeals for the Eighth Circuit as keynote speaker as well as an accomplished group of judges, academics, and judicial education experts from the United States and Canada as panelists.

The day before the symposium (Thursday, October 9, 2014), the University of Missouri will be hosting an international works-in-progress conference relating to the subject matter of the symposium, broadly interpreted. Presentation proposals should be no more than one page in length and can include analyses that are practical, theoretical or interdisciplinary in nature. Participants can discuss judges at the state, federal or international level, and applications from outside the United States are particularly welcomed. Proposals for the works-in-progress conference should be directed to Professor S.I. Strong (strongsi@missouri.edu) and will be accepted until May 26, 2014. Decisions regarding accepted papers will be made in June 2014. Prospective attendees should note that there is no funding available to assist participants with their travel expenses.

The University of Missouri is also organizing an international student writing competition in association with the symposium. Papers will likely be due in August 2014, although precise details (such as the due date and the amount of any prize money associated with the competition) are still being finalized.

More information about the symposium, works-in-progress conference and student writing competition is available at the symposium website, located here. People may also contact Professor S.I. Strong (strongsi@missouri.edu) with any questions.

Please feel free to distribute this information to anyone you believe might be interested in the symposium, works-in-progress conference or writing competition. You are also welcome to cross-post this information on any blogs.

French Conference on the Future of Choice of Law Methodology

The University Paris Descartes will hold a conference on March 14 on the future of choice of law theory. Speeches will be in French.

Quel avenir pour la théorie des conflits de lois?

9h15 – Rapport introductif: Olivera Boskovic, *Universite Paris Descartes*

I – **Declenchement du raisonnement conflictuel**
Chair: Helene Gaudemet-Tallon (*Emeritus Université Paris II*)

9h45 – L'office du juge: Marie-Laure Niboyet, *Universite Paris Ouest-Nanterre-La Defense*

10h05 – La qualification: Sophie Lemaire, *Universite Paris-Dauphine*

10h25 – Unilateralisme versus bilateralisme: Stephanie Francq, *Universite catholique de Louvain*

10h45 – Discussion

II – Facteurs de perturbation
Chair: Anne Sinay-Cytermann (*Universite Paris Descartes*)

11h15 – Les lois de police: Louis d'Avout, *Universite Paris II*

11h35 – Les questions prealables: Sandrine Sana-Chaille de Nere, *Universite*

Montesquieu, Bordeaux IV

11h55 – Le renvoi: Louis Perreau-Saussine, *Universite Paris-Dauphine*

12h25 – Discussion

III – Eviction de la loi designee

Chair: Paul Lagarde *(Emeritus Université Pantheon-Sorbonne)*

14h30 – La fraude: Sandrine Clavel, *Universite de Versailles Saint-Quentin-en-Yvelines*

14h55 – L'ordre public: Pascal de Vareilles-Sommieres, *Universite Paris I*

15h15 – La clause d'exception: Pierre Berlioz, *Universite de Reims Champagne-Ardenne*

15h35- Discussion

16h05 – La clause marche interieur: Malik Laazouzi, *Universite Jean Moulin, Lyon III*

16h30 – Rapport de synthese: Horatia Muir Watt, *Sciences Po*

17h00 – Cocktail

Venue: Faculte de droit, Universite Paris Descartes (CEDAG), 10 avenue Pierre Larousse – 92 240 Malakoff

Admission is free, registration is possible with Ms Madame Albane Piejos: albane.piejos@parisdescartes.fr

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First Issue of 2014's Journal du Droit International

The first issue of the *Journal du droit international (Clunet)* for 2014 is out. It contains a number of commentaries of recent French and European decisions deciding issues of private international law.

The table of content can be accessed here.

Franzina on Sovereign Bonds and the Conflict of Laws

Pietro Franzina (University of Ferrara) has posted Sovereign Bonds and the Conflict of Laws: A European Perspective on SSRN.

> *This paper provides an account of the rules whereby courts sitting in a Member State of the European Union should decide conflict-of-laws issues relating to loans contracted by States or State-related entities involving the issue of bonds, thereby identifying the country whose legislation must govern the rights and obligations of the bondholders and of the issuing entity. After discussing the peculiar features of sovereign bonds when viewed from a conflict-of-laws perspective, the paper focuses on the choice-of-law clauses almost invariably included in the loans and on the rules governing such clauses pursuant to regulation no. 593/2008 of 17 June 2008 on the law applicable to contractual obligations (the "Rome I" regulation). The article goes on to determine the issues that must be deemed to be governed by the lex contractus and on the possible exceptions to the operation of conflict-of-laws rules, including the rules on choice of law, in accordance with the said "Rome I" regulation. In particular, the paper explores the way in which, and the extent to which, overriding mandatory provisions and the public policy exception may have a role to play in the global governance of sovereign debt crises, balancing the concerns and*

expectations of creditors, on the one hand, and the interests of distressed sovereign debtors and their populations, on the other.

First Seminar on the Boundaries of European Private International Law

Boundaries of European Private International Law

Seminar n° 1 – Barcelona:

European PIL – National and International Law

27 / 28 March 2014

Coordination : Jean-Sylvestre BERGÉ (Université Jean Moulin Lyon 3), Stéphanie FRANCQ (Université catholique de Louvain) et Miguel GARDENES SANTIAGO (Universitat Autònoma de Barcelona)

A demonstration of the existence of European private international law is no longer necessary. However, the question of the place of European private international law in a more globalised legal order, i.e. the difficult but crucial theme of reconciling European private international law to the legal frameworks that preceded it at national, international and European level, has been largely neglected to date.

The aim of this research program is to remedy this situation by holding discussions in different locations in Europe (Lyon – Barcelona – Louvain), bringing together European specialists in private international law or European law and doctoral or post-doctoral students.

For this first seminar in Barcelona (a second seminar will take place in Louvain-

La-Neuve, 5/6 June 2014), two main themes will be tackled:

1. Reconciling European private international law with (substantial and procedural) national and international frameworks;

2. Reconciling European private international law with private international law applicable in relationships with countries outside the EU.

Thursday, 27th March

15:00 to 15:30: inauguration of the seminar by the Dean of the Faculty.

Chair: Professor Blanca Vilà Costa

Opening session: 15:30-17:00

Pietro Franzina, Associate Professor of international law, University of Ferrara, *The competence of the European Union regarding the Administration, including the Denunciation, of International Conventions concluded by Member States.*

Albert Font i Segura, *Profesor Titular* of private international law at the Pompeu Fabra University (Barcelona), *Some Basic Issues in the Future Application of the Regulation on Succession: Characterization, Territorial Conflict of Laws and Ordre Public.*

Guillermo Palao Moreno, *Catedrático* of private international law, University of Valencia, *Enforcement of Foreign Mediation Agreements within the EU.*

First workshop: Reconciling European Private International Law with (Substantial and Procedural) National and International Frameworks

17:30 to 19:00: first session of the first workshop

Maria Asunción Cebrián Salvat, Doctoral candidate, University of Murcia, *Agency and Distribution Contracts: National Rules v. European Private International Law.*

Michaël Da Lozzo, Doctoral candidate, University of Toulouse 1 Capitole, *European Private International Law to the Test of National Overriding Mandatory Rules.*

Josep Suquet Capdevila, Doctor by the UAB, *On-line Mediation in the Consumer Field: a Comparative Analysis of Catalan, Spanish and European Legal Instruments.*

Friday, 28th March (venue: Sala de Vistas, Faculty of Law)

9:30 to 11:30: second session of the first workshop

Nicolas Kyriakides, Doctoral candidate, Oxford University, *European Account Preservation Order: what does the Common Law Tradition have to say?*

Teresa Solis Santos: Doctoral Candidate, University of Extremadura, *Cross Border Creditor's Protection. The Future European Account Preservation Order.*

Verona Tio, Doctoral candidate, University of Barcelona, *Judicial Powers over Penalty Clauses and Proceedings followed before an English Court.*

Celine Moille, Doctor, University of Lyon 3, *Issues of Articulation between European Private International Law and National and International Systems relating to Sale of Goods.*

Second workshop: Reconciling European Private International Law with Private International Law Applicable in Relationships with Countries outside the EU

12:00 to 13:30: first session of the second workshop.

Celine Camara, Doctoral candidate, Researcher at the Max-Planck Institute, *Discrimination against Third State Nationals in Regulation 2201/2003 "Brussels II bis".*

Huang Zhang, Doctoral candidate at the UAB, *The New Lis Pendens Regime in the Regulation Brussels I and the Challenge Met by Chinese Jurisdiction.*

Eduardo Alvarez Armas, Doctor, Catholic University of Louvain, *International Jurisdicion over Third-country Polluters: a Trojan horse to the EU's Environmental Policy?*

16:00 to 17:30: second session of the second workshop.

Jayne Holliday, Doctoral candidate, University of Aberdeen, *Reconciling the EU Succession Regulation with the Private International Law of the UK.*

Nicolo Nisi, Doctoral candidate, University of Bocconi, *The European Insolvency Regulation and the External World.*

Clara Isabel Cordero Alvarez, Doctor, Assistant Professor at the Complutense University of Madrid, *Contracts between EU Consumers and Third Country Businesses: the Evolution of EU Private International Law.*

17:45 to 18:15: closing conference by Pedro Alberto De Miguel Asensio, *Catedrático* of private international law at the Complutense University of Madrid, *The Amendment of the Brussels I Regulation (Recast) and the Unified Patent Court Agreement.*

More details are available here.

New Book on European Class Actions

Arnaud Nuyts and Nikitas E. Hatzimihail are the editors of a new book on Cross Border Class Actions – The European Way (Sellier Publishing).

> *Whether with regard to mass torts, civil-rights claims or as a means of private enforcement of antitrust and other regulatory policies: Collective redress of civil claims has been gaining in importance in Europe and worldwide. Long associated with the American model of class actions, an increasing number of EU Member States have made their own attempts at collective redress institutions. At the same time, the amendment of the Brussels I Regulation has*

shied away from dealing with the cross-border aspects of collective redress.
In this book, a worldwide group of distinguished experts in private international law, civil procedure and regulatory law evaluate the problems of cross-border collective redress and provide proposals for a "European way" appropriate for the twenty-first century.
This very topical work is, thus, indispensable for practitioners, academics, lobbyists and institutional agents.

The Table of Contents can be downloaded here.

Cuniberti on the International Attractiveness of Contract Laws

I (University of Luxembourg) have posted The International Market for Contracts – the Most Attractive Contract Laws on SSRN.

The aim of this Article is to contribute to a better understanding of the international contracting process by unveiling the factors which influence international commercial actors when choosing the law governing their transactions.

Based on the empirical study of more than 4,400 international contracts concluded by close to 12,000 parties participating in arbitrations under the aegis of the International Chamber of Commerce, the Article offers a method of measuring the international attractiveness of contract laws. It shows that parties' preferences are quite homogenous and that the laws of five jurisdictions dominate the international market for contracts. Among them, two are chosen three times more often than their closest competitors: English and Swiss laws.

International Attractiveness, 2007-2012

- ***English Law: 11.20***

- ***Swiss Law: 9.91***
- ***U.S. State Laws: 3.56***
- ***French Law: 3.14***
- ***German Law: 2.03***

The Article then inquires which features made these laws more attractive than others and seeks to verify whether the postulate that international commercial parties are rational actors is true. It concludes that while some parties might have the resources to study the content of available laws before deciding which one to choose, others have no intention of investing such resources and are happy to rely on cheaper means to assess the content of foreign laws, including proxies. Furthermore, some parties suffer from cognitive limitations, the most important of which being the fear of the unknown and the correlative need for selecting a law resembling their own. Finally, unsophisticated parties might not fully appreciate the extent of their freedom to choose the law governing their transaction and might wrongly believe that it is constrained by largely irrelevant factors such as the venue of the arbitration.

The article is forthcoming in the *Northwestern Journal of International Law and Business.*