

## **Jordan IP Week**

Amman

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Judges Workshop

# Role of the Judiciary in Intellectual Property: A focus on Anton Piller Orders

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- Judicial decisions set precedence.
- "The Courts... decisions often shape the course of our nations life..." Archibald Cox, *The Court and the Constitution*.
- The judiciary plays two distinct roles in relation to IP:
  1. Interpretation of the Various IP Statutes.
  2. Adjudication of IP Matters.

# 1. Interpretation of IP Statutes.

- The judiciary has an important role in interpreting the new (TRIPS Compliant) laws if any conflicts arise with other existing statutes and in interpreting the content of these new law.

# 2. Adjudication of IP Matters.

- Enforcing Contractual Obligations relating to IP.
- Hearing appeals against decisions by Quasi Judicial-Administrative Authorities conferred with various statutory powers for the discharge of their functions with respect to IP (e.g. Registrar of Patents and Designs/Trademarks).
- Disputes Relating to the Utilization of IPRs  
Licensing and cross-licensing arrangements, assignments, transfer of property and compulsory licenses etc. i.e granting a license in respect of a patent without the use of which another patent cannot be used.
- Enforcing IP  
To prevent others from unauthorized utilization and exploitation of protected intellectual property for the duration of the term of protection.

## The Scope of the Right of the Intellectual Property Right-Holder

- **Right for sole use (Monopoly) that allows the right holder to: (I) utilize & (ii) to dispose of his rights & (III) to initiate legal action against those who infringe upon it.**

## Remedies for Infringement of Intellectual Property

- Remedies for infringement of IPRs to be implemented so as to deter future wrongful activity ---> especially due to the relative ease of copying IP subject-matter.
- The remedies for misappropriation of IP granted by the Judiciary can be in the forms of:
  - 1. Civil Remedies** and/or
  - 2. Criminal Remedies**

# Remedies

## CIVIL

### The Traditional Remedies (including):

- -Injunction (Cease and desist).
- -Damages (Monetary)
- -Accounting of profits
- -Costs
- -Orders requiring the defendants to pay security into court in case the defendants were to lose at trial.

### Non-Traditional Remedies

- **Anton Piller Orders**
- **Interlocutory Injunctions**
- Disclosing documents and names of suppliers

These remedies are discretionary depending on the facts of each case.

## CRIMINAL REMEDIES

Fine and/or Imprisonment.

# What is an ANTON Piller ORDER?

- Allowing IPR owner (without notice to a respondent) to enter the respondent's premises and inspect, search and/or seize documents or other infringing materials.
- Respondent may be required to disclose the whereabouts of specified documents.

## History of Anton Piller Orders

- The term "Anton Piller" originates from the case of Anton Piller KG. v. Manufacturing Processes Ltd. and others [1976] R.P.C. 719, where this type of order was issued for the first time.
- Party being searched is given no warning of the impending raid, and therefore cannot delete any copyright infringing material or dispose of counterfeit or infringing products or documents relating to such activity. Also, they are not accorded adequate time to explain to the court why they shouldn't be raided.
- Safe guards exist to prevent abuse (elaborated below).

## Anton Piller KG v Manufacturing Processes Ltd.

*(A case involving drawings and confidential information)*

Court of Appeal detailed the preconditions for granting such order:[as stated by ORMROD J.

- *"(i) The applicant must have a very strong prima facie case.*
- *(ii) The potential or actual damage to his interests must be very serious.*
- *(iii) There must be clear evidence that the defendant has in his possession incriminating documents or things, and that there is a real possibility that he may dispose of or destroy such materials before any application inter partes can be made."*

**LORD DENNING** In the *Anton Piller* case (supra) described the circumstances that justify granting:

*Such an order can be made by a judge ex parte if:*

- ***It is essential that the plaintiff should have inspection so that justice can be done between the parties; and when, if the defendant were forewarned, there is a grave danger that vital evidence will be destroyed, that papers will be burnt or lost or hidden, or taken beyond the jurisdiction.***
- ***The inspection would do no real harm to the defendant or his case***
- ***Only in an extreme case where there is grave danger of property being smuggled away or of vital evidence being destroyed.***

## **Constitutional Balance**

- One the one hand:  
**The Anton Piller Order constitutes an important tool for combating infringements of IPRs including trademarks, patents and copyright.** And helps protect the intellectual property of the plaintiff.
- On the other hand:  
The Anton Piller order infringes upon the rights of the individual (privacy and respect of his/her property).
- In this context the 4<sup>th</sup> Amendment of the US Constitution establishes:  
*"The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated, and no warrants shall issue, but upon probable cause, supported by oath or affirmation, and particularly describing the place to be searched, and the persons or things to be seized. "*

## Does Anton Piller go too far?

SCOTT J in the COLUMBIA PICTURE INDUSTRIES INC. v ROBINSON (1987 Ch 328):

- *"the practice of the court has allowed the balance to swing much too much too far in favour of the plaintiffs ....*
- *Anton Piller orders have been too readily granted and with insufficient safeguards for respondents".*

## Anton Piller in the Eyes of the Judiciary

- *"The ultimate weapon against fraudulent copyright pirates"*  
(Hoffmann J in Beswick p.1279)
- SCOTT J in Robinson drew attention to the: *"scope for abuse of this sharp instrument".*

**Difficulties Encountered in the Application and  
Implementation of Anton Piller Orders**  
***SCOTT J*** in ***BHIMJI v CHATWANI*** (1991) 1 All E.R. 705

*'[Anton Piller orders] stand...at the extremity of the court's jurisdiction. Some may think that they go beyond it, because they:*

- *Involve the court in the hypocrisy of pretending that the entry and search are carried on because the owners of the premises have consented to it.*
- *Impose on the plaintiffs' solicitors the almost impossible task of describing fairly to non-lawyers the true effect and nature of the orders.*
- *Present respondents with orders of great complexity and jurisprudential sophistication and give little time for decisions to be taken as to the response to be made to them.*
- *Vest the plaintiffs, one side in what is usually highly contentious litigation, with the trappings of apparent administrative authority to carry out the search. The usual presence of a policeman adds to this illusion.'*

***EMI LTD v PANDIT*** (1975) 1 WLR 312

("Anton Piller) ex parte to be granted in

*"exceptional and emergency cases".*

***Facts:*** *A Mr. Pandit sold infringing sound recordings. EMI was sure that Mr. Pandit had large quantities of infringing materials on his premises. EMI contended that, if they went through all the usual legal procedures - and served him with process - those infringing copies could disappear.*

***Reasoning:*** *Mr. Justice Templeman's contended that: 'the horse will rapidly leave the stable'. So EMI made an application - ex parte - for an order enabling them to enter on the premises and look for the infringing copies. The judge realised that it appeared 'at first blush, to be a trespass of property and invasion of privacy'. But ...*

***Result:*** *he made the order.*

## **Balance of Interests:**

- The Courts consider both sides of the Scale:
- Anton Piller Order is issued only if it has been **deemed necessary** by a Court of Law to demonstrate through **substantial evidence** that this legally binding order is both **vital and necessary to preserve evidence**.

An Anton Piller order might include the following conditions:

- Property Right  
An inventory of seized items to be prepared and that the defendant have an opportunity to check it and sign it before documents are removed.
- Not to Allow "Fishing Expeditions"  
Not to use documents/items seized for any purpose other than for the purpose under which the order was originally granted.
- Legal Representation  
Explanation to the persons served with the order (in plain language) re the meaning and effect of the order and respondent's right to obtain legal advice before compliance.

## **The rights of an organization against whom an Anton Piller Order has been obtained**

- Seek Legal Advice (limited time is granted).
- How long can you delay the execution of an Anton Piller Order?  
Defendant has between 1 and 2 hours to seek legal advice from attorney.
- Who should be present during the execution of an Anton Piller Order?  
Recommend for the respondent's attorney to be present during the executed of order so as to ensure that the terms of the Order are strictly complied with (I.e. that plaintiff does not search or seize material not permitted by the Order).
- Can an Anton Piller Order be discharged?  
Yes. But only under specific conditions (below). In practice it is extremely rare discharge the Order before it is executed --->  
Due to nature of Anton Piller: "Surprise and Discovery".

## Discharging Anton Piller Order

- IF something **fundamentally wrong** with the Order (e.g. the plaintiff has targeted the wrong organization).
- OR the plaintiff had **failed to disclose** to the Court important information which might have affected the Court's decision re granting the order in the first place.

## The Importance of Full Disclosure

- Non-disclosures of relevant information might be detrimental to Plaintiffs' case and the validity of the order:
- In *BESWICK* (supra) at 1279 *HOFFMANN J* said that:  
*“the usual penalty for material non-disclosure, whether inadvertent or not, is the discharge of the ex parte order, although I have a discretion to maintain the Order if I were satisfied that no injustice had been caused to the defendants. In this case, however, I am firmly of the view that the Order should never have been made.”*

## **Evidence that may help to revoke the order:**

- **PROOF OF PURCHASE** i.e documentary evidence to the court, which PROVES that you own the software that is the subject of the court order (and may extend to PROVING that ALL software is legally acquired), by showing software compliance registers (an inventory approach), license numbers, discs and manuals, AND originals of all invoices from the SUPPLIERS of the software that you own.
- Recommend to conduct a Software Compliance Audit.

## **Example Case of Using Anton Piller Order**

Nintendo of America, Inc. v. Coinex Video Games Inc. et al

- Federal Court of Appeal granted an Anton Piller order against 28 defendants who allegedly manufactured, sold and distributed unauthorized copies of the DONKEY KONG and DONKEY KONG JUNIOR video games.
- The order required the defendants to permit the representatives of the plaintiff to enter their premises and to remove "games, apparatus, plans, drawings, circuitry and component parts" directly relating to the Nintendo DONKEY KONG and DONKEY KONG JUNIOR games, so as to protect the evidence pending the trial.

Iraq  
CPA/ORD/26 Apr 04/80  
COALITION PROVISIONAL  
AUTHORITY ORDER NUMBER 80  
AMENDMENT TO THE  
TRADEMARKS AND  
DESCRIPTIONS LAW NO. 21 OF 1957  
renamed the “Trademark and  
Geographical Indications Law”.  
Article 37 is amended to read as follows

1.

**The owner of a mark may, at any time even before the institution of any civil or criminal action, obtain, upon application supported by evidence establishing the registration of the mark, an order from the examining magistrate or from the court ...to take provisional measures, more particularly to seize the instruments and tools used in the commission of the offence as well as the products, goods, firm name, wrapping materials, papers, hang tags, stickers, etc., which bear the mark of the subject matter of the offence. This includes seizure of products, goods, firm name, wrapping materials, papers, hang tags, stickers, etc., that are imported from abroad.**

**2. The judicial authorities shall have the authority to adopt provisional measures inaudita altera parte where appropriate, in particular where any delay is likely to cause irreparable harm to the right holder, or where there is a demonstrable risk of evidence being destroyed.**

3. Provisional measures taken on the basis of paragraphs 1 and 2 shall, upon request by the defendant, **be revoked** or otherwise cease to have effect, **if proceedings leading to a decision on the merits of the case are not initiated within 20 working days or 31 calendar days, whichever is the longer.**

4. **Where the provisional measures are revoked or where they lapse due to any act or omission by the applicant, or where it is subsequently found that there has been no infringement or threat of infringement,** the judicial authorities shall have the authority to order the applicant, upon request of the defendant.

## **Jordan**

**The amended Trademarks Law for the year  
1999  
Law No. 34 for the year 1999**

**Article 39  
Confiscation or destruction of  
goods by court order**

1. When filing a civil or criminal lawsuit, the owner of a registered trademark may, while reviewing the case, ask the court, provided that he submits a bank or monetary guarantee which the court accepts, for the following:

**To stop the infringement.**

**To make a precautionary seizure of the goods in regard of which the infringement has been committed whenever they were.**

**To preserve the evidence relating to the infringement.**

2. **Before filing a civil or criminal lawsuit, the owner of the trademark claiming infringement may request the court to take any of the measures provided for in paragraph 1 without notifying the defendant if it is proven that he is the owner of the trademark and that his rights were infringed or that the infringement is imminent or that it is likely he will sustain irreparable damage or if it is feared that the evidence will be hidden or destroyed provided that the application** is accompanied by a bank or monetary guarantee accepted by the court. The defendant may appeal this decision within eight days of the date of its notification or understanding of it. If the trademark owner doesn't file his lawsuit within eight days of the court's decision, all the measures taken in this regard shall be null and void.

3. The defendant may claim damages if it is proven as a result of the lawsuit that the plaintiff is not rightful in his lawsuit or he hasn't filed a lawsuit during the prescribed period.

4. The court may decide to seize the goods, materials for packaging, wrapping and advertising, plates, seals, and other tools and materials predominantly used in affixing the trademark on the goods or which the infringement was made with or stemmed from. The court may order to destroy them or to dispose of them for noncommercial purposes.

**Shukran!**

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