Recognition and Enforcement of Foreign Intellectual Property Judgments: Analysis and Guidelines for a New International Convention

Yoav Oestreicher (Bar Ilan University) has posted an article on the Social Science Research Network (SSRN) entitled, "**Recognition and Enforcement of Foreign Intellectual Property Judgments: Analysis and Guidelines for a New International Convention**". The abstract reads:

This dissertation attempts to analyze the reasons for the continuing failure of the international community to agree on a single international comprehensive instrument that regulates recognition and enforcement of foreign judgments, especially following the negotiations that took place at the Hague Conference on Private International Law until June 2005, by concentrating on intellectual property as a model. It is concluded that the continuing attempt to base the proposed instruments on a "mixed" or "double" convention model, thus combining the question of recognition and enforcement of the foreign judgment with the substantially complicated question of jurisdiction of the rendering court is unjustified. The inability to agree on the jurisdiction question due to economic, cultural and financial reasons resulted in the continuing inability to regulate this field.

The dissertation proposes a somewhat revolutionary minimalist solution to the problem, which is based on a "simple" convention model that promotes a "presumption of enforceability" rule with very broad exceptions such as public policy, due process, and jurisdiction. The proposed guidelines for a new international convention do not directly address the issue of jurisdiction, but rather indirectly, as an exception to the general rule of enforcement. By creating the convention within the framework of the TRIPs Agreement, it will enjoy some of the elements that are already contained therein. In the future, this model could be broadened in scope to also apply to other fields of law.

> *Success of this proposed convention will bring stability and create confidence and trust among potential member countries, thus serving as the basis for a broader international solution.*

The full article can be downloaded from here.

EU Council Publishes Decision on Accession to the Hague Conference

The EU Council has released its **decision on the accession of the Community to the Hague Conference on Private International Law (**see our earlier note here for its announcement after the JHA meeting). The decision states:

> *1. The Community shall accede to the Hague Conference on Private International Law (HCCH) by means of the declaration of acceptance of the Statute of the HCCH (Statute), as set out in Annex I to this Decision, as soon as the HCCH has taken the formal decision to admit the Community as a Member.*
>
> *2. The Community shall also deposit a declaration of competence specifying the matters in respect of which competence has been transferred to it by its Member States, as set out in Annex II to this Decision, and a declaration on certain matters concerning the HCCH, as set out in Annex III to this Decision.*

The Declaration of competence of the European Community specifying the matters in respect of which competence has been transferred to it by its Member States is set out in Annex II of the decision; the European Community notably has competence under Title IV of the EC Treaty to adopt measures in the field of judicial cooperation in civil matters having cross-border implications insofar as necessary for the proper functioning of the internal market (Articles 61(c) and 65 EC Treaty). These measures include:

- improving and simplifying the system for cross-border service of judicial and extrajudicial documents; cooperation in the taking of evidence; the recognition and enforcement of decisions in civil and commercial cases, including decisions in extrajudicial cases;
- promoting the compatibility of the rules applicable in the Member States concerning the conflict of laws and of jurisdiction;
- eliminating obstacles to the good functioning of civil proceedings, if necessary by promoting the compatibility of the rules on civil procedure applicable in the Member States.

See here for the full decision of the Council, as well as the Annexes (including the Statute of the Hague Conference on Private International Law).

United States Supreme Court to Consider Constitutionality of Punitive Damage Award

The United States Supreme Court is scheduled to hear argument on Monday, October 31, in a matter which again visits the basic question of when an American punitive damage award is unconstitutionally excessive. In *BMW of North America v. Gore*, 517 U.S. 559 (1996), the Supreme Court first created constitutional limitations on punitive damages, requiring courts to weigh the reprehensibility of the defendant's conduct, the relationship between the harm suffered by the victim and the amount of punitive damages, and the relationship between the size of the punitive damage award and civil or criminal penalties that could be imposed for the defendant's conduct. Most recently, in *State Farm Mutual Automobile Insurance Co. v. Campbell*, 538 U.S. 408 (2003), the Court prohibited consideration of wrongful conduct other than the harm to the individual victim in assessing punitive damages, and noted that few awards exceeding a single-digit ratio of punitive to compensatory damages would be constitutional, although there could be exceptions. Now at issue in *Philip Morris USA v. Williams* is whether and how the Supreme Court's limitations in *Gore* and *Campbell* ought to apply to tortfeasors that engaged in what is deemed "extraordinarily reprehensible" conduct.

Though not a traditional topic of private international law, this case is of obvious interest to international practitioners and private international law scholars, as American judgments abroad have long met significant opposition to recognition and enforcement abroad due to the incidence and size of punitive damage awards.

Interesting articles regarding the case and upcoming argument can be found here and here. The decision of the Oregon Supreme Court below can be found here. As always, we have provided links to both the Petitioner's Brief on the Merits as well as Respondent's Brief. The published oral argument transcript is linked here.

Another Step Forward: Recognition of Non-Monetary Orders in Ontario

The courts of Ontario have taken another step forward in the recognition and enforcement of foreign non-monetary orders. *In Re Grace Canada Inc.* (available here) the Superior Court of Justice recognized a Manitoba order which had allowed a law firm to act in a particular matter by finding it was not in a conflict of interest. Grace Canada Inc. had opposed recognition on the basis that the Manitoba order was non-monetary. The Superior Court of Justice relied on two earlier recent Court of Appeal for Ontario decisions supporting the recognition of non-monetary orders: *Re Cavell Insurance Co.* (available here) and *Pro-Swing v. ELTA Golf Inc.* (available here). An appeal of the latter decision was heard by the Supreme Court of Canada in December 2005 and a decision is eagerly awaited.

Conference: The Evolving World of International Law

The American Branch's 2006 International Law Weekend 2006 will be held on **Thursday-Saturday, October 26-28, 2006**, at the Association of the Bar of the City of New York (42 West 44th St, New York, NY). The theme this year is **"The Evolving World of International Law."** The panels on private international law focus on the following topics:

Enforcing Foreign Judgments and Awards: Worlds Apart? Friday October 27, 2006, 9:00 am – 10:30 am

This panel will compare the recognition and enforcement of foreign judgments and international arbitration awards. It will also discuss the proposed Convention on Jurisdiction and Foreign Judgments in Civil and Commercial Matters. In particular, this panel will explore whether the new Hague Convention, if adopted, would bridge the present gap between the enforcement of foreign judgments and international arbitration awards.

- Chair: Julie Bedard, Esq., *Skadden, Arps, Slate, Meagher & Flom LLP*
- *Panelists:* Prof. George A. Bermann*, Jean Monnet Professor of EU law & Walter Gellhorn Professor of Law, Columbia University School of Law*
- John Fellas, Esq.*, Partner Hughes Hubbard & Reed LLP*
- John L. Gardiner, Esq.*, Partner, Arps, Slate, Meagher & Flom LLP*

From *Owusu* to *Parlatino:* European Union and Latin American Challenges to Forum Non Conveniens Friday October 27, 2006, 10:45 am – 12:15 pm

In 2005, the European Court of Justice, in *Jackson v. Owusu*, ruled forum non conveniens to be incompatible with the United Kingdom's obligations under the Brussels regulation. A continent apart, the Ecuadorian legislature in 1998 pronounced that, when an Ecuadorian filed an action abroad, the act of filing terminated the jurisdiction of the Ecuadorian courts. This legislation caused the Parlatino movement to urge the adoption of similar legislation throughout the Latin America. What is the future of the FNC in the light of these actions?

- Chair: Professor Michael Gordon Wallace, *University of Florida Levin*

College of Law

- Panelists:Henri Saint Dahl, Esq., *Adjunct Secretary General, Inter-American Bar Association*
- Prof. Alejandro M. Garro, *Columbia University School of Law*
- Prof. Loukas Mistelis, *Queen Mary, University of London*
- Prof. Louise E. Teitz, *Roger Williams University*

Recent Developments and Future Trends in Private International Law
Friday October 27, 2006, 4:00 pm – 5h30 pm

Harmonization and codification in the field of private international law has an increasing impact on the work of practitioners and the interests of their clients. This panel will address some of the most important developments and the interest of their clients. This panel will address some of the most important developments and ongoing projects taking place in UNCITRAL, UNIDROIT, the Organization of American States and the Hague Conference of Private International Law, including in such diverse areas as recognition and enforcement of judgments and choice of court agreements, secure finance, electronic commerce, consumer protection, service of process and taking abroad.

- Chair: David P. Stewart, Esq., Office of the Legal Adviser, *U.S. Department of State & Co-chair, ABILA Extraterritorial Jurisdiction Committee*
- Panelists:David A. Baron, Esq., *McDermott Will & Emery LLP*
- Prof. Amelia H. Boss, *Temple University Beasley School of Law*
- Prof. Ronald A. Brand, *University of Pittsburgh School of Law*
- John M. Wilson, Esq., Legal Adviser, *Department of International Legal Affairs, Organization of American States*

All panels are open to students and all members of the ILA and cosponsoring organizations without charge. For others there is a fee payable at the door.

For more information, please visit the web site of the American Branch of the International Law Association.

U.S. Supreme Court To Hear Case Concerning The Scope and Applicability of The Forum Non Conveniens Doctrine

For the first time since *Piper Aircraft Co. v. Reyno* in 1982, the United States Supreme Court will hear a case concerning the scope and applicability of the forum non conveniens doctrine when parallel proceedings are contemplated in a foreign court. In granting the petition for a writ of certiorari in *Sinochem Int'l Co., Ltd. v. Malaysia International Shipping Corp.*, No. 06-102, the Supreme Court agreed to decide "[w]hether a district court must first conclusively establish jurisdiction before dismissing a suit on the ground of *forum non conveniens*?" This question has divided the Unites States Courts of Appeals for nearly a decade, with the D.C. and Second Circuits holding that jurisdiction is not a prerequisite for a forum non conveniens dismissal, and the Ninth, Fifth, Seventh and Third Circuits holding the opposite. The decision, which should be forthcoming in the Spring of 2007, has potential importance to all non-U.S. companies who are sued in the courts of the United States for matters having little or no connection to the U.S. The Justices selected the *Sinochem* matter as one of the nine cases that it granted review to on September 26 (out of 1,900 petitions that had been stacked up on the Court's docket over its Summer recess). The case will be argued before the Justices in January 2007.

The Order granting the Writ of Certiorari is available here; the Petition for Writ of Certiorari is available here; the Brief in Opposition to Certiorari is available here; and the Reply Brief in Support of Certiorari is available here.

Disclaimer: Charles Kotuby is an Associate in the Washington D.C. Office of Jones Day, who represents Petitioner in this matter.

German Publication: International Law of Civil Procedure

The 4th edition of the renowned German textbook "Internationales Zivilverfahrensrecht" by *Haimo Schack* has been published. The textbook attends to the foundations of international civil procedure law and the limits of jurisdiction under international law. In particular it deals with the rules concerning the procedure on the merits as well as the rules on the recognition and enforcement of foreign judgments.

The 4th edition includes alterations which arose as a result of the new Brussels II *bis* Regulation (Regulation 2201/03/EC) and the Regulation on a European Enforcement Order for uncontested claims (Regulation 805/04/EC). Further it encompasses the Council Directive 2002/8/EC of 27 January 2003 to improve access to justice in cross-border disputes by establishing minimum common rules relating to legal aid for such disputes and the proposal for the estblishment of a European payment order procedure and measures to simplify and speed up small claims litigation.

German Publication: European Civil Procedure Law

The 2nd edition of the **German commentary on European civil procedure law** edited by *Thomas Rauscher,* Europäisches Zivilprozeßrecht, has been published. The new edition comprises two volumes and includes commentaries on the following regulations and proposals:

- Regulation 44/2001/EC ("Brussels I")
- Regulation 2201/2003/EC ("Brussels II bis")
- Regulation 1348/2000/EC ("Service Regulation")

- Regulation 1206/2001/EC ("Evidence Regulation")
- Regulation 805/2004/EC ("Regulation on a European Enforcement Order")
- Regulation 1346/2000/EC ("Insolvency Regulation")
- the future regulation on the creation of a European Payment Order
- Proposal for a Regulation of the European Parliament and of the Council establishing a European Small Claims Procedure
- Proposal for a Council Regulation on jurisdiction, applicable law, recognition and enforcement of decisions and cooperation in matters relating to maintenance obligations

Further information can be found on the publisher´s website.

Vol. 2, No. 2 of the Journal of Private International Law

The new issue of the Journal of Private International Law Volume 2, Number 2 (October 2006), will be published shortly. The contents are (*click on the links below to view the abstract*):

- **EU Law as Private International Law? Reconceptualising the Country-of-Origin Principle as Vested-Rights Theory** by *Ralf Michaels* (Associate Professor, Duke University School of Law)
- **The Hague Convention of 30 June 2005 on Choice of Courts Agreements including Appendix Hague Conference on PIL 20th Session** by *Andrea Schulz* (First Secretary, Permanent Bureau of the Hague Conference on Private International Law)
- **Federalism and Private International Law: Implementing the Hague Choice of Court Convention in the United States** by *Stephen B. Burbank* (David Berger Professor for the Administration of Justice, University of Pennsylvania Law School)
- **A Major Reform of Japanese Private International Law** by *Koji Takahashi* (Associate Professor, Doshisha University Law School, Kyoto)

- **The Evolution of the Extra-territorial Mareva Injunction in Canada: Three Issues** by *Stephen G.A. Pitel* (Associate Professor, Faculty of Law, University of Western Ontario) & *Andrew Valentine* (LLB student, Faculty of Law, University of Western Ontario)
- **The European Court of Justic, English Courts and the Continued Use of the Anti-Suit Injunction in Support of Agreements to Arbitrate: Through Transport v New India** by *Nicholas Pengelley* (Osgoode Hall Law School, York University)
- **The Scope of the Conflict of Laws: Provisions in the European Insurance Directives** by *Louise Merrett* (Fellow and Barrister, Trinity College, Cambridge and Fountain Court Chambers, London)
- **"Mind the Gap Part II" The South African Supreme Court of Appeal and Characterisation** by *Christopher Forsyth* (Director, Centre for Public Law, University of Cambridge)

Information on subscribing to the Journal can be found here.

Readers may also be interested in the forthcoming **Journal of Private International Law Conference 2007**, to be held at the University of Birmingham on 26 – 27 June 2007. Please see the Call for Papers for more information – you are encouraged to submit your abstract as soon as possible.

Publication: Dicey, Morris & Collins on the Conflict of Laws

With the official launch reception only a couple of weeks away, the latest edition of the one of the world's foremost authorities on private international law is now available for purchase. First published in 1896, **Dicey, Morris & Collins, *The Conflict of Laws*** is in its 14th edition. The editors of this seminal work are:

- General Editor: **The Hon Mr Justice Lawrence Collins**
- Editor: **Professor C G J Morse**

- Editor: **Professor David McClean**
- Editor: **Professor Adrian Briggs**
- Editor: **Professor Jonathan Harris**
- Editor: **Professor Campbell McLachlan**

Most will, of course, notice the change in authorship; Sir Lawrence Collins has been elevated to co-author status, to reflect the work and scholarship he has invested in the book since he took over as General Editor in 1987. The publishers, Sweet & Maxwell, describe the latest edition thus:

> ***Dicey, Morris & Collins on the Conflict of Laws*** *is renowned worldwide as the foremost authority on private international law. It explains the rules, principles and practice which determine how the law of England and Wales relates to other legal systems. Explanation of each rule is followed by comment, and illustration by detailed reference to case law, ensuring it remains an in-depth but accessible research tool.*
> *It provides definitive reference for all practitioners concerned with issues such as contracts made or performed in other jurisdictions or with foreign parties, property situated overseas, disputes relating to torts committed abroad or committed by foreign parties, and personal and family matters involving people in other jurisdictions.*
>
> - *Completely revised and updated to include analysis of all the key legislation and cases since the last edition*
> - *Deals with the impact of the Civil Procedure Rules on private international law*
> - *Includes analysis of judicial decisions from common law jurisdictions as well as detailed consideration of international conventions and EU materials*
> - *Supplemented annually to stay up to date with developments in legislation and case law*

ISBN: 042188360X / 9780421883604 (Hardback). *Price*: £349. Available from Amazon, Hammicks Legal, and Sweet & Maxwell.