Specialised IP Courts: Issues and Challenges

de Werra, Jacques

Part One

Specialised IP Courts: Issues and Challenges

Jacques de Werra

Executive Summary

Under the TRIPS Agreement (Art. 41 para. 5) countries are given the option to create specialised intellectual property (IP) courts. On this basis, countries are free to decide what types of judicial body or bodies have the jurisdiction to hear IP disputes. Although IP disputes are sometimes primarily viewed as relating to the enforcement of intellectual property rights against counterfeiters (specifically in the copyright and trademark areas), the reality and the landscape of IP disputes are much more complex. The diversity of IP disputes makes it difficult to give a simple and unique answer to the question of whether it is advantageous or necessary to establish specialised IP courts. This diversity is also reflected in the way in which national or regional lawmakers and regulators have structured their IP dispute resolution systems. While recent studies demonstrate that there is no unique global system or even a prevailing system, a trend towards specialisation or centralisation of certain types of IP disputes seems perceivable at the global level. However, this trend does not eliminate the differences which remain, particularly regarding the scope of the jurisdictional power of specialised IP courts.

There are various advantages and disadvantages in establishing a specialised IP court. Improvements in the quality of justice, time and cost efficiencies of the proceedings, as well as consistency and uniformity, are among the advantages that are generally identified. In terms of disadvantages, reference is generally made to the costs of establishing and of operating a specialised IP court. In addition, some have expressed concerns that such a court may become subject to political or economic influences and may develop 'tunnel vision' deriving from mainstream legal and societal movements.

Given the diversity of legal systems and regimes, there is no single method for establishing an efficient IP court system that promotes innovation and social welfare. Similarly, there is no clear evidence that specialised IP courts more effectively promote innovation vis-à-vis non-specialised courts in all circumstances. However, it is clear that a sufficient level of experience and expertise among the courts and judges can significantly improve the quality of justice in IP disputes.

How advantageous or necessary it is to establish specialised IP courts in a given jurisdiction depends on a number of factors which are not limited to IP issues. Rather, this determination will take into account more general factors, including economics, the legal system and societal characteristics. Thus, the creation of specialised IP courts cannot be recommended in all circumstances. A decision relating to the establishment of specialised IP courts must consequently be made on the basis of a fully informed, transparent and unbiased analysis of the situation which prevails in the relevant territory.

1.1 Introduction

Given that '[s]pecialization is a hallmark of modern society',[1] it is no surprise that specialisation has also affected the legal world: the practice of law tends to foster (or even to require) legal specialisation in view of the growing complexity of legal issues. Specialisation can similarly affect the court system and thus raises the question of whether specialised courts are needed and whether they can bring value. However, whether it is advantageous or necessary to set up specialised courts is a broad and complex issue which is not limited to intellectual property disputes.[2]

The policy choice of a country to create specialised courts for (certain types of) intellectual property disputes is expressly left open by the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement). Art. 41 para. 5 TRIPS provides that there is no obligation imposed on World Trade Organization (WTO) Member States to establish a judicial system that is distinct from general law enforcement and that nothing in the TRIPS chapter on enforcement 'creates any obligation with respect to the distribution of resources as between enforcement of intellectual property rights and the enforcement of law in general'.[3]

On this basis, countries remain free to decide what types of judicial bodies have the jurisdiction to hear intellectual property disputes. The freedom of choice and the flexibilities which are granted to Member States under the TRIPS Agreement can sometimes be reduced or even eliminated by bilateral or regional treaties for the purpose of increasing the protection of intellectual property rights ('TRIPS-plus'). However, this trend is not clearly perceivable with respect to the creation of specialised intellectual property courts. Bilateral or regional treaties generally do not require the creation of specialised intellectual property courts,[4] subject to specific types of disputes for which submission to specialised alternative dispute resolution mechanisms may be required.[5]

---

1 See Lawrence Baum, *Specializing the Courts* (University of Chicago Press, 2011), p. 1.

2 See Baum, *Specializing the Courts*; Stephen H. Legomsky, *Specialised Justice* (Oxford University Press, 1990); see also Markus B. Zimmer, 'Overview of Specialized Courts', *International Journal for Court Administration* (Aug. 2009): 1 (http://www.iaca.ws/files/LWB-SpecializedCourts.pdf); Edward Cazalet, 'Specialised Courts: Are They a "Quick Fix" or a Long-Term Improvement in the Quality of Justice? A Case Study', Mar. 2001 (http://siteresources.worldbank.org/INTLAWJUSTINST/Resources/SpecializedCourtsCazadet.pdf).

3 'It is understood that this Part does not create any obligation to put in place a judicial system for the enforcement of intellectual property rights distinct from that for the enforcement of law in general, nor does it affect the capacity of Members to enforce their law in general. Nothing in this Part creates any obligation with respect to the distribution of resources as between enforcement of intellectual property rights and the enforcement of law in general.'

4 Quite to the contrary, certain bilateral free trade agreements reflect the freedom enshrined in Art. 41 para. 1 TRIPS. This is, for instance, the case with the bilateral free trade agreement between the United States and Panama which entered into force on 31 Oct. 2012, which provides (Art. 15.11 para. 2) that: 'This Article does not create any obligation: (a) to put in place a judicial system for the enforcement of intellectual property rights distinct from that for the enforcement of law in general; or (b) with respect to the distribution of resources for the enforcement of intellectual property rights and the enforcement of law in general' (see http://www.ustr.gov/sites/default/files/uploads/agreements/fta/panama/asset_upload_file131_10350.pdf).

5 This is what has been done for certain internet domain name disputes: see e.g. Art. 15.4 of the USA-Panama free trade agreement (see note 4) which provides that: '1. In order to address trademark cyber-piracy, each Party shall require that the management of its country-code top-level domain (ccTLD) provides an appropriate procedure for the settlement of disputes based on the principles established in the *Uniform Domain-Name Dispute Resolution Policy*.'

1.2 Specialised Courts for Intellectual Property Disputes

Concept of specialised IP courts

The concept of specialised IP courts must be clarified from the outset: a specialised IP court can be defined as an independent[6] public judicial body[7] which has the primary mission to adjudicate certain types of disputes relating to intellectual property rights at the national or regional level,[8] whereby such court can also be charged with the adjudication of other types of disputes beyond IP disputes.[9]

---

6 See, by way of example, Art. 2 of the Swiss Federal Act on the Federal Patent Court of 20 Mar. 2009 (the text in English – unofficial version – is at http://www.admin.ch/opc/en/classified-compilation/20071763/index.html): 'The Federal Patent Court is *independent* in its adjudication and is bound only by the law' (emphasis added).

7 The terms "Public judicial body" make it clear that an IP specialised court is an official and public institution. This means that it is a judicial body which meets all the relevant requirements which are generally expected from judicial bodies (in terms of independence and impartiality etc.) and that it has the jurisdictional power to render enforceable judgments. An IP specialised court must consequently be distinguished from (private or public) providers of alternative dispute resolution services (such as mediation or arbitration) which do not lead to court judgments (but potentially to arbitral awards or settlements) and which do not as such have any power to render decisions or judgments. By way of example, the World Intellectual Property Organization (WIPO) Arbitration and Mediation Center is a provider of services for the alternative resolution of (intellectual property) disputes which does not render decisions on disputes. It must be noted that the TRIPS Agreement requires (in its Chapter III on enforcement) that certain disputes shall be submitted to judicial authorities: see Art. 41 para. 4: 'Parties to a proceeding shall have an opportunity for review by a judicial authority of final administrative decisions […]'; see also Art. 31 ('An opportunity for judicial review of any decision to revoke or forfeit a patent shall be available'); Art. 62 para. 5 further provides that 'Final administrative decisions in any of the procedures referred to under paragraph 4 [e.g. procedures concerning the acquisition or maintenance of intellectual property rights] shall be subject to review by a judicial or quasi-judicial authority'. As this results from this last provision, a judicial authority can be assimilated to a quasi-judicial authority, which indicates that the distinction between these institutions and concepts may be difficult to make in certain cases; the identification of the legal nature (i.e. judicial or quasi-judicial) of adjudicatory authorities can particularly be debated about bodies which have been instituted under regional IP agreements, such as the boards of appeal of the European Patent Office (EPO) and of the Office for Harmonization in the Internal Market (OHIM); for the boards of appeal of the EPO, see Art. 23 para. 3 of the European Patent Convention (EPC: Convention on the Grant of European Patents of 5 Oct. 1973 as revised by the Act revising Art. 63 EPC of 17 Dec. 1991 and the Act revising the EPC of 29 Nov. 2000, at http://www.epo.org/law-practice/legal-texts/html/epc/2013/e/ma1.html) which provides that 'In their decisions the members of the Boards shall not be bound by any instructions and shall comply only with the provisions of this Convention': see also the Case Law of the Boards of Appeal, VII. Institutional matters, 1.1. A specialised court exercising judicial authority (indicating that the EPO boards of appeal (as resulting from its case law) 'may be seen as having the status of judicial authorities' or 'at least a quasi-judicial authority as referred to in Art. 62(5) TRIPS'), at http://www.epo.org/law-practice/legal-texts/html/caselaw/2013/e/clr_vii_1_1.htm; a consultation was launched on 30 Apr. 2015 on the reform to the EPO boards of appeal (http://www.epo.org/news-issues/news/2015/20150430.html) the goals of which are to increase the organisational and managerial autonomy of the boards of appeal, the perception of their independence (enshrined in Art. 23 EPC) and also their efficiency, in order to respect the principle of effective legal protection within the legal framework of the current EPC; these IP institutions which have been established in order to decide on the validity of certain industrial property rights will not be analysed separately in this paper, since they raise issues which are essentially similar to the ones that shall be discussed in this paper.

8 This paper will not address the issue of international intellectual property disputes which arise between countries (and that can potentially be submitted to the WTO Dispute Resolution mechanism) and of international investment disputes which oppose countries to private parties/foreign investors that can potentially be submitted to international dispute settlement mechanisms under the relevant agreements (potentially International Centre for Settlement of Investment Disputes arbitration), even if these types of disputes seem to play a growing role in the international intellectual property dispute resolution landscape, as evidenced by the Australian cigarette 'plain packaging' dispute under the WTO (cases DS434, DS435, DS441, DS458 and DS467) and under a bilateral investment treaty (Hong Kong – Australia): see http://www.ag.gov.au/Internationalrelations/InternationalLaw/Pages/Tobaccoplainpackaging.aspx; given that these disputes are submitted to dispute settlement bodies which do not focus only on IP disputes, these dispute settlement bodies cannot be assimilated to specialised IP courts and will consequently not be analysed in this paper.

9 This means that a court can be viewed as a (de facto) specialised IP court if IP disputes constitute the major part of the court's caseload/docket; this is the case of the US Court of Appeals for the Federal Circuit which has the exclusive jurisdictional power to decide on appeals relating to patent disputes, even if the Court also has jurisdiction to decide on matters which are not related to patents; see Circuit Judge Alan Lourie, State of the Court Address at the Federal Circuit Bar Association Bench and Bar Conference on 19 June 2014 (http://www.fedcirbar.org/olc/filelib/LVFC/cpages/9008/Library/Circuit%20Judge%20Lourie%20State%20of%20the%20Court%20Address%20June%202014.pdf), p. 2 ('The

The nature of intellectual property disputes and the delimitation of the jurisdictional powers of specialised IP courts further call for a definition of the concepts of intellectual property rights and of intellectual property disputes that fall within the ambit of the jurisdictional power of the relevant courts.[10]

Broad diversity of IP disputes and of national and regional IP dispute resolution systems

Intellectual property disputes are sometimes associated primarily with disputes relating to the enforcement of intellectual property rights against counterfeiters (specifically in the copyright and trademark areas).[11] However, the reality and the landscape of IP disputes are much more complex: disputes relating to intellectual property rights can be very diverse. This diversity results from the differences between the types of IP rights and between the legal regimes on which they are based, as well as from the specific legal issues that can arise for certain types of intellectual property rights.

For example, in the field of copyright law (and of related rights), disputes can arise about the determination of tariffs which set out the terms and conditions of use and regarding the remuneration of copyright protected works (or of the objects protected by related rights). These disputes are frequently submitted to specific adjudicatory bodies and to specific procedural rules which are generally different from those applicable to other IP disputes.[12] Reference can also be made to the grant of compulsory licences under patent law for which specific substantive and procedural rules have been adopted.[13] Certain legal systems have also adopted special rules relating to the remuneration owed to employees as a result of the inventions that they have made for the benefit of their employer, which can generate another type of IP dispute.[14]

---

patent cases have certainly been increasing. In the last 12-month period for which we have data, total patent cases from the district courts, the Patent Office, and the ITC [International Trade Commission] have crept up to 55% of our case load. I think that is a historic high'); see also the definition made in *International Survey of Specialised Intellectual Property Courts and Tribunals* by the International Bar Association Intellectual Property and Entertainment Law Committee (London, Sept. 2007) (hereinafter 'the IBA Survey'), at http://www.ibanet.org/Document/Default.aspx?DocumentUid=7F5A1221-6C07-4CE7-A628-1F457A2433A5, pp. 4–5: 'a permanently organised body with independent judicial powers defined by law, consisting of one or more judges who sit to adjudicate disputes and administer justice in the IP field'; see also Jumpol Pinyosinwat, 'A Model for Specialized Intellectual Property Court in Developing Countries' (thesis submitted in partial fulfilment of the requirements for the degree of Doctor of Laws, Faculty of Law, Waseda University, 2010), at http://dspace.wul.waseda.ac.jp/dspace/bitstream/2065/36551/3/Honbun-5664.pdf; the Court of Justice of the Andean Community can be considered as a specialised IP court given that its caseload essentially consists of IP cases, see Giovanni Molano Cruz and Stephen Kingah, 'Addressing Human Rights in the Court of Justice of the Andean Community and Tribunal of the Southern African Development Community (SADC)', UNU-CRIS Working Papers, W-2014/1, p. 14 (http://www.cris.unu.edu/fileadmin/workingpapers/W-2014-1.pdf) (noting that more than 90 per cent of the rulings rendered by the court involve intellectual property rights disputes).

10 See, by way of example, the UK case *Ningbo Wentai Sports Equipment Co Ltd v. Wang* [2012] EWPCC 51 in which the Patents County Court (PCC) (now replaced by the Intellectual Property Enterprise Court) held that it has jurisdiction over an action for breach of confidence; as will be discussed below, one difficulty of specialised IP courts is to clearly delineate the specific jurisdictional power of these courts and the general power of generalised courts, see text at notes 92–5.

11 Reference can be made here to 'counterfeit trademark or pirated copyright goods' as used in Art. 51 TRIPS (as defined in note 14 of the TRIPS Agreement, see https://www.wto.org/english/docs_e/legal_e/27-trips_05_e.htm#Footnote14).

12 By way of example, in the United Kingdom, the Copyright Tribunal has the power to set the tariffs (see http://www.ipo.gov.uk/ctribunal.htm).

13 See Art. 31 TRIPS, whereby Art. 31 (i) expressly requires that 'the legal validity of any decision relating to the authorization of such use shall be subject to judicial review or other independent review by a distinct higher authority in that Member'.

14 See Beate Schmidt, 'Das Bundespatentgericht in der Krise – Auslaufmodell oder zukunftsicherer Klassiker?', *Zeitschrift zum Innovations- und Technikrecht (InTeR) 2* (2013): 71–6, at 76 (noting that inventions of employees constitute one of the justifications for the future use of the German Bundespatentgericht in spite of the creation of a European patent court system); see also McDermott Will & Emery, 'Patent Ownership in Germany: Employers v Employees' (July 2013), at

The diversity of IP disputes further results from the various types of legal proceedings which are available: IP disputes can be submitted to civil proceedings,[15] criminal proceedings,[16] and/or administrative proceedings, particularly with respect to the grant of industrial property rights (such as patents, trademarks or designs)[17] or to border measures.[18] In addition, IP disputes frequently arise in a transactional context,[19] which can generate complex legal questions at the intersection of different legal areas, including competition law,[20] contract law and private international law. The protection of IP rights in the digital environment can also call for specific regulations and/or enforcement mechanisms.[21]

These few (non-exhaustive) examples confirm the diversity of IP disputes. As a result, it would be too restrictive to suggest that IP disputes – for which the question of specialised IP courts may arise – would be limited to disputes about the grant or registration of intellectual property rights. Nor are cases likely to be restricted to traditional IP infringement disputes between right holders and (trademark or copyright) counterfeiters.[22]

Thus, the diversity of IP disputes makes it difficult to give a unique answer to the question of whether it is potentially advantageous or necessary to establish specialised IP courts. This diversity is also

---

http://www.mwe.com/files/Uploads/Documents/Pubs/White_Paper_Patent_Ownership_Germany.pdf; TaylorWessing, 'Compensating Employee Inventors' (Jan. 2014), at http://www.taylorwessing.com/synapse/ti_compensation_employee_inventors.html.

15 See in particular Art. 42 para. 1 TRIPS ('Members shall make available to right holders civil judicial procedures concerning the enforcement of any intellectual property right covered by this Agreement').,

16 See Art. 61 TRIPS; the choice of IP owners to enforce their rights in civil and/or criminal proceedings may depend on various factors, and particularly on whether there are 'specialist commercial criminal courts qualified to deal with IP cases'; see Louis Harms, 'The Role of the Judiciary in Enforcement of Intellectual Property Rights; Intellectual Property Litigation under the Common Law System with Special Emphasis on the Experience in South Africa', WIPO doc. WIPO/ACE/2/4 Rev. (19 May 2004) (http://www.wipo.int/edocs/mdocs/enforcement/en/wipo_ace_2/wipo_ace_2_4_rev.pdf).

17 See Art. 62 para. 5 TRIPS ('Final administrative decisions in any of the procedures referred to under paragraph 4 shall be subject to review by a judicial or quasi-judicial authority. However, there shall be no obligation to provide an opportunity for such review of decisions in cases of unsuccessful opposition or administrative revocation, provided that the grounds for such procedures can be the subject of invalidation procedures').

18 See Arts 49, 50 para. 8 and 51 TRIPS; the establishment and composition of IP dispute resolution bodies should ensure the independence of such bodies from the government (and from other stakeholders): it must be noted in this respect that the independence of the Indian Intellectual Property Appellate Board (IPAB) has been challenged on constitutional grounds before the Indian courts: the Madras High Court held on 10 Mar. 2015 that certain rules relating to the composition of the IPAB violate certain fundamental constitutional principles, i.e. the doctrine of separation of powers, the independence of judiciary and the basic structure of the Constitution (the decision, *Shamnad Basheer v. Union of India*, is at http://indiankanoon.org/doc/165688854); see 'Specialist IP Adjudication: The Indian Experience', the country case study by Shamnad Basheer (who was the claimant in this case) in Part Two of this issue (section on 'Does the IPAB Suffer a Pro IP Owner Bias?').

19 That is, they arise in connection with one or several contracts (such as a licence agreement or R&D agreement).

20 See Hiroko Yamane, *Competition Analyses of Licensing Agreements: Considerations for Developing Countries under TRIPS* (ICTSD, 2015) (http://www.ictsd.org/themes/innovation-and-ip/research/competition-analyses-of-licensing-agreements-considerations-for-0).

21 These specific enforcement mechanisms which have been adopted in order to fight against IP infringement (specifically copyright infringement) activities in the online environment (specifically the so-called 'graduated response') will not be analysed in this paper; on this issue, see Rebecca Giblin, 'Evaluating Graduated Response', *Columbia Journal of Law and the Arts* 37.2 (2014): 147–210; see (for other academic papers on this topic) http://graduatedresponse.org/new/?page_id=14.

22 These two categories are the ones focused on by the *Study on Specialized Intellectual Property Courts*, joint project between the International Intellectual Property Institute (IIPI) and the United States Patent and Trademark Office (USPTO), Jan. 2012 (hereinafter 'the IIPI Study'), at http://iipi.org/wp-content/uploads/2012/05/Study-on-Specialized-IPR-Courts.pdf, see p. 2.

reflected in the way national or regional lawmakers and regulators have structured their IP dispute resolution systems. Recent studies demonstrate that although there is no unique global system or even a prevailing system,[23] there is a perceivable trend towards specialisation or centralisation of certain types of IP disputes.[24] This can be observed in Europe: reference can particularly be made to the Unified Patent Court (UPC),[25] which has been instituted by the Agreement on a Unified Patent Court,[26] and (less recently) to the European Union (EU) trademark and design law systems.[27] This can also be observed in other parts of the world.[28] However, this trend does not remove the

23 See the IBA Survey and the IIPI Study.

24 See e.g. for China, Binxin Li and He Wengang, 'China Patents: Latest Developments on IP Specialised Courts', 26 Jan. 2015 (http://www.managingip.com/Article/3421120/China-Patents-Latest-developments-on-IP-specialised-courts.html); for Russia, see Lyudmila Novoselova, 'Russia's New IP Court', *WIPO Magazine* 1 (Feb. 2014) (http://www.wipo.int/wipo_magazine/en/2014/01/article_0006.html), and Daria Kim, 'Russia Establishes Specialised Court For Intellectual Property Rights', Intellectual Property Watch, 1 Mar. 2013 (http://www.ip-watch.org/2013/03/01/russia-establishes-specialised-court-for-intellectual-property-rights/); for Austria, Graf & Pitkowitz, 'Amendment of IP-Related Statutes Will Come into Force Shortly', 12 Aug. 2013: 'The amended Trademark Act contains further important changes, one of which concerns the concentration of all trademark disputes with the Vienna Commercial Court. At present, the court has exclusive jurisdiction for patent disputes, as well as disputes regarding utility models, solid-state contractors and designs. In future, this exclusive competence will also include trademark disputes. The Trademark Act also concentrates criminal proceedings – to be initiated at the request of trademark holder only – with the Vienna Regional Criminal Court'; for Finland (centralisation of civil IP disputes before the Market Court) as from 1 Sept. 2013, see Markus Myhrberg, 'New Centralized IP Court', 10 Apr. 2013, at http://lexia.fi/2013/04/10/new-centralized-ip-court/; for a presentation of the German system (particularly from the perspective of the Bundespatentgericht – Federal Patent Court), see Joachim Bornkamm, 'Intellectual Property Litigation under the Civil Law Legal System; Experience in Germany', WIPO doc. WIPO/ACE/2/3 (4 June 2004) (http://www.wipo.int/edocs/mdocs/enforcement/en/wipo_ace_2/wipo_ace_2_3.pdf).

25 Agreement on a Unified Patent Court of 19 Feb. 2013, at www.unified-patent-court.org/images/documents/upc-agreement.pdf; see recitals 24 and 25 of Regulation 1257/2012 of 17 Dec. 2012 implementing enhanced cooperation in the area of the creation of unitary patent protection: '(24) Jurisdiction in respect of European patents with unitary effect should be established and governed by an instrument setting up a unified patent litigation system for European patents and European patents with unitary effect; (25) Establishing a Unified Patent Court to hear cases concerning the European patent with unitary effect is essential in order to ensure the proper functioning of that patent, consistency of case-law and hence legal certainty, and cost-effectiveness for patent proprietors. It is therefore of paramount importance that the participating Member States ratify the Agreement on a Unified Patent Court in accordance with their national constitutional and parliamentary procedures and take the necessary steps for that Court to become operational as soon as possible'; the system of the European patent with unitary effect will be implemented after the requested ratifications of the UPC by the Member States, now that the challenges raised by Spain against the relevant regulations (i.e. Regulations 1257/2012 and 1260/2012) have been rejected by the European Court of Justice by its decisions of 5 May 2015 (cases C-146/13 and C-147/13).

26 Available at http://www.unified-patent-court.org/images/documents/upc-agreement.pdf; see the dedicated site http://www.unified-patent-court.org/.

27 Art. 95 para. 1 of the EU Trademark Regulation (Council Regulation (EC) No 207/2009 of 26 Feb. 2009 on the Community trade mark (codified version)) requests that 'the Member States shall designate in their territories as limited a number as possible of national courts and tribunals of first and second instance' which shall be designated as 'Community trade mark courts'; Art. 80 para. 1 of Council Regulation (EC) No 6/2002 of 12 Dec. 2001 on Community designs (as amended by Council Regulation No1891/2006 of 18 Dec. 2006 amending Regulations (EC) No 6/2002 and (EC) No 40/94 to give effect to the accession of the European Community to the Geneva Act of the Hague Agreement concerning the international registration of industrial designs) similarly imposes that 'the Member States shall designate in their territories as limited a number as possible of national courts and tribunals of first and second instance' that shall be designated as 'Community design courts'.

28 See Trevor Cook, 'Alternative Dispute Resolution (ADR) as a Tool for Intellectual Property (IP) Enforcement', WIPO doc. WIPO/ACE/9/3 (21 Jan. 2014) (http://www.wipo.int/edocs/mdocs/mdocs/en/wipo_ace_9/wipo_ace_9_3-main1.pdf), para. 53 p. 17; see more generally the WIPO document 'Synthesis of Issues Concerning Difficulties and Practices in the Field of Enforcement', WIPO doc. WIPO/CME/3 (26 July 2002) (http://www.wipo.int/edocs/mdocs/enforcement/en/wipo_cme/wipo_cme_3.pdf), para. 70 pp. 17–18: 'A large number of the responses favored either establishing specialized intellectual property courts or, alternatively, that consideration be given by governments to train a number of judges to deal with intellectual property cases; taking this approach could assist in the adjudication of complex intellectual property matters, as well as possibly being useful in obtaining well-calculated damage awards. To assist in particular developing countries with limited experience and resources in intellectual property matters, several responses suggested that it could also be useful to establish intellectual property reference libraries with reading material and case law from different jurisdictions.'

differences which can remain about the scope of the jurisdictional power of specialised IP courts. While some courts have jurisdiction over all types of IP disputes, others focus on patent disputes and leave the other types of IP disputes to (non-specialised) courts of general jurisdiction. Similarly, certain specialised IP courts have exclusive jurisdictional power that is restricted to particular types of legal issues, most specifically, for disputes relating to the validity of the IP rights at issue (and specifically patents).[29] The jurisdiction of certain specialised IP courts is limited to civil disputes and excludes criminal matters.[30] Diversity can also exist with respect to the jurisdictional level at which the specialisation is implemented: some specialised IP courts have been instituted as trial courts (i.e. courts of first instance) and others as courts of appeal (such as the US Court of Appeals for the Federal Circuit).

An analysis of specialised IP courts (and of their legitimacy) must not neglect the growing importance of alternative dispute resolution (ADR) mechanisms for solving IP disputes.[31] While ADR is expanding in many areas,[32] this trend is particularly visible with respect to IP disputes.[33] This is confirmed by the dynamic development of the WIPO Arbitration and Mediation Center (which was established in 1994).[34] This is also confirmed by the provision of mediation services through various national[35] or regional[36] intellectual property offices and by the upcoming creation of a Patent Mediation and Arbitration Center which is provided for in Article 35 of the Agreement on a Unified Patent Court.[37] Its creation interestingly demonstrates that ADR mechanisms can be connected to specialised IP courts. From this perspective, the availability and efficiency of IP ADR mechanisms as an alternative to traditional IP court litigation may have an impact on the advantages of and need for specialised IP courts.

---

29 This is the case of the German Federal Patent Court (Bundespatentgericht), see http://www.bundespatentgericht.de/cms/index.php?option=com_content&view=article&id=2&Itemid=8&lang=en.

30 This is the case of the Unified Patent Court (see note 25) and of the Swiss Federal Patent Court (see note 6).

31 This is particularly reflected in recent projects conducted by the Australian Advisory Council on Intellectual Property (which advises the Australian government on intellectual property matters and on the strategic administration of IP Australia), see the project 'Consideration of Extending the Jurisdiction of the Federal Magistrates Service to Patent, Trade Marks and Designs Matters' (at http://www.acip.gov.au/reviews/all-reviews/federal-magistrates-services/) and the project 'Review of Post-Grant Patent Enforcement Strategies' (at http://www.acip.gov.au/reviews/all-reviews/review-patent-enforcement/).

32 Whereby regulations have been adopted in order to promote the use of certain types of ADR, particularly mediation, in different countries, see, for the European Union, the European Directive 2008/52/EC of 21 May 2008 on certain aspects of mediation in civil and commercial matters.

33 See e.g. Jacques de Werra, 'Arbitrating International Intellectual Property Disputes: Time to Think beyond the Issue of (Non-)Arbitrability', *International Business Law Journal*, no. 3 (2012): 299–317 (http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2149762).

34 See http://www.wipo.int/amc/en/.

35 See the 'IPO Mediation Service' offered by the UK Intellectual Property Office: http://www.ipo.gov.uk/ipenforce/ipenforce-dispute/ipenforce-mediation.htm; it can be noted in this respect that the UK IP Office Mediation Service launched a call for evidence on its mediation service in 2012 in order to assess interest (knowing that it was not intensively used) and that this may lead to future adaptations of its mediation services: see *Response to the Call for Evidence on the IPO Mediation Service* (Nov. 2012) at https://old.ipo.gov.uk/c4e-mediation-response.pdf.

36 See the mediation services which are offered for certain types of trademark and design disputes by OHIM, which is in charge of the registration of EU (community) trademarks and design; this results from Decision No 2011-1 of the Presidium of the Boards of Appeal of 14 Apr. 2011 on the amicable settlement of disputes ('Decision on Mediation'; see the dedicated website at https://oami.europa.eu/ohimportal/en/mediation; on this issue, see Sven Stürmann, 'Mediation and Community Trade Marks: New Gimmick or Real Benefit?', *Journal of Intellectual Property Law and Practice* 8.9 (2013): 708–15.

37 See note 25; for an analysis, see Jacques de Werra, 'New Developments of IP Arbitration and Mediation in Europe: The Patent Mediation and Arbitration Center Instituted by the Agreement on a Unified Patent Court', *Revista Brasileira de Arbitragem* (2014): 17–35 (https://archive-ouverte.unige.ch/unige:39878).

As a result, the legitimacy and necessity of establishing specialised IP courts must be assessed in a broader context which takes into account the entire IP dispute resolution ecosystem, in which ADR mechanisms cannot be ignored.[38]

1.3 Advantages and Disadvantages of Specialised IP Courts

The goal of this section is to identify the advantages and disadvantages of establishing specialised IP courts. Special attention will be given to the situation in developing countries, whereby the debate about specialised IP courts largely reflects the more fundamental discussion about the pros and cons of specialised courts in general.[39]

Advantages

Specialised IP courts are deemed to improve the quality of justice given that the court's expertise makes it possible to decide the dispute on the basis of the experience that the court has gained in solving previous IP disputes.[40] The expertise of the court is of particular importance for IP disputes because the courts are frequently requested to render decisions on an application for temporary relief[41] within a short period of time and thus to 'order prompt and effective provisional measures'.[42] These time constraints make it essential that such courts have the ability to decide quickly and efficiently.

Another advantage of specialised IP courts is their ability to keep pace with the dynamic developments of IP law and to adapt quickly.[43] The expertise of the court is further perceived as an advantage in view of the risk that non-specialised courts, because of the technical complexity of disputes, may tend to delegate their decision-making powers to (court-appointed or even party-appointed) technical experts who will then decide the case instead of the judges.[44] In any case, proactive measures should

38 IBA Survey, p. 4 (noting that ADR 'is especially important in the absence of specialised IP courts; yet even in jurisdictions with such courts, ADR is still viewed as a viable alternative'); on the use of ADR in the field of IP, see Cook, 'Alternative Dispute Resolution', report prepared for the Ninth Session of the WIPO Advisory Committee on Enforcement (3–5 Mar. 2014), para. 53 p. 17 on the interaction between ADR and specialised IP courts; IP ADR mechanisms will not be further analysed in this paper which focuses on specialised IP courts.

39 See Zimmer, 'Overview of Specialized Courts', p. 1.

40 See Zimmer, 'Overview of Specialized Courts', p. 2; IBA Survey, p. 26 (whereby this document somehow vaguely indicates that 'Judges may produce more reasoned and practical decisions owing to their experience in IP issues' – as the practicality of decisions does not necessarily appear as the most relevant factor in rendering justice); see also IIPI Study, pp. 4–5; for a scholarly discussion of specialised (IP) courts, see Paul R. Gugliuzza, 'Rethinking Federal Circuit Jurisdiction', *Georgetown Law Journal* 100 (2012): 1437–505, at 1447–8 (listing efficiency, accuracy and uniformity as the three main arguments made in the legal literature in support of specialised courts) (http://georgetownlawjournal.org/files/2012/06/Gugliuzza.pdf).

41 i.e. the IP owner will typically request that the alleged infringer shall stop its infringing activity.

42 See Art. 50 para. 1 TRIPS; Art. 50 and specifically its para. 3 impose certain conditions on the order of provisional measures ('The judicial authorities shall have the authority to require the applicant to provide any reasonably available evidence in order to satisfy themselves with a sufficient degree of certainty that the applicant is the right holder and that the applicant's right is being infringed or that such infringement is imminent, and to order the applicant to provide a security or equivalent assurance sufficient to protect the defendant and to prevent abuse').

43 See IBA Survey, p. 26; IIPI Study, p. 8.

44 This process is referred to as 'démission du juge', see Werner Stieger, 'Bundespatentgericht ante portas!', in *Der Weg zum Recht: Festschrift für Alfred Bühler* (Schulthess, 2008), p. 183 (http://www.homburger.ch/fileadmin/publications/BPatG_ante_portas_01.pdf); it remains, however, that courts can valuably benefit from the appointment of experts for clarifying factual/technological issues in IP disputes, which is established under certain national regulations; see e.g. the

be taken in order to maintain the expertise of a specialised court by ensuring that sitting judges are able to remain informed about the latest developments in the legal fields. The expertise of the judiciary is also enhanced by ensuring that judges remain in office for a certain period of time (in order to avoid an undue loss of expertise) and that measures are taken in order to anticipate judicial turnover.[45] This aspect should not be underestimated as it appears essential in maintaining the expertise of a specialised IP court and thus is a potential advantage over non-specialised courts.

Specialised IP courts can further improve the time and cost efficiency of the proceedings.[46] This is attractive for all stakeholders, particularly litigants who will not have to wait for a sometimes extensive period of time before the dispute is finally decided on the merits. This is particularly important in a time when technologies are commercialised and business decisions must be made at a fast pace. It is also attractive for courts because their expertise makes it possible to adequately manage their caseload and can thus contribute to a reduced risk of backlog.[47]

Specialised IP courts can also promote consistency and uniformity in the law. This produces more predictable court outcomes which benefit potential litigants[48] and society as a whole, thereby improving efficiency. However, uniformity cannot be a goal in itself given that 'uniformity says nothing about quality or accuracy'.[49]

possibility to appoint 'scientific advisers' under sec. 115 of the Indian Patent Act which provides that (para. 1): 'In any suit for infringement or in any proceeding before a court under this Act, the court may at any time, and whether or not an application has been made by any party for that purpose, appoint an independent scientific adviser, to assist the court or to inquire and report upon any such question of fact or of opinion (not involving a question of interpretation of law) as it may formulate for the purpose' (at http://www.ipindia.nic.in/IPActs_Rules/updated_Version/sections/ps115.html); on this issue, see Basheer, 'Specialist IP Adjudication: The Indian Experience' in Part Two (section on 'The Role of Experts'); see also the opportunity to appoint technical investigators under Chinese law, as resulting from the 'Provisional Stipulations on Several Issues concerning the Participation of Technical Investigators in the Proceedings of Intellectual Property Courts' of 21 Jan. 2015; on this issue, see the country case study by Hong Xue, 'Specialised Intellectual Property Courts in China', in Part Two (section on 'Improvement of Professionalism').

45 See recommendation No 4 in the IIPI Study, p. 9 ('anticipate judicial turnover and be prepared to train replacement judges').

46 See IIPI Study, p. 5 (referring to the 'effectiveness of decision'); see Court of Appeals for the Federal Circuit – 1981: Hearings on H.R. 2405 Before the Subcomm. on Courts, Civil Liberties, & the Admin. of Justice of the H. Comm. on the Judiciary, 97th Cong. 42-43 (1981) (statement of Howard T. Markey, C.J., Court of Customs and Patent Appeals) ('if I am doing brain surgery every day, day in and day out, chances are very good that I will do your brain surgery much quicker, or a number of them, than someone who does brain surgery once every couple of years'); Harms, 'The Role of the Judiciary in Enforcement of Intellectual Property Rights', p. 9: 'Cases before experienced IP judges are shorter and cheaper than those run by novices'; see Zimmer, 'Overview of Specialized Courts', p. 1, who distinguishes between 'judicial system efficiency' (i.e. increased efficiency in the court system resulting from the fact that 'judges in the general jurisdiction courts no longer have to wrestle with, or expend the effort to remain current on, the issues in that field of law') and 'legal system efficiency' (i.e. increased efficiency because 'the litigants have more confidence in the abilities and expertise of the specialized court judges' so that 'counsel feel less compelled to establish a comprehensive record, and cost and delay are commensurately reduced'); see also (from the perspective of trademark litigation) the Board Resolutions of the International Trademark Association (INTA) on Specialized Trademark Judiciaries, 7 Nov. 2001 (http://www.inta.org/Advocacy/Pages/SpecializedTrademarkJudiciaries.aspx); the improvement of the pendency rate is however not always achieved by the creation of specialised courts, see, for India (relating to IPAB), Basheer, 'Specialised IP Adjudication: the Indian Experience', in Part Two.

47 IBA Survey, p. 27.

48 See generally Zimmer, 'Overview of Specialized Courts', p. 2; IBA Survey, p. 26; IIPI Study, pp. 5–6; see also Gugliuzza, 'Rethinking Federal Circuit Jurisdiction', p. 1447.

49 Diane P. Wood, 'Keynote Address: Is It Time to Abolish the Federal Circuit's Exclusive Jurisdiction in Patent Cases?', *Chicago-Kent Journal of Intellectual Property* 13.1 (2013): 1–10, at 3 (http://scholarship.kentlaw.iit.edu/ckjip/vol13/iss1/1); see also Craig Allen Nard and John F. Duffy, 'Rethinking Patent Law's Uniformity Principle', *Northwestern University Law Review* 101 (2007): 1619–75 (http://scholarlycommons.law.case.edu/cgi/viewcontent.cgi?article=1590&context=faculty_publications), at 1620: 'Yet uniformity is not a proxy for quality. That a policy is uniformly applied says very little about its soundness or desirability.'

The creation of centralised specialised IP courts also contributes to an avoidance or reduction in the risk of forum shopping. This phenomenon occurs when litigants (and particularly the IP owners) can choose between different fora depending on their respective attractiveness.[50] The existence of various courts in the same country which all have the jurisdictional power to hear IP cases creates the risk of a de facto concentration of IP cases because of their expertise and/or their attractiveness for litigants.[51] The centralisation of IP disputes before certain courts may also avoid the risk of competition between courts which could otherwise be inclined to develop procedural tools and strategies in order to attract litigation.[52]

The establishment of specialised IP courts is also considered to be a useful approach for adopting special procedural rules which would be tailored to IP disputes.[53] Finally, specialised IP courts are perceived as raising 'the profile of IPR within a country by signalling that the government considers it an important area to protect'.[54]

Disadvantages

Various disadvantages of establishing specialised IP courts have been identified. First, the costs of creating and maintaining specialised IP courts are viewed as a disadvantage, particularly in countries where there is 'a general lack of resources, a low IP case load and little IP expertise'.[55] The legitimacy and proportionality of such costs depend in particular on the caseload[56] and on the way these costs can be covered by available resources.[57] The assessment of the potential costs associated with the establishment of a specialised IP court should also include an evaluation of the costs of identifying, attracting, and keeping judges. The lack of human resources may thus constitute a major hurdle,

50 See Zimmer, 'Overview of Specialized Courts', p. 2; for the US, see Mark A. Lemley, 'Where to File your Patent Case', *AIPLA Quarterly Journal* (American Intellectual Property Law Association) 38.4 (Fall 2010): 1–37; the Court of Appeals for the Federal Circuit was created in the US also for the purpose of reducing the risks of forum shopping, IIPI Study, p. 131.

51 As this appears to be the situation in Germany, where nine courts have jurisdiction for patent infringement disputes, while three of them get half of the cases (courts in Düsseldorf, Mannheim and Munich), see Bornkamm, 'Intellectual Property Litigation under the Civil Law System; Experience in Germany', p. 4; see also Peter Heinrich, 'Latest Developments in Concentration and Specialisation of Courts on the National Level', *Swiss Review of Intellectual Property, Competition and Information Law* (2004): 161 (https://www.sic-online.ch/fileadmin/user_upload/Sic-Online/2004/documents/161.pdf), who distinguishes between direct and indirect concentration, whereby the first one results from a regulation (providing for the centralisation of IP litigation before one designated court) and the second one refers to the case of de facto concentration before the courts selected by the claimants among different courts.

52 See Jonas Anderson, 'Court Competition for Patent Cases', *University of Pennsylvania Law Review* 163.3 (2015): 631–98 (http://www.pennlawreview.com/print/?id=466).

53 IIPI Study, p. 5; IBA Survey, p. 27.

54 IIPI Study, p. 6.

55 Harms, 'The Role of the Judiciary in Enforcement of Intellectual Property Rights', p. 10.

56 If the expected caseload of such a court is relatively low, these costs will not be justified; IBA Survey, p. 37; see Susan Isiko Štrba, 'Specialised Intellectual Property Courts in Africa: The Case of Uganda', in Part Two of this issue (in the concluding part of her note on 'Policy considerations for SIC [specialised intellectual property courts]')).

57 An interesting approach that was adopted in Switzerland is to cover the budget of the newly created Swiss Federal Patent Court by the court fees as well as by revenues generated by the Swiss Institute of Intellectual Property relating to the patent fees that it receives, see Art. 4 of the Federal Act on the Federal Patent Court (financing) which provides that '[t]he Federal Patent Court is financed by court fees and contributions from the Swiss Federal Institute of Intellectual Property (IPI) taken from the patent fees annually collected by the IPI' (at http://www.admin.ch/opc/en/classified-compilation/20071763/index.html); see also the 'Regulations on Litigation Costs at the Federal Patent Court', at http://www.patentgericht.ch/fileadmin/web-dateien/014.223_Reglement_ueber_die_Prozesskosten_beim_Bundespatentgericht_EN_per_121212.pdf, which regulates both Court fees as well as the compensation for costs of legal representation.

potentially inhibiting the establishment of specialised IP courts.[58] The cost assessment should consequently also reflect the cost of adequately managing judicial human resources.[59] This may be challenging due to the asymmetry of wages when compared to the private sector. As candidates may be drawn from the private sector there is a need to increase judicial wages. This will particularly apply if judges sitting on the specialised IP courts are part-time judges who are practitioners. This may prove difficult given the interest in ensuring a certain equality of treatment or at least a certain balance between specialised and generalist judges in order to avoid tension between them.[60] The limited pool of experts who can be considered for an appointment on the specialised (IP) court further makes it necessary to adopt appropriate rules and principles governing conflicts of interests. Any conflicts must be treated with utmost care in the process of appointing part-time judges.[61] All these costs and hurdles should consequently be compared to the benefits which are expected to result from the creation of specialised IP courts (specifically judicial efficiency).[62]

Access to justice is also a potential problem. Litigants may be forced to bear the costs resulting from the centralisation of specialised IP courts and may thus have to plead before a court which may not be easily reachable from a geographic perspective.[63]

---

58 This is what appears as the most decisive factor in the recommendation of the so-called 'Hoexter Commission' in South Africa (Hoexter Commission of Inquiry into the Rationalisation of the Provincial and Local Divisions of the Supreme Court, 1997); see http://www.polity.org.za/polity/govdocs/commissions/ and the specific part relating to specialized IP courts: http://www.polity.org.za/polity/govdocs/commissions/1997/hoexter3-2b2.html (or http://www.polity.org.za/polity/govdocs/commissions/r3v1b2.pdf); the Hoexter Commission came to the conclusion that a specialist intellectual property court should not be established in South Africa because the Commission found that 'the pool of suitably qualified persons […] from which appointments to the Bench of a specialist intellectual property court might be made is unacceptably small' (para. 10.13) and that 'it will be difficult to find a suitable candidate for appointment as President of a specialist intellectual property court' (para. 10.15).

59 This can particularly imply taking measures in order to '[a]nticipate judicial turnover and [to] be prepared to train replacement judges' (IIPI Study, p. 9) in the face of the possibility that the tenure of specialised IP judges may be short; see also the European Patent Lawyers Association's Resolution Concerning Concentration and Specialisation of National Patents Courts, adopted by the Congress on 21 Nov. 2003, at http://www.eplaw.org/Downloads/11.pdf, which recommends (among other measures): '1) that in each European country the number of courts having jurisdiction in patent matters be reduced to a very minimal number, in most countries to one court only, and 2) that within these courts, the patent cases be brought systematically before the same chamber and the judges be given the possibility to stay in office for a reasonably long time in that chamber and thereby to acquire experience; […]'; see also Heinrich, 'Latest Developments in Concentration and Specialisation of Courts on the National Level'.

60 This is reflected in Opinion (2012) No. 15 of the Consultative Council of European Judges (CCJE) on the Specialisation of Judges adopted at the 13th plenary meeting of the CCJE, Paris, 5–6 Nov. 2012 (https://wcd.coe.int/ViewDoc.jsp?Ref=CCJE%282012%294&Language=lanEnglish&Ver=original&BackColorInternet=DBDCF2&BackColorIntranet=FDC864&BackColorLogged=FDC864), para. 57: 'The principle of equal status for generalist and specialist judges should also apply to remuneration'.

61 This is what was done in Switzerland for the newly created Federal Patent Court (http://www.patentgericht.ch/en/?no_cache=1) in the 'Guidelines on Independence' in order to ensure the independence of the members of the Federal Patent Court (http://www.bundespatentgericht.ch/fileadmin/web-dateien/015.222_Richtlinien_zur_Unabhaengigkeit_EN_gueltig_ab_150101.pdf), see the decision of the Swiss Supreme Court ATF 139 III 433 (ref. 4A_142/2013) of 23 Aug. 2013 (holding that a part-time judge – who was a patent attorney – appointed to the Swiss Federal Patent Court had to resign from a case because its company was working with a company affiliated with one party involved in the dispute).

62 IIPI Study, p. 7 (it is however difficult to assess precisely the financial impact of improved judicial efficiency).

63 IBA Survey, p, 37; IIPI Study, p. 7; see also Zimmer, 'Overview of Specialized Courts', p. 4; this difficulty may potentially be managed by making it possible for the court to sit and hold hearings in other places so that the court and the judges can move to the place where the litigants are located.

Another risk is that a specialised court may be more easily subject to political or economic influences.[64] This is due to the fact that generalist courts are often considered to be more independent than specialised courts.[65] This risk can materialise ex ante, that is, in the process of appointing judges to the specialised courts.[66] The risk can also materialise subsequently because of the closer interaction between counsel and judges before a specialised court.[67] Such interaction may be problematic and detrimental to the court's legitimacy,[68] as it generates a risk that the courts will become 'captured' by special interest groups to the detriment of broader societal interests.[69] The capture may materialise itself in a (perceived) loss of independence and bias towards certain frequent players and stakeholders. From this perspective, it is suggested that generalist courts can provide the 'antidote' to this risk.[70]

An additional risk is that the vision of the specialised IP courts may narrow. This may lead the court to neglect the overall legal and policy framework that surrounds certain IP disputes,[71] in spite of the

64 See Jay P. Kesan and Gwendolyn G. Ball, 'Judicial Experience and the Efficiency and Accuracy of Patent Adjudication: An Empirical Analysis of the Case for a Specialized Patent Trial Court', *Harvard Journal of Law and Technology* 24.2 (Spring 2011): 393–467 (http://jolt.law.harvard.edu/articles/pdf/v24/24HarvJLTech393.pdf), at 407.

65 Kesan and Ball, 'Judicial Experience and the Efficiency and Accuracy of Patent Adjudication', at 407; see also Gugliuzza, 'Rethinking Federal Circuit Jurisdiction', at 1449 (presenting this view).

66 See Baum, *Specializing the Courts*, pp. 221–2.

67 Certain specialised counsels are likely to be recurrent players and not one-shooters; see Baum, *Specializing the Courts,* p. 38.

68 Reference can be made here to the recent resignation of Judge Rader, who was Chief Justice of the US Court of Appeals for the Federal Circuit, following an email that he sent to a lawyer who is a patent litigator (i.e. Edward E. Reines from the law firm Weil Gotshal & Manges (see http://ipkitten.blogspot.com/2014/05/chief-judge-rader-leaves-his-us-patent.html); in his letter of resignation as Chief Justice of 23 May 2014 (based on an extract from the letter available in the preceding url), Judge Rader admitted that he had 'engaged in conduct that crossed lines established for the purpose of maintaining a judicial process whose integrity must remain beyond question' and that he particularly regretted 'an email message I sent to an attorney who had argued before the court. The email reported, with certain inaccuracies, a conversation I had with another member of the court who had praised the attorney's performance. I added my own praise and urge the attorney to show the email to others […]'. this letter was sent after Judge Rader resigned from panels in cases in which the relevant lawyer was involved (see http://patentlyo.com/patent/2014/05/microsoft-datatern-withdrawn.html; and the case *Microsoft Corporation v. DataTern, Inc*., with the order vacating the original opinion (indicating the resignation of Judge Rader): http://patentlyo.com/media/2014/05/Microsoft-Order.pdf, and the new order (rendered without Judge Rader): http://patentlyo.com/media/2014/05/New-Opinion.pdf); Judge Rader stepped down as chief judge as of 30 May 2014 and subsequently retired completely from the court with effect as of 30 June 2014 (see http://www.ipwatchdog.com/2014/06/13/cafc-shock-judge-randall-rader-announces-retirement/).

69 This is reflected in Opinion (2012) No. 15 of the CCJE on the Specialisation of Judges, para. 59: 'If a specialist judge is likely to be dealing with only a small and specialist group of lawyers, or even litigants, he/she may need to take caution in his own conduct to ensure his/her impartiality and independence.'

70 See *Holmes Grp., Inc. v. Vornado Air Circulation Sys., Inc*., 535 U.S. 826, 839 (2002) (Stevens, J., concurring) ('occasional decisions [on issues of patent law] by courts with broader jurisdiction will provide an antidote to the risk that the specialized court may develop an institutional bias').

71 See generally Rochelle Dreyfuss, 'Specialized Adjudication', *Brigham Young University Law Review,* no. 1 (1990): 377–441 (http://www.law2.byu.edu/lawreview/archives/1990/1/dre.pdf), at 429: 'The possibility of doctrinal deviation is significantly increased when there is no generalist input into a case'; this point was recently made about the UPC by Clement Salung Petersen, Thomas Riis and Jens Schovsbo, 'The Unified Patent Court (UPC) in Action – How Will The Design of the UPC Affect Patent Law?', in Rosa Maria Ballardini et al. (eds), *Transitions in European Patent Law: Influences of the Unitary Patent Package* (Kluwer, 2015) (the paper's abstract at http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2450945 states that '[t]he UPC will be a very specialised court that i.a. recruits judges from specialists' circles and has as part of its mission to develop a coherent and autonomous body of case law. The article points out that the UPC because of this design will be biased towards technology based values and uniformity at the expense of other values and interests e.g. non-economic public interests, and values associated with diversity').

important values underlying the IP framework that are reflected in the TRIPS Agreement.[72] TRIPS expressly provides that the 'enforcement procedures' regulated in its Part III 'shall be applied in such a manner as to avoid the creation of barriers to legitimate trade and to provide for safeguards against their abuse'.[73] This provision illustrates the need to ensure that the judicial enforcement of IP rights shall not affect the legitimate interests of third parties. Thus, there is a risk that specialised IP courts[74] could develop 'tunnel vision',[75] or a 'myopic view of the law'[76] which may be prejudicial to the coherent development of the law. IP is not (and should not be) isolated from the rest of the law.[77] This is essential because IP disputes frequently raise legal issues outside of the IP realm, such as constitutional, human rights, contract, tort, or competition law. Therefore there may be a risk that an IP specialised court will adopt and define rules over general legal principles, such as tort or contract law, which are not congruent with the evolving principles applicable to these areas of the law.[78]

The argument is further made that '[j]udicial specialization reduces the cross-pollination of legal ideas'.[79] This aspect of specialised patent courts has particularly been identified and discussed, with scholars intensively debating whether and under what conditions they can be justified. In this respect, the view has been expressed[80] that the absence of centralisation would better promote a 'marketplace of ideas'[81] and that decentralisation and diversity can solve patent disputes more

72 See the preamble of the TRIPS Agreement ('*Recognizing* the underlying public policy objectives of national systems for the protection of intellectual property, including developmental and technological objectives') and Arts 7 and 8.

73 Art. 40 para. 1 TRIPS; see also the first recital of the preamble of the TRIPS which provides that 'Desiring to reduce distortions and impediments to international trade, and taking into account the need to promote effective and adequate protection of intellectual property rights, *and to ensure that measures and procedures to enforce intellectual property rights do not themselves become barriers to legitimate trade*' (emphasis added).

74 For a position supporting generalist courts, see Wood, 'Keynote Address'.

75 Harms, 'The Role of the Judiciary in Enforcement of Intellectual Property Rights', p. 9; see also Baum, *Specializing the Courts*, p. 34, and IBA Survey, p. 28 (referring to 'Loss of generalists' overviews' and to 'isolation').

76 Ahmed Davis, 'The Specialized IPR Court Regime in the United States', in IIPI Study, p. 131: 'In order to protect against the court becoming so specialized that it began to take a myopic view of the law, Congress granted the Federal Circuit authority over other areas of the law – among them, appeals for the International Trade Commission, the Court of International Trade, the Court of Federal Claims, and the Merit Systems Protection Board.'

77 See Simon Rifkind, 'A Special Court for Patent Litigation? The Danger of a Specialized Judiciary', *American Bar Association Journal* 37 (1951): 425–6, at 425: 'The patent law does not live in the seclusion and silence of a Trappist monastery. It is part and parcel of the whole body of our laws. It ministers to a system of monopolies within a larger competitive system. This monopoly system is separated from the rest of the law not by steel barrier but by a permeable membrane constantly bathed in the general substantive and procedural law. Patent lawyers tend to forget that license agreements are essentially contracts subject to the law of contracts; that infringements are essentially trespasses subject to the law of torts; that patent rights are property rights; and that proof in patent litigation is subject to the law of evidence. Changes in all these branches of the law today have an effect on the patent law as well. As long as judges exercising a wide jurisdiction also try patent cases, so long do the winds of doctrine, the impulses towards slow changes and accommodation, affect the patent law to the same degree as they affect the general body of the law.'

78 Zimmer, 'Overview of Specialized Courts', p. 3 (indicating that '[s]pecialized court judges […] are removed from the mainstream of legal thought'); IBA Survey, p. 28 (which refers somehow imprecisely to 'overlap with other areas of the law').

79 Richard A. Posner, 'Will the Federal Courts of Appeals Survive until 1984? An Essay on Delegation and Specialization of the Judicial Function', *Southern California Law Review* 56 (1983): 761–91, at 787.

80 From a US perspective based on the experience of the Federal Circuit.

81 Wood, 'Keynote Address', at 9: 'My question is a more modest one: should we eliminate its exclusive jurisdiction over patent cases, and re-introduce into the country the same kind of marketplace of ideas at the court of appeals level that we have for almost every other kind of claim. Under the alternative regime I envision, parties would have a choice: they could take their appeals to the Federal Circuit, thereby benefiting from that court's long experience in the field, or they could file in the regional circuit in which their claim was first filed.'

efficiently.[82] Centralisation may entail certain risks because it can potentially perpetuate errors, particularly in common law systems where the *stare decisis* rule applies.[83] On this basis, scholars have articulated various proposals in order to improve the functioning of the US patent litigation system,[84] and specifically of the Federal Circuit.[85] The goal of these efforts is to ensure that the US judicial patent dispute resolution system fosters technological[86] and legal innovation.[87] One way to reduce this risk is to ensure that judges deciding IP cases also have jurisdiction to decide on non-IP

82 See Nard and Duffy, 'Rethinking Patent Law's Uniformity Principle'.

83 *Moba v. Diamond Automation, Inc.*, 325 F.3d 1306, 1322 (Fed. Cir. 2003) (Rader, J., concurring) ('Whenever a Federal Circuit panel makes an error interpreting the patent code, every district court in the nation, and even every later Federal Circuit panel, is obliged to follow and perpetuate the error. Even the Supreme Court has difficulty identifying errors for correction because this court's national jurisdiction requires universal application of a mistake'); quoted by Cecil D. Quillen Jr, 'Response Essay: Rethinking Federal Circuit Jurisdiction – A Short Comment', *Georgetown Law Journal Online* 100 (2012): 23–7, at 24 (http://georgetownlawjournal.org/files/2012/06/QuillenOnlineFinal.pdf).

84 See, for the creation of specialised trial courts, Arti Rai, 'Specialized Trial Courts: Concentrating Expertise on Fact,' *Berkeley Technology Law Journal* 17.2 (2002): 877–97 (http://scholarship.law.berkeley.edu/cgi/viewcontent.cgi?article=1378&context=btlj); Arti Rai, 'Allocating Power over Fact-Finding in the Patent System', in Symposium Issue 'Ideas Into Action: Implementing Reform of the Patent System', *Berkeley Technology Law Journal* 19.3 (2004): 907–22; see also Kimberly A. Moore, 'Forum Shopping in Patent Cases: Does Geographic Choice Affect Innovation?', *North Carolina Law Review* 79 (2001): 889; Kimberly A. Moore, Judge, 'Juries and Patent Cases – An Empirical Peek Inside the Black Box', Michigan Law Review 99 (2000): 365; Kimberly A. Moore, 'Are District Court Judges Equipped to Solve Patent Cases?', Harvard Journal of Law and Technology 15.1 (Fall 2001) (http://jolt.law.harvard.edu/articles/pdf/v15/15HarvJLTech001.pdf); John Pegram, 'Should There Be a U.S. Trial Court with a Specialization in Patent Litigation?', *Journal of the Patent and Trademark Office Society* 82 (2000): 766; Paul M. Schoenhard, 'Judging Trial Judges', IP Law and Business, (Mar. 2006): 22 (http://www.ropesgray.com/~/media/Files/articles/2006/03/schoenhard-no-need-for-patent-judges.pdf); see also Donna M. Gitter, 'Should the United States Designate Specialist Patent Trial Judges? An Empirical Analysis of H.R. 628 in Light of the English Experience and the Work of Professor Moore', *Columbia Science and Technology Law Review* 10 (2009): 169.

85 See Gugliuzza, 'Rethinking Federal Circuit Jurisdiction' (this article 'offers a structural remedy that might help cure a frequently discussed problem with Federal Circuit patent law: that it is not sufficiently sensitive to innovation policy. By replacing some of the court's current non-patent docket with a variety of commercial disputes (over which the Federal Circuit would not have exclusive jurisdiction) [(including not only antitrust cases but also securities cases, bankruptcy cases and copyright cases)], the court might better understand the role that patents play in stimulating (or impeding) innovation in different industries.' This will make it possible for the court to better understand 'the larger commercial context in which patents operate and patent disputes arise', Paul R. Gugliuzza, 'Pluralism on Appeal', *Georgetown Law Journal Online* 100 (2012): 36–43, at 40 (http://georgetownlawjournal.org/files/2012/10/GugliuzzaPluralism.pdf); see the reactions by Quillen ('Response Essay') and by Ori Aronson, 'Response, Innovation, Aggregation, and Specialization', *Georgetown Law Journal Online* 100 (2012): 28–35 (http://georgetownlawjournal.org/files/2012/08/AronsonProof.pdf).

86 Nard and Duffy, 'Rethinking Patent Law's Uniformity Principle', at 1620: 'As the novelty of having a uniform set of circuit precedents for patent law has worn off, commentators have increasingly turned to evaluating the Federal Circuit's precedents on the merits. The issue is whether Federal Circuit precedent adequately reflects current knowledge regarding the beneficial functions of the patent system in generating technological innovation, the potential problems of patent rights in foreclosing legitimate competition, and the need for predictable rules capable of curtailing litigation costs. The answers thus far have not been encouraging'; see also the response to their article by S. Jay Plager and Lynne E. Pettigrew, 'Rethinking Patent Law's Uniformity Principle: A Response to Nard and Duffy', *Northwestern University Law Review* 101.4 (2007): 1735.

87 See Nard and Duffy, 'Rethinking Patent Law's Uniformity Principle', at 1675: 'Consideration of patent law's appellate institutional architecture invokes a more general problem that manifests itself in numerous fields, including law, politics, economics, and business. This problem relates to the difficulty of trying to gauge the respective benefits and shortcomings of, on the one hand, centralization and uniformity and, on the other hand, decentralization and diversity. Patent law, since 1982, has opted for the former. But uniformity has its costs and is only one of several considerations that should guide the institutional design of our patent system. Equally important guiding principles include diversity and competition, both of which have been largely absent from patent law for more than twenty years. The Federal Circuit is an important institution, but it suffers from structural constraints that deprive the court of sister-circuit competition and a mechanism that would allow for incremental and tested innovations in the law. In this Article, we have framed the issue of institutional design as one of optimization, and have argued that reconfiguring patent law's appellate design to include two or three additional circuit courts trends towards optimality more so than the current centralized structure'; for a critical analysis of the (US) patent system, see also Adam B. Jaffe and Josh Lerner, *Innovation and Its Discontents: How Our Broken Patent System Is Endangering Innovation and Progress, and What to Do about It* (Princeton University Press, 2004).

related cases. This flexibility was conceived for the US Court of Appeals for the Federal Circuit,[88] but what ultimately counts is not the regulatory objective but rather the issue of whether the courts do indeed get effective exposure to other legal areas on a sufficiently intensive basis. The IP judicial regime in the United Kingdom is similarly based on a system in which judges deciding IP cases are exposed to non IP-related issues, which makes it possible for them to understand and apply IP within a broader legal context.[89]

The establishment of specialised IP courts further raises the question of the distinction between the court's special jurisdictional powers and the special or general jurisdictional powers of other (non-IP) courts.[90] Case law frequently shows that such delimitation can be delicate.[91] Creating specialised courts is therefore 'a source of potentially serious boundary problems'.[92] Ultimately, the costs of fragmented jurisdictional powers may be borne by parties involved in an IP-related dispute who face the risk of having to clarify the boundaries of the jurisdictional powers of the respective courts. The special jurisdictional power must therefore be carefully defined and should not be conceived too narrowly. In this respect, it would not appear adequate to limit the jurisdiction of specialised IP courts to IP infringement cases.[93]

1.4 Policy Choices

The diversity of legal systems and regimes makes it difficult to envision a single way to set up an efficient IP court system that promotes innovation and social welfare. Similarly, there is no evidence that specialised IP courts would better promote innovation than non-specialised courts.[94]

88 Davis, 'The Specialized IPR Court Regime in the United States', p. 131.

89 Michael Fysh, 'Intellectual Property and Particularly Patent Litigation in the United Kingdom', in IIPI Study, p. 125: 'Patents judges are a part of the general judicial system and play an active role in deciding non-IPR cases. Depending on the workload, patent judges may spend a third of their time on other work. In the Court of Appeal, about two-thirds of the judges' time is unrelated to IPR. This approach, where judges are both specialists and generalists, has worked well. It provides judges with a wider perspective which helps them to balance IPR laws in the context of broader commercial law.'

90 See Baum, *Specializing the Courts*, p. 33 (referring to the need to 'litigate jurisdictional boundaries').

91 See, by way of example, the recent US case *MDS (Canada) Inc. et al. v. Rad Source Tech., Inc.*, 720 F.3d 833 (11th Cir. 2013) in which the Eleventh Circuit held (see the short analysis of this case at http://georgiaiplit.blogspot.ch/2013/07/11th-circuit-retains-jurisdiction-in.html) that even where patent law is a necessary element of one of a plaintiff's well-pleaded state law claims, if the claim does not truly involve a 'substantial' question of federal patent law, original jurisdiction does not exist; with reference to and quote from *Christianson v. Colt Indus. Operating Corp.*, 486 U.S. 800 in which the Supreme Court confirmed the opinion of the Federal Circuit that it lacked jurisdiction and ruled that a case was not 'one "arising under" federal patent law' unless 'the plaintiff … set up some right, title, or interest under the patent laws, or at least makes it appear that some right or privilege will be defeated by one construction, or sustained by the opposite construction, of those laws.' Ibid., at 807–8 (*quoting Henry v. A. B. Dick Co.*, 224 U.S. 1, 16, 56 L.Ed. 645, 32 S.Ct. 364 (1912)).

92 Posner, 'Will the Federal Courts of Appeals Survive until 1984?', at 787.

93 The Intellectual Property Organization of Pakistan Act, 2012 (at http://ipo.gov.pk/UploadedFiles/IPO-Act-2012.pdf) provides in this respect that (sec. 18 para. 1) 'All suits and other civil proceedings regarding *infringement* of intellectual property laws shall be instituted and tried in the Tribunal' (emphasis added) and that (para. 2) 'Notwithstanding anything contained in any other law for the time being in force, the Tribunal shall have exclusive jurisdiction to try *any offence* under intellectual property laws' (emphasis added).

94 The assessment of the role of courts in supporting innovation is a complex issue, also because it is not limited to IP law and policy but it may depend on other legal areas, and particularly contract law, arbitration law, civil procedure, see Erin O'Hara O'Connor and Christopher R. Drahozal, 'The Essential Role of Courts for Supporting Innovation', *Texas Law Review* 92 (2014): 2177–210 (http://www.texaslrev.com/the-essential-role-of-courts-for-supporting-innovation/) (analysing the role of courts in promoting innovation on the basis of a statistical analysis of the types of dispute resolution clauses – courts versus arbitration – used in innovation agreements, particularly from the perspective of the enforceability of specific performance clauses).

However, it is clear that a sufficient level of judicial experience and expertise can significantly improve the quality of justice in IP disputes. This appears particularly important as many IP disputes start with an application for preliminary injunctive relief (made by IP owners) on which the court is expected to decide expediently.[95]

On this basis, certain practices for establishing a specialised IP court have been recommended, including the appointment of judges with a representative level of expertise in the relevant areas.[96] Depending on the technicality of the disputes at issue, this would involve considering a combination of judges with legal and technical expertise, trying IP cases by judges rather than juries, and providing adequate continuing training for the judges.[97] Given the rapid evolution of IP and of IP litigation,[98] it is essential to ensure that judges deciding IP issues benefit from appropriate training and education opportunities. This helps ensure that judges possess a sufficient degree of knowledge about the latest developments affecting IP law (at the local, regional and international levels) as well as about other important legal concepts and developments beyond IP law (in order to avoid the risk of developing 'tunnel vision'[99]). This may materialise in different ways, including formal or informal contacts and exchanges with other IP judges in other countries. A dynamic legal and IP knowledge ecosystem should therefore be conceived and fostered.[100]

The court's expertise in handling IP disputes can also result in the more efficient management of cases, given that judges would be in a better position to provide direction and guidance to the attorneys so that proceedings could be conducted more efficiently.[101] It can also be reflected in the issuance of non-binding preliminary opinions on the merits of the case which can promote settlement between the parties.[102] Non-IP specific procedural tools may also be of relevance in this context in order to

95 See Louis Harms and Owens Dean, 'South Africa's Specialized Intellectual Property Courts Regime', in IIPI Study, p. 110: 'Lack of experience is especially a problem when dealing with urgent matters'; see also above text at note 41.

96 See e.g. for China, the 'Supreme People's Court Guiding Opinions on Selection and Appointment of the Judges of the Specialized IP Courts (Trial Implementation)' published on 28 Oct. 2014 according to which (Arts 3 and 4) only senior judges with at least six years of IP trial experience are eligible for appointment to the newly established Chinese specialised IP courts (see Hong Xue, 'Specialised Intellectual Property Courts in China', in Part Two (section on 'Improvement of Professionalism')).

97 IIPI Study, p. 8; this is also expressed by Štrba, 'Specialised Intellectual Property Courts in Africa: The Case of Uganda', in Part Two.

98 At least as far as technology-related areas are concerned.

99 See text at note 75; see also Jens Schovsbo, Thomas Riis and Clement Salung Petersen, 'The Unified Patent Court: Pros and Cons of Specialization – Is There a Light at the End of the Tunnel (Vision)?' (editorial), *International Review of Intellectual Property and Competition Law* 46.3 (May 2015): 271–4 (http://link.springer.com/article/10.1007/s40319-015-0331-2/fulltext.html?wt_mc=alerts.TOCjournals) (at 274: 'To counterbalance the strong focus on technology, the UPC should thus make sure that the judges also are trained in issues of a non-technical nature in an attempt to widen the focus to include other parts of law that are considered essential for the normal construction of legal order').

100 IBA Survey, p. 34 (recommending among the proposals for actions to 'provide comprehensive IP training to help judicial systems further improve the administration of justice' and to 'promote information exchange among IP judges, i.e. study visits, regional conferences, and collections of significant court decisions from various countries'); online communication and education tools (e.g. MOOC (massive open online course) and other online education tools) could be conceived and made available in order to reach this goal.

101 See Zimmer, 'Overview of Specialized Courts', p. 2.

102 See *Weight Watchers (UK) Ltd & Ors v. Love Bites Limited & Ors* [2012] EWPCC 11 and *Fayus Inc & Anor v. Flying Trade Group Plc* [2012] EWPCC 43 (20 Sept. 2012), at http://www.bailii.org/ew/cases/EWPCC/2012/43.html: '13. [...] One matter discussed in court was whether the court would be prepared to give a preliminary, non-binding opinion on the merits along the lines of my decision in *Weight Watchers v. Love Bites* [2012] EWPCC 11. In that decision (paragraph 4) I said the following about the preliminary and non-binding opinion provided in that case: 4. [...] I should emphasise again that this is a preliminary view. It is not intended to be binding on me and it is not binding on the parties. It is something, however,

improve the time and cost efficiency of IP proceedings.[103] The court's interest in adopting certain procedural tools should be assessed on the basis of the entire IP system in the relevant jurisdiction, given that other institutions may also offer attractive dispute resolution mechanisms.[104]

While specialisation may promote efficiency, overspecialisation can generate the risk of 'tunnel vision'.[105] From this perspective, it would appear adequate to implement a court system under which judgments rendered by courts (potentially specialised IP courts) are appealable to a non-specialised court.[106] This helps ensure that such non-specialised courts have the opportunity to acquire a sufficient level of expertise in the relevant field, particularly in patent disputes.[107] Creating an avenue for appeal may also incentivise specialised courts to ensure that their decisions are 'persuasive to the generalists';[108] if not, they may be overturned. This also means that the scope of the jurisdictional

which has been ventilated as a possibility that will be conducted in the Patents County Court. It seems to me that in an appropriate case it may well be a useful procedure. Also, as I have already indicated, it is a procedure which, in fairness to both sides, the Patents County Court will only embark on when both sides agree that it should be done. 14. The procedure is one which must be used with care and in fairness to both sides. Since the defendant in this case was not in a position to agree or disagree to this course I told the claimants' representatives that I was not prepared to embark on expressing such an opinion at that stage. However the directions made at the hearing included a provision giving the defendant the opportunity to state whether or not it was prepared to consent to the court expressing such an opinion. 15. It is likely that an appropriate circumstance in which this procedure might be used is one in which it may well help the parties to settle a case (c.f. CPR r 1.4(2)(f)). If the expression of a view is not likely to help the parties settle then it is hard to see what purpose it could achieve. If both parties wish to ask the court to express such an opinion then it is likely to be useful in helping them settle'; for a comment, see http://www.nortonrosefulbright.com/knowledge/publications/65267/uk-patents-county-court-continues-to-innovate.

103 See Eve Heafey, 'Are Your Evidentiary Ducks in a Row? Summary Trials in Trademark Litigation' (regarding the increased use of summary judgments in Canada thanks to a change of the Federal Court Rules), 11 May 2015 (http://www.smart-biggar.ca/fr/articles_detail.cfm?news_id=975) presenting the cases: *MC Imports Ltd v. Afod Ltd* (2014 FC 1161); *Lum v. Dr Coby Cragg Inc* (2014 FC 1171); *Sadhu Singh Hamdard Trust v. Navsun Holdings Ltd* (2014 FC 1139); see also Karen F. MacDonald and Elizabeth E. Farries, 'Summary Judgment and Summary Trial: Factors Affecting Availability of Summary Disposition in IP Disputes under the New *Federal Courts Rules*',¬ at http://www.smart-biggar.ca/en/articles_detail.cfm?news_id=530, with reference to two recent IP cases: *Louis Vuitton Malletier S.A. and Burberry Limited et al. v. Singga Enterprises et al.,* 2011 FC 776 (copyright and trademark infringement) and *Teva Canada Limited v. Wyeth LLC,* 2011 FC 1169 (issue whether the plaintiff was entitled to pursue a claim under section 8 of the Patented Medicines (Notice of Compliance) Regulations).

104 By way of example, it can be noted that the UK IP Office offers a 'patent opinion service' under which the Office (i.e. a patent examiner) will offer, for a modest fee, a non-binding opinion on the infringement of UK patents and on certain aspects of their validity at the request of interested parties (see http://www.ipo.gov.uk/types/patent/p-dispute/p-opinion.htm); this service does not appear to have been very successful as of today even if the plan seems to expand this service beyond patents; see Cook, 'Alternative Dispute Resolution as a Tool for Intellectual Property Enforcement' (WIPO doc.), para. 24 pp. 7–8.

105 See text at note 73.

106 See also the dissenting opinion of Justice Breyer in *Laboratory Corporation of America Holdings v. Metabolite Laboratories, Inc. and Competitive Technologies, Inc.*, cert. dismissed as improvidently granted, 548 U.S. 124 (2006) (http://www.supremecourt.gov/opinions/05pdf/04-607.pdf): 'a decision from this generalist Court could contribute to the important ongoing debate, among both specialists and generalists, as to whether the patent system, as currently administered and enforced, adequately reflects the "careful balance" that "the federal patent laws … embod[y]". *Bonito Boats, Inc. v. Thunder Craft Boats*, Inc., 489 U. S. 141, 146 (1989).'

107 See Darren Smyth, 'Patent Law Decisions from Supreme Courts: How Can Non-Specialist Judges Decide This Field of Law?', *Journal of Intellectual Property Law and Practice* 9.1 (2014): 31–9, at 39 (concluding his article by stating that 'the superior courts should be supplemented with judges having patent experience for such cases, since all jurisdictions in fact have a considerable number of specialized patent practitioners to draw upon').

108 See John F. Duffy, 'The Federal Circuit in the Shadow of the Solicitor General', *George Washington Law Review* 78.3 (2010): 518–52, at 552 (http://groups.law.gwu.edu/lr/ArticlePDF/78-3-Duffy.pdf) ('The patent attorneys typically arguing before the Federal Circuit are specialists, and they present their cases with arguments that seem sensible within the specialty. In deciding those cases, however, the Federal Circuit must fashion opinions that are persuasive to the generalists who hold final authority to review all patent appeals. In an era when the Supreme Court has resumed its traditional practice of reviewing a significant number of federal patent cases, attention to the ultimate generalist audience – the Justices – is essential to the long-term success of any actor in the patent system').

power of the court that is to ultimately review and scrutinise the decisions taken by specialised IP courts should be carefully defined.[109]

In this respect, it has been convincingly claimed that if non-specialised judges cannot understand the complexity of IP law, this should not lead to the creation of specialised IP courts, but should rather lead to changes in substantive IP law itself.[110] In any case, a model of 'limited specialisation' of judges may also help ensure that the courts remain cognisant of the broader policy context and societal environment when rendering IP decisions.[111] IP regulations are integrated in a general legal framework that reflects fundamental principles and values (particularly constitutional rights) that must also be observed when hearing IP disputes. This aspect should also be taken into account in the recruiting processes, where strategies should be adopted in order to ensure a sufficient diversity of expertise and of knowledge of general legal principles.[112]

In considering the need to establish specialised IP courts, it is important to assess whether specialised IP courts will be limited to specific types of IP disputes[113] or rather open to all types of IP disputes. Certain models show that specialised patent courts can be justified because of the specificities and technicalities that patent litigation raises. However, it may be prudent to centralise all IP disputes in order to ensure the coherent development of IP law, as certain issues which are frequently litigated are (or should be) common to the different types of IP rights (such as damages, conditions for injunctive relief, IP transactions and licensing agreements[114] etc.). Centralisation may further avoid or at least reduce the risks associated with delineating the boundaries and jurisdictional powers of the specialised courts.[115] It should also be decided whether the specialised IP courts have jurisdiction to hear civil IP disputes and criminal disputes.[116]

109 Should it be *de novo* review (etc.); for a discussion from the perspective of the US Supreme Court, see John M. Golden, 'The Supreme Court as "Prime Percolator": A Prescription for Appellate Review of Questions in Patent Law', *UCLA Law Review* 56 (2009): 657–724 (http://www.uclalawreview.org/pdf/56-3-3.pdf).

110 See Rifkind, 'A Special Court for Patent Litigation?', at 426: 'If the patent law has already become so esoteric a mystery that a man of reasonable intelligence cannot comprehend it, then something has gone seriously wrong with the patent law. If that is so – and I do not hold this view – the cure lies in correcting the law, not in tinkering with the Bench.'

111 Gugliuzza, 'Pluralism on Appeal', at 42: 'to the extent that economic activity is regulated by many doctrinal fields outside of patent law, then the judges who decide patent cases should be familiar with those fields so as to better understand the full impact of their decisions on economic activity. A generalist judge who specializes in patent cases will appreciate the consequences of a particular decision on the patent system while also being more likely to situate the decision within a broader context of promoting economic competition and encouraging technological innovation'; for a pleading for the maintenance of generalist courts, see Diane P. Wood, 'Generalist Judges in a Specialized World', *SMU Law Review* 50 (1997): 1755–68, concluding her speech by stating that 'In my view, the contributions of the generalist judiciary are still far too great to abandon. The greatest pressure to move toward specialization appears to be coming from the business community, which would like faster justice for itself, but who does not want that? […] More than ever, we need these generalist judges in our specialized world.'

112 See (about the UPC) Schovsbo, Riis and Petersen, 'The Unified Patent Court: Pros and Cons of Specialization' (at 274: 'In the recruitment of legally qualified judges, it should be regarded as a particular strength for candidate judges to (also) have a broader (generalist) legal experience. To support legal creativity and the further dynamic development of substantive patent law, the UPC should recognize diversity amongst the judges and the various divisions of the court of first instance as a value').

113 Specifically patent disputes.

114 For which harmonised rules should apply irrespective of the type of IP right which is the object of the relevant licence agreement; for a collection of essays on this issue, see Jacques de Werra (ed.), *Research Handbook on Intellectual Property Licensing* (Edward Elgar, 2013) (www.ip-licensing.info).

115 See text at notes 92–5.

116 The Thailand Intellectual Property and International Trade Court has jurisdiction for both civil and criminal cases, see http://www.ipitc.coj.go.th/?co=en; for an analysis, see Andrea Morgan, 'Trips to Thailand: The Act for the Establishment of and Procedure for Intellectual Property and International Trade Court', *Fordham International Law Journal* 23.3 (1999): 795–847.

The discussion about specialised IP courts should not ignore the fact that these new courts may not necessarily improve the efficiency of the proceedings if they do not adopt adequate methods for managing IP cases. From this perspective, the establishment of specialised IP courts should be distinguished from the creation of specific rules applying to IP disputes, given that specific rules for IP cases can be adopted without creating specialised IP courts.[117] The experiences of developed countries in IP litigation[118] could be of value in this respect. Special reference must be made to the measures which can enhance the accessibility and affordability of IP litigation,[119] which can be achieved by the establishment of courts and procedures for less complex IP disputes[120] and/or small claims.[121] Ensuring access to justice to (small) innovators is and should remain an important aspect of the promotion and protection of innovation.

Sound IP policymaking should be based on evidence.[122] This guiding principle should not be limited

117 See the specific rules which apply to intellectual property claims at http://www.justice.gov.uk/courts/procedure-rules/civil/rules/part63.

118 Reference can be made to the interesting statements made by Lord Woolf in the report 'Access to Justice - Final Report', http://webarchive.nationalarchives.gov.uk/+/http://www.dca.gov.uk/civil/final/contents.htm, and particularly in Chapter 19 (dealing with 'Specialist Jurisdictions'), http://webarchive.nationalarchives.gov.uk/+/http://www.dca.gov.uk/civil/final/sec4d.htm#c19: '16. Clearly improvements could be made to the ways in which intellectual property litigation is handled. It continues to suffer from the vices of cost, delay and complexity. As the new draft rules make clear, dealing with a case justly includes handling it so as to ensure that, so far as is practicable, the parties are on an equal footing, and handling it in ways which are proportionate to the amount of money involved, the importance of the issues and the parties' financial position. I recognise that these matters may point in different directions, when it comes to considering which court should hear a case in intellectual property litigation. For example, the likely commercial effect on each party if relief is, or is not, granted, may not be apparent from a figure representing the value of the right being litigated. 17. In my view there is a pressing need for both the Patents Court and, more especially, the Patents County Court to develop procedures which go further than existing ones in providing rapid resolution of disputes, with a strict timetable and a trial limited in time, and a fixed budget for costs, as I am recommending for the fast track. This will enable smaller firms to compete on a more level footing with larger companies. I outline my proposals for such a procedure in chapter 5'; see also for Scotland, Robert Buchan and Gill Grassie, 'Scotland's New Regime for Effective Intellectual Property Dispute Resolution', *Journal of Intellectual Property Law and Practice* 8.5 (2013): 383–7 (http://jiplp.oxfordjournals.org/content/8/5/383.full).

119 Particularly for small and medium enterprises and for individuals.

120 This was the goal of the UK Patents County Court, which has been replaced by the Intellectual Property Enterprise Court (IPEC) as of 1 Oct. 2013 (see https://www.justice.gov.uk/courts/rcj-rolls-building/intellectual-property-enterprise-court); the IPEC is a specialised list in the Chancery Division of the High Court which has jurisdiction to hear cases in which the damages or profits recoverable do not exceed £500,000 (unless the parties agree that IPEC shall have jurisdiction to award damages or profits recoverable in excess of this limit (Civil Rules of Procedure, Part 63 (Intellectual Property Claims), rule 63.17A, at http://www.justice.gov.uk/courts/procedure-rules/civil/rules/part63); as indicated in the *Intellectual Property Enterprise Court Guide* (https://www.justice.gov.uk/downloads/courts/patents-court/intellectual-property-enterprise-court-guide.pdf), p. 6: 'the IPEC has been established to handle the smaller, shorter, less complex, less important, lower value actions and the procedures applicable in the court are designed particularly for cases of that kind. The court aims to provide cheaper, speedier and more informal procedures to ensure that small and medium sized enterprises and private individuals are not deterred from innovation by the potential cost of litigation to safeguard their rights. Longer, heavier, more complex, more important and more valuable actions belong in the Patents Court or the general Chancery list of the High Court'; for a presentation of the IPEC, see Angela Fox, *The Intellectual Property Enterprise Court: Practice and Procedure* (Sweet & Maxwell, 2014).

121 See the small claims track available before the UK IPEC for claims where the amount in dispute is £10,000 or less, see *Guide to the Intellectual Property Enterprise Court Small Claims Track* (July 2014) (https://www.justice.gov.uk/downloads/courts/patents-court/patents-court-small-claims.pdf). The establishment of small claims tracks is analysed in the US: on 18 Dec. 2012, the USPTO published a request for comments on patent small claims proceedings; .; comments are available at: http://www.uspto.gov/patents-getting-started/international-protection/public-comments-patent-small-claims-proceedings; see also Robert P. Greenspoon, 'Is the United States Finally Ready for a Patent Small Claims Court?', *Minnesota Journal of Law, Science and Technology* 10.2 (2009): 549–66 (http://mjlst.umn.edu/prod/groups/ahc/@pub/@ahc/@mjlst/documents/asset/ahc_asset_366031.pdf).

122 See Recommendation 1 of the UK report by Ian Hargreaves, *Digital Opportunity: A Review of Intellectual Property and Growth* (Department for Business Innovation and Skills, May 2011), p. 98 (http://www.ipo.gov.uk/ipreview-finalreport.pdf): '1. Evidence. Government should ensure that development of the IP System is driven as far as possible by objective

to issues relating to substantive IP laws and policies[123] but should also apply to procedural IP issues, and particularly to the decision to establish specialised IP courts. This requires a comprehensive and detailed monitoring system relating to IP litigation activity on the basis of which policy choices and recommendations could be formulated. For instance, a constant increase of IP litigation cases and a significant backlog could contribute to justifying the creation or expansion of specialised IP courts.[124] In this respect, particular attention should be paid to the two difficulties that have been identified in IP policymaking activities: 'a near-total lack of high-quality evidence on some issues and an overabundance of effective lobbying'.[125]

1.5 Conclusion

How advantageous and potentially necessary it is to establish specialised IP courts in any given jurisdiction depends on a number of factors which are not limited to IP issues.[126] Rather, the debate must reflect upon the economic, legal[127] and societal characteristics of the country.[128] On this basis, the creation of specialised IP courts cannot be recommended irrespective of the situation in the country at issue.[129] A decision relating to the establishment of specialised IP courts must consequently be made on the basis of a fully informed, transparent, and unbiased analysis of the situation which prevails in the relevant territory. In this respect, the (alleged) efficiency gains and need for expertise and uniformity should not necessarily be deemed prevalent, as they might hide less valuable interests.[130]

---

evidence. Policy should balance measurable economic objectives against social goals and potential benefits for rights holders against impacts on consumers and other interests. […]'; the Hargreaves Report further emphasises in its Executive Summary (p. 3) that 'Evidence should drive policy'; see the interesting recent report assessing the impact of the IPEC commissioned by the UK Intellectual Property Office from Christian Helmers, Yassine Lefouili and Luke McDonagh, *Evaluation of the Reforms of the Intellectual Property Enterprise Court 2010–2013*, 22 June 2015 (https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/447710/Evaluation_of_the_Reforms_of_the_Intellectual_Property_Enterprise_Court_2010-2013.pdf).

123 i.e. the existence and scope of protection of IP rights.

124 IIPI Study, p. 10; it should be noted that the TRIPS Agreement requires (Art. 63 para. 1) that 'final judicial decisions and administrative rulings of general application, made effective by a Member pertaining to the subject matter of this Agreement (the availability, scope, acquisition, enforcement and prevention of the abuse of intellectual property rights) shall be published, or where such publication is not practicable made publicly available, in a national language, in such a manner as to enable governments and right holders to become acquainted with them'.

125 *The Government Response to the Hargreaves Review of Intellectual Property and Growth*, Aug. 2011 (https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/32448/11-1199-government-response-to-hargreaves-review.pdf), p. 3.

126 The need to potentially improve the enforcement of IP rights is one among many other factors that should be taken into account in this respect.

127 Common law countries are sometimes considered to be less inclined to have specialised courts than civil law countries, see Baum, *Specializing the Courts*, p. 23 (even if this statement seems difficult to verify as far as specialised IP courts are concerned).

128 See also the Board Resolutions of INTA on Specialized Trademark Judiciaries, indicating that 'Many factors must be considered in designing and administering a court system, including local custom and practice, budgetary constraints, constitutional and jurisdictional issues, and many other factors. Nonetheless, as a matter of general principle, the development and implementation by some means of specialised and experienced judiciaries to hear trademark matters will benefit trademark owners and users and should be encouraged.'

129 See more generally about the creation of specialised courts, Baum, *Specializing the Courts*, pp. 226–7.

130 On this issue, see in general Baum, *Specializing the Courts,* p. 207.

It should also be emphasised that, perhaps contrary to common perception, there is no clear evidence that establishing specialised IP courts[131] would necessarily benefit IP owners.[132] From this perspective, it does not appear justified to consider that the creation of specialised IP courts will automatically improve IP protection and generate an increase in foreign direct investment.[133] The goal of creating such a court is not necessarily increasing the level of IP protection. Rather, it is ensuring an efficient and equitable dispute resolution mechanism that is conducted by expert judges for the benefit of all stakeholders, including the IP owners, the users of goods and services, and society as a whole.[134] The goal of finding a balanced system between competing interests reflects the essence of the ongoing work of WIPO's development agenda.[135] In addition, the global economy makes the goal of finding a balanced approach more essential. As countries and companies increasingly interact and cooperate across borders, stakeholders will increasingly become both owners of IP rights and users of third party IP rights, further justifying the adoption of a well-balanced system.[136]

The decision to establish a specialised IP court cannot be legitimised solely by the need to fight IP counterfeiting activities, as counterfeiting cases are not so complex as to necessitate the establishment of specialised IP courts.[137] This is also confirmed by the fact that other governmental bodies and institutions are the primary actors in the fight against counterfeiters.[138] Depending on the situation in the relevant country, there might be a need to create 'specialised intellectual property enforcement units' (i.e. governmental entities in charge of combating IP counterfeiting activities).[139] However, the need for such IP enforcement units should not be confused with the need to create specialised IP courts.

There is a broad range of policy options and thus some flexibility between the use of generalist courts and the establishment of specialised IP courts to the extent that some intermediate solutions

131 Particularly patent courts.

132 See Mark A. Lemley, Su Li and Jennifer M. Urban, 'Does Familiarity Breed Contempt among Judges Deciding Patent Cases?', *Stanford Law Review* 66 (May 2014): 1121–57 (http://www.stanfordlawreview.org/sites/default/files/66_Stan_L_Rev_1121_LemleyLiUrban.pdf), concluding their paper (at 1155) by noting that 'As judges gain experience with patent cases, they are less likely to rule for patentees on infringement. Our finding is strong and highly significant, robust across districts, across time, and across areas of technology. This both challenges existing assumptions about forum shopping in patent cases and suggests that specialized patent trial courts may benefit accused infringers over patentees'; this is also discussed with respect to the IPAB in India, see Basheer, 'Specialist IP Adjudication: The Indian Experience', in Part Two (section on 'Does the IPAB Suffer a Pro IP Owner Bias?').

133 The IBA Survey, p. 28, however states that 'an increase in foreign direct investment may be realised by countries that create specialised IP courts'.

134 It is therefore too restrictive to consider only the interests of the IP owners and of the governments as such (see however the IIPI Study, p. 10, which indicates that 'Specialized courts benefit the IPR owners and the government alike as they are more efficient and expedient').

135 See 'Development Agenda for WIPO', at http://www.wipo.int/ip-development/en/agenda/.

136 This applies to IP law as such as well as to other legal areas which are part of the IP ecoystem, such as IP licensing rules, see Jacques de Werra, 'Keeping the Genie of Licensing Out of the Bottle: Managing Inter-dependence in Licensing Transactions', *International Review of Intellectual Property and Competition Law* 45.3 (May 2014): 253–5; on the development of global IP licensing policies, see de Werra, *Research Handbook on Intellectual Property Licensing*.

137 See IIPI Study, p. 111, which refers to and quotes Jason Bosland, Kimberlee Weatherall and Paul Jensen, *Trademark and Counterfeit Litigation in Australia*, Melbourne Law School Legal Studies Research Paper No. 208 (Feb. 2006) (http://papers.ssrn.com/sol3/papers.cfm?abstract_id=961527), p. 6: 'The striking feature about counterfeit cases is that they are legally very simple: they do not involve serious disputes over the boundaries of the trademark owner's rights.'

138 Particularly law enforcement agencies, customs and public prosecution offices and institutions.

139 IIPI Study, p. 9.

may also be contemplated. Developing IP expertise in non-specialised IP courts has been identified as a valuable policy option for developing countries,[140] which may lead to the creation of specialist IP benches within regular courts.[141] In this respect, establishing specific programmes to promote the judicial specialisation in certain IP matters may also be considered. Reference can be made to the US Patent Pilot Program (PPP), which was launched to channel patent cases in 14 test districts[142] to judges who have opted to hear them,[143] thereby promoting the specialisation of these judges for hearing patent cases. This example shows that a process of judicial familiarisation and of specialisation in IP disputes does not necessarily require the creation of specialised IP courts at the trial level. Thus, the education of judges in IP matters does not presuppose the establishment of specialised IP courts. Ultimately, the most important factor is judicial expertise in IP disputes, which should be promoted as the primary goal.[144]

What also appears relevant and interesting in this respect is implementing a system that maximises the opportunities for benefiting from existing expert knowledge in order to promote judicial efficiency. For example, Taiwanese law permits IP courts to ask the Taiwan Intellectual Property Office (TIPO) to intervene in court proceedings in which one party[145] claims patent invalidity. This affords TIPO the opportunity to express its view on the validity of the patent in dispute.[146] The sharing of knowledge and expertise can also mean that non-IP specific procedural tools can be used to obtain guidance, potentially in the form of a preliminary opinion, from a third party institution. This would help ensure

140 IBA Study, p. 7 ('An attractive approach for developing countries is probably to create or strengthen a commercial court which may hear IP related cases *inter alia* and provide improved access to justice for the business sector as a whole'); see also one of the proposals for action evoked in the IBA Survey, p. 34: 'Create specialised divisions for IP matters within courts of general jurisdiction and rotate judges throughout these divisions'; see also IIPI Study, p. 7: 'It is also important to consider that while IPR case loads may not justify the establishment of an independent court that exclusively hears IPR cases, there are many alternative regimes that may better suit a country's needs, such as specialized divisions and judges'; see Fysh, 'Intellectual Property and Particularly Patent Litigation in the United Kingdom', p. 125.

141 See Basheer, 'Specialist IP Adjudication: The Indian Experience', in Part Two (section on 'Alternative Institutional Arrangements: Specialist IP Benches?') (this is also what resulted from an online poll conducted by this scholar, see Shamnad Basheer, 'A Specialist IP Court: Knowing More about Less?', 2 Apr. 2012, at http://spicyip.com/2012/04/specialist-ip-court-knowing-more-about.html.

142 The PPP started in 2011 and will run for ten years; see http://www.uscourts.gov/statistics-reports/key-studies-projects-and-programs-annual-report-2011#patent (which lists the selected districts).

143 See Lemley, Li and Urban, 'Does Familiarity Breed Contempt among Judges Deciding Patent Cases?', at 1123 ('The PPP is not itself a specialized court, but it encourages specialization within a district, concentrating experience with patent cases in the hands of a few judges').

144 It is therefore not surprising that this point constitutes the first proposal identified in the IBA Survey in the list of proposals for action, p. 33 ('Promote the specialization of IP judges, with initiatives including: specialist judges sitting interstate where there is not a specialist IP judge in that registry; and programmes to assist judges in keeping up to date with the latest developments and international trends in the IP field'); see also IIPI Study, p. 8, listing as the first recommendation to 'appoint judges who have a background in intellectual property issues'; see also the resolution passed by four IP judges specialising in intellectual property respectively coming from Germany, Australia, the UK and the US (the resolution constitutes an annex to the IBA Survey, pp. 44–5) stating that 'WE: (i) agree that specialised IP judges are needed to ensure that IP law is adequately interpreted and applied for the benefit of IP right owners, consumers and the economy; (ii) Resolve that judges with specialist experience and understanding of IP and who keep abreast of current developments are likely to reduce hearing times, costs for litigants, increase efficiency, improve precision and predictability of adjudication and provide unification and consistency of legal principles; and therefore (iii) Urge that it is desirable both at the international and local level to implement effective IP enforcement systems which deliver efficient, consistent and cost-effective adjudication of disputes and that this is best achieved through appropriately resourced specialized IP courts, tribunals and judges set up in a way best suited to each jurisdiction's situation.'

145 Generally the defendant.

146 See Hsiu-Ru Chien, 'Taiwan IP Court asked to designate how TIPO assists litigants', *Journal of Intellectual Property Law & Practice* (2015) 10 (1): 15-16.

a correct and uniform application of IP laws, such as the procedures for referral for a preliminary ruling to another court, which can be done at the national[147] or regional level.[148]

The establishment of specialised IP courts should not be viewed as a self-sufficient and free-standing policy instrument, but rather as *one* tool in the overall IP/innovation policy toolbox. It should consequently be complemented with policy instruments in order to promote creativity, foster innovation, and improve the quality of justice in IP disputes.

Increasing expertise and knowledge about IP issues can also be achieved by fostering opportunities for participation and for transparency in the judicial process. This can occur either *during* the course of litigation (such as admitting the filing of *amicus curiae* in IP litigation cases[149]) or after the litigation

147 See for Singapore for the Copyright Tribunals which can refer a question of law to the High Court, Copyright Act (Chapter 63) (Original Enactment: Act 2 of 1987): '169. (1) A Tribunal may, of its own motion or at the request of a party, refer a question of law arising in proceedings before it for determination by the High Court' (http://statutes.agc.gov.sg/aol/search/display/view.w3p;page=0;query=DocId%3Ae20124e1-6616-4dc5-865f-c83553293ed3%20%20Status%3Ainforce%20Depth%3A0;rec=0#P1VII-).

148 The Andean Community Tribunal of Justice (which was established by the Treaty creating the Andean Tribunal of Justice of 28 May 1979 (18 ILM 1203) (see www.tribunalandino.org.ec) has jurisdiction to interpret Andean legal provisions at the request of national judges on the basis of a procedure for preliminary rulings; see Laurence R. Helfer and Karen J. Alter, 'Legal Integration in the Andes: Law-Making by the Andean Tribunal of Justice', *European Law Journal* 17 (2011): 701–15; the Tribunal is based on the model of the European Court of Justice, see Karen J. Alter, Laurence R. Helfer and Osvaldo Saldias, 'Transplanting the European Court of Justice: The Experience of the Andean Tribunal of Justice', *American Journal of Comparative Law* 60 (2012): 629–64 (http://scholarship.law.duke.edu/faculty_scholarship/2458/); this may be used for IP law: see Laurence R. Helfer, Karen J. Alter and M. Florencia Guerzovich, 'Islands of Effective International Adjudication: Constructing an Intellectual Property Rule of Law in the Andean Community', *American Journal of International Law* 103 (2009): 1–47.

149 See the country case study by Denis Borges Barbosa and Pedro Marcos Nunes Barbosa, 'Specialised Intellectual Property Courts in Brazil', in Part Two of this issue, where they consider that the introduction of *amici curiae* before IP specialised courts and before the Superior Tribunal de Justiça in Brazil was an 'important catalyst for change in judicial decisions' along with other factors; for a discussion, see Denis Borges, 'Patents and the Emerging Markets of Latin America', in Frederick M. Abbott, Carlos M. Correa and Peter Drahos (eds), *Emerging Markets and the World Patent Order* (Edward Elgar, 2013), vol. 1, pp. 135–54. See also Jeremy Phillips, '"With friends like that …": Amicus Briefs in Europe', IPKat blog post, 18 Oct. 2012, at http://ipkitten.blogspot.ch/2012/10/with-friends-like-that-amicus-briefs-in.html (interpellations in the original): 'What did the panelists think? From the Court of Justice, Sir Konrad Schiemann was quite blunt: there was no provision in that court's rules for the submission of amicus briefs and it was not in the hands of the court to change those rules: nor should they be welcomed since their inevitable effect would be to make cases take longer [this Kat notes that, in at least one recent case, the Advocate General has treated a submission from a United Nations agency as "an unofficial *amicus curiae* brief": Case C-31/09 *Bolbol*. In Joined Cases C-466/09 *Philips/Nokia* the Advocate General refers to the INTA's submissions but does not clarify their legal status. In its judgment the Court describes INTA as an "intervener", suggesting that it has the status of a party]. Sir Konrad later observed that, in proceedings before his court on a reference from a national court which did admit amicus briefs, the content of such briefs would automatically form part of the corpus of relevant materials on which his court would focus when reaching its decision. Sir David Kitchin took a different line: if amicus briefs are admitted, he suggested, this should be done at first instance. If this does not happen, the appellate court in receipt of such a brief may be effectively deciding the case *de novo*. If this is so, then it should be possible for the other side to submit its own material in response, in order to level out the uneven playing field. Daniel Alexander was quite well-disposed towards amicus briefs in IP litigation, particularly where the court consists of a panel of non-specialists [of which the Court of Justice of the European Union, Merpel notes without any disrespect, is the paradigm]. In particular, where a panel of non-specialists is required to give a ruling which may have far-reaching consequences, it may be good for its members to know the consequences of their decision. While the European Commission and Member States often make submissions to the Court, this may not entirely cover the range of issues that an amicus brief might raise. This Kat ventures to suggest that amicus briefs should be welcome in Europe, but on the following terms: (i) they should be introduced as early as possible in the proceedings, so that they can be studied carefully and, if necessary, made the subject of amicus briefs to contrary effect; (ii) to the extent that they purport to speak on behalf of the public at large or a general public interest, they should be made fully available to the public and (iii) as a matter of common sense rather than legal policy they should be deployed as sparingly as possible since, the fewer they are in number, the greater is likely to be their individual impact: the judges already have enough to read and should not be unnecessarily burdened.' On the positive impact of amici curiae on the development of IP case law in Brazil, see Barbosa and Barbosa, 'Specialised Intellectual Property Courts in Brazil'; in this respect, it can be noted that scholars discussing the pros and cons of the UPC have advocated for an increased dialogue of the UPC with interested third parties beyond patent circles, see Schovsbo, Riis and Petersen, 'The Unified Patent Court: Pros and Cons of Specialization' (at 274: 'the UPC should find ways to engage in a dialogue with interested circles and not just patent specialists').

by publishing the decisions rendered in IP cases,[150] and by making available databases of IP cases,[151] thereby increasing the transparency of the IP litigation system in the relevant country[152] and making these useful resources available to interested parties (including foreign courts and judges).[153] What should also be promoted are international exchanges between judges and courts dealing with IP cases. International organisations[154] have led initiatives and projects for the purpose of building and sharing expertise. These efforts have resulted in constructive opportunities for mutually enriching and stimulating exchanges. Fostering such dialogues appears essential, given that many IP issues, particularly internet-related IP matters, are global in nature even though they remain largely governed by local rules. These activities and efforts must be pursued and encouraged and should help identify the platforms and methods that maximise the attractiveness and use of capacity-building opportunities that will be made available to IP judges around the world.

Taking into account the entire IP ecosystem implies a careful analysis of the respective missions of all relevant institutions that play a role in the IP environment. In particular, this implies an identification of the processes by which IP rights are granted in the relevant jurisdiction, given that the need for specialised IP courts may increase if the relevant IP rights have been previously granted without a complete examination of their validity at the time of registration. An assessment of the entire IP ecosystem is critical because the efficiency of IP dispute resolution mechanisms in any given jurisdiction not only depends on the judiciary, but also on other players, specifically lawyers who plead before such courts.[155] The issue to consider is thus whether, as is done in certain countries, there is a need to create and request special professional (continuing) education for lawyers practising in certain legal areas[156] (including intellectual property law).

---

150 Subject to the protection of the legitimate interests of the parties, specifically in trade secrets misappropriation cases.

151 See the WIPO project listing 'Internet Sources for Intellectual Property Case Law', at http://www.wipo.int/enforcement/en/case_law.html.

152 Art. 63 para. 1 TRIPS requires in any case that 'final judicial decisions and administrative rulings of general application, made effective by a Member pertaining to the subject matter of this Agreement (the availability, scope, acquisition, enforcement and prevention of the abuse of intellectual property rights) shall be published, or where such publication is not practicable made publicly available, in a national language, in such a manner as to enable governments and right holders to become acquainted with them'; it is surprising that this requirement of transparency and of publication of decisions is made in the interest of 'governments and right holders', given that transparency also serves the interests of third parties and of society at large, which have a strong interest in knowing the existence and the the limits of protection of IP rights which have been litigated; reference can be made in this respect to the major Japanese 'Transparency of Japanese Law Project' which covered many different legal fields, including intellectual property law, for which the relevant Japanese sources were presented in the English language; on this project, see Toshiyuki Kono, *The 'Transparency' Project: Its Achievements, and Some Cross-Cutting Issues* (11 Jan. 2012), at http://ssrn.com/abstract=1983591; see also the publication policy of the Swiss Federal Patent Court (as set forth in the Information Regulations of the Federal Patent Court, at http://www.patentgericht.ch/fileadmin/web-dateien/014.222_Informationsreglement_fuer_das_Bundespatentgericht_EN_per_121212.pdf) which aims at 'an open and transparent information policy' (Art. 2 para. 1) and which provides that the 'Federal Patent Court shall publish its final decisions on the Internet ten days upon dispatching same to the parties to the proceeding' (Art. 3 para. 1).

153 See Štrba, 'Specialised Intellectual Property Courts in Africa: The Case of Uganda', in Part Two, identifying 'access to jurisprudence and other reference materials' as a requirement for the efficient functioning of the courts having to decide intellectual property disputes.

154 For example: WIPO, WTO and the United Nations Conference on Trade and Development (UNCTAD).

155 Harms, 'The Role of the Judiciary in Enforcement of Intellectual Property Rights', p. 9: 'any advantage gained by having expert judges is often diluted when lawyers without a smattering of IP knowledge try their hand at an IP case'.

156 This is the case in Germany for specialised lawyers ('Fachanwälte'), for industrial property rights ('gewerblicher Rechtsschutz') and for copyright and media law ('Urheber- und Medienrecht'), see Fachanwaltsordnung of the German federal association of lawyers (Bundesrechtsanwaltskammer) in its version of 1.11.2012, at http://www.brak.de/w/files/02_fuer_anwaelte/berufsrecht/fao-stand-01.11.12.pdf.

The need to adopt a broader perspective is also reflected by the measures that an IP owner can exercise before formally lodging a case with a court, in order to avoid unjustified threats of IP infringement actions.[157] On this basis, an efficient IP dispute resolution ecosystem should also seek to eliminate vexatious IP infringement actions against innocent third parties. Such a practice helps ensure that courts are not unnecessarily burdened by meritless claims and can remain available to litigants entangled in non-frivolous IP disputes.[158]

In sum, the balance of competing interests, which is at the core of the substantive IP system, should also be implemented in the mechanisms by which IP disputes are solved. This will ensure that all interests are duly considered in an equitable manner. Any decision to establish specialised IP courts should consequently reflect this balance and be taken on the basis of a thorough analysis in the light of the situation prevailing in the relevant jurisdiction.

157 By way of example, the UK Law Commission conducted a consultation and published a report on the topic *Patents, Trade Marks and Design Rights: Groundless Threats*, LAW COM No. 346, Cm 8851, Apr. 2014 (http://www.lawcom.gov.uk/wp-content/uploads/2015/03/lc346_patents_groundless_threats.pdf); in its response to the Law Commission's report on 26 Feb. 2015, the government accepted the Law Commission's conclusion that the threats provisions should be retained but with some reforms, see https://www.gov.uk/government/publications/government-response-to-law-commissions-groundless-threats-report.

158 Without of course unduly restricting the legitimate right to access justice and without implying either that IP disputes the financial value of which would be low shall be considered as frivolous or meritless.