



EUROPEAN COMMUNITIES (ISLE OF MAN) ACT 1973

**GOODS INFRINGING INTELLECTUAL PROPERTY RIGHTS
(CUSTOMS) (ISLE OF MAN) REGULATIONS 2005**

Laid before Tynwald.....19th April 2005

Coming into operation in accordance with Article 1

In exercise of the powers conferred on the Council of Ministers by Section 2B of the European Communities (Isle of Man) Act 1973^(a), and of all other powers enabling it in that behalf, for the purpose of implementing Council Regulation (EC) No 1383/2003 of 22 July 2003 concerning customs action against goods suspected of infringing certain intellectual property rights and the measures to be taken against goods found to have infringed such rights, the following Regulations are hereby made:-

Citation and commencement

1. These Regulations may be cited as the Goods Infringing Intellectual Property Rights (Customs) (Isle of Man) Regulations 2004, and shall come into operation on the day on which they are made.

Interpretation

2. - (1) In these Regulations –

“**the 1986 Act**” means the Customs and Excise Management Act 1986^(b);

“**application**” means an application under Article 5 of the Council Regulation;

“**Community design**” has the meaning given in Article 1(1) of Council Regulation (EC) No 6/2002 on Community designs^(c);

“**Community plant variety right**” has the meaning given in Article 2(1)(c)(iii) of the Council Regulation;

“**the Council Regulation**” means Council Regulation (EC) No 1383/2003 concerning customs action against goods suspected of infringing certain intellectual property rights and the measures to be taken against goods found to have infringed such rights^(d);

“**the customs and excise Acts**” has the meaning given in section 184 (1) of the 1986 Act;

“**decision**” means a decision granting an application in accordance with Article 8 of the Council Regulation;

“**declarant**” has the meaning given in Article 4(18) of Council Regulation (EEC) No 2913/1992 establishing the Community Customs Code^(e);

(a) 1973 c.14

(b) 1986 c.34

(c) OJ L 3, 5.1.2002, p.1

(d) OJ L 196, 2.8.2003, p.7

(e) OJ L 302, 19.10.1992, p.1

“**design right**” has the meaning given in section 1 of the Design Rights Act 1991^(f);

“**designation of origin**” has the same meaning as in Article 2(1)(c)(iv) of the Council Regulation;

“**EEA state**” means a state which is a contracting party to the EEA Agreement, namely the Agreement on the European Economic Area signed at Oporto on 2nd May 1992, as adjusted by the Protocol signed at Brussels on 17th March 1993;

“**European patent (UK)**” has the meaning given in section 130(1) of the Patents Act;

“**geographical designation**” has the same meaning as in Article 2(1)(c)(v) of the Council Regulation;

“**geographical indication**” has the same meaning as in Article 2(1)(c)(iv) of the Council Regulation;

“**goods infringing an intellectual property right**” has the meaning given in Article 2(1) of the Council Regulation and related expressions shall be construed accordingly;

“**patent**” means a patent under the Patents Act, or a European patent (UK) which is treated for the purposes of Parts 1 and 3 of the Patents Act as if it were a patent under that Act;

“**the Patents Act**” means the Patents Act 1977^(g) (an Act of Parliament), as it has effect in the Island;

“**plant breeders’ right**” means a right of the kind provided for in Part 1 of the Plant Varieties and Seeds Act 1964^(h) (an Act of Parliament), as it has effect in the Island;

“**registered design**” shall be construed in accordance with the Registered Designs Act 1949⁽ⁱ⁾ (an Act of Parliament), as it has effect in the Island;

“**right-holder**” has the meaning given in Article 2(2) of the Council Regulation;

“**supplementary protection certificate**” has the same meaning as in Article 2(1)(c)(ii) of the Council Regulation;

“**working days**” has the meaning given in Article 3(1) of Council Regulation (EEC, Euratom) No 1182/1971 determining the rules applicable to periods, dates and time limits^(j).

(2) In these Regulations, “**publication rights**” has the following meaning -

- (a) A person who after the expiry of copyright protection, publishes for the first time a previously unpublished work has, in accordance with the following provisions, a property right (“publication right”) equivalent to copyright.
- (b) For this purpose publication includes any communication to the public, in particular—
 - (i) the issue of copies to the public;
 - (ii) making the work available by means of an electronic retrieval system;
 - (iii) the rental or lending of copies of the work to the public;
 - (iv) the performance, exhibition or showing of the work in public; or

(f) 1991 c.9

(g) 1977 c.37 (of Parliament)

(h) 1964 c.14 (of Parliament)

(i) 1949 c.88 (of Parliament)

(j) OJ Series-I 71(II) p. 311 English special edition

- (v) broadcasting the work or including it in a cable programme service.
- (c) No account shall be taken for this purpose of any unauthorised act. In relation to a time when there is no copyright in the work, an unauthorised act means an act done without the consent of the owner of the physical medium in which the work is embodied or on which it is recorded.
- (d) A work qualifies for publication right protection only if—
 - (i) first publication is in the European Economic Area, and
 - (ii) the publisher of the work is at the time of first publication a national of an EEA state, and where two or more persons jointly publish the work, it is sufficient for these purposes if any of them is a national of an EEA state.
- (e) No publication right arises from the publication of a work in which Crown copyright or Tynwald copyright subsisted.
- (f) Publication right expires at the end of the period of 25 years from the end of the calendar year in which the work was first published.
- (g) A “work” means a literary, dramatic, musical or artistic work or a film.

(3) For the purposes of these Regulations, any reference in the Council Regulation to “copyright or related right” is to be construed as a reference to “copyright, rights in performances, publication rights or database rights”.

(4) These Regulations shall apply to goods which fall to be treated by virtue of Article 2(3) of the Council Regulation as being goods infringing an intellectual property right; but these Regulations shall not apply to any goods in relation to which the Council Regulation does not apply by virtue of Article 3(1) thereof.

Infringing goods liable to forfeiture

3. Subject to paragraph (2) of regulation 4, goods infringing an intellectual property right which correspond to the description of goods contained in a decision shall, during the period specified in the decision, be liable to forfeiture in any of the situations mentioned in Article 1(1) of the Council Regulation.

Application for action

4. - (1) If, in the course of checks carried out in relation to goods in one of the situations referred to in Article 1(1) of the Council Regulation, and before an application has been lodged by a right-holder or, if lodged, before it has been granted, the Treasury has sufficient grounds for suspecting that goods infringe an intellectual property right, the Treasury may, in accordance with Article 4 of the Council Regulation -

- (a) notify a right-holder of the nature of the items and of the actual or supposed number of items and ask a right-holder to provide any information it may need to confirm its suspicions;
- (b) notify a right-holder and a declarant of the possible infringement of the right;
- (c) suspend the release of, or detain, those goods; and

- (d) if it does so suspend or detain, invite the right-holder, in the absence of an existing application, to make an application within three working days of the notification of the suspension or detention.

(2) If at any time during the period of suspension or detention under paragraph (1) an application is granted covering the goods, the decision shall, for the purposes of regulation 3, be taken to have applied at the time the goods entered any of the situations mentioned in Article 1(1) of the Council Regulation.

Decision to cease to have effect

5. A decision shall have no further effect where –

- (a) any change, following the making of the application, which takes place in the ownership or authorised use of the intellectual property right specified in the application, is not communicated in writing to the Treasury; or
- (b) the intellectual property right specified in the application expires.

Samples of goods

6. When examining goods in accordance with Article 9(3) of the Council Regulation the Treasury may make samples of the goods available to the right-holder at his request for the purposes of analysis and of facilitating subsequent procedures under the Council Regulation or these Regulations.

Detention, seizure, condemnation and forfeiture

7. - (1) Subject to regulation 8, section 146 of, and Schedule 3 to, the 1986 Act (provisions as to detention, seizure and condemnation of goods, etc; forfeiture) shall apply in respect of any goods liable to forfeiture by virtue of regulation 3 as they apply in respect of goods liable to forfeiture under the customs and excise Acts; and, accordingly –

- (a) section 151 of the 1986 Act (protection of officers, etc in relation to seizure and detention of goods, etc) shall apply in respect of seizure or detention effected by virtue of this regulation; and
- (b) sections 152, 153 and 159 to 162 of the 1986 Act (general provisions as to legal proceedings) shall apply in respect of condemnation proceedings brought by virtue of this regulation.

(2) Where in any condemnation proceedings brought by virtue of paragraph (1) any question arises as to whether or not any goods are or were liable to forfeiture under regulation 3, the burden of proof shall lie upon the party alleging that they are not, or were not, so liable.

Detention and seizure of goods infringing specified intellectual property rights

8. - (1) Regulation 7 shall not apply in relation to goods as regards which the decision specifies as subsisting in those goods any one or more of the following intellectual property rights (whether or not they also appear to infringe any other intellectual property right) –

- (a) a patent;
- (b) a supplementary protection certificate;
- (c) a registered design;

- (d) a design right;
- (e) a Community design;
- (f) a plant breeders' right;
- (g) a Community plant variety right;
- (h) a designation of origin;
- (i) a geographical indication; or
- (j) a geographical designation.

(2) A right-holder may, within 10 working days of his having been notified by the Treasury of the suspension of release of such goods, or of such goods being detained, give notice in writing to the Treasury waiving, for the purpose of both the Council Regulation and these Regulations, any intellectual property right of his in the goods, being a right mentioned in sub-paragraphs (a) to (j) in paragraph (1).

(3) The period referred to in paragraph (2) shall be 3 working days in cases where the Treasury has suspended the release of, or detained, perishable goods.

(4) Where notice has been given in accordance with paragraph (2) –

- (a) any right so waived shall be disregarded, as regards that right-holder, in determining whether the goods fall within paragraph (1); and
- (b) the goods shall be treated for the purposes of these Regulations as if that person did not have the right concerned in those goods.

(5) The following provisions of the 1986 Act shall apply to any goods falling within paragraph (1) as they apply in respect of goods liable to forfeiture under the customs and excise Acts –

- (a) section 146, except subsections (5) and (6) (things seized or detained to be dealt with or disposed of as Treasury directs; Schedule 3 to have effect); and
- (b) section 151.

(6) Anything seized or detained by virtue of this regulation shall be dealt with in such manner as the Treasury may direct; but this paragraph shall apply subject to section 146(3) and (4) of the 1986 Act (detention or seizure by a constable; things retained in the custody of the police) in the cases there mentioned.

Initiation of proceedings

9. - (1) In the case of goods falling within paragraph (1) of regulation 8, the commencement of the proceedings described in paragraph (2) below, and only such proceedings, shall constitute the initiation of proceedings to determine whether an intellectual property right has been infringed for the purposes of the Council Regulation.

(2) The proceedings mentioned in paragraph (1) above are proceedings commenced in the High Court by a right-holder alleging that the goods infringe an intellectual property right of his and seeking relief which that court has the power to grant after a finding of such infringement.

(3) Without prejudice to any provision of the Council Regulation, the suspension of the release of the goods, or their detention, shall cease if at any time the Treasury -

- (a) is not satisfied, or cease to be satisfied, that the proceedings described in paragraph (2) have been commenced; or
- (b) is satisfied that such proceedings have been withdrawn or otherwise terminated without other such proceedings having been commenced.

(4) For the purposes of this regulation proceedings shall not be taken to have been commenced before the statement of claim has been served on the other party or, if more than one, all the other parties to the proceedings, in accordance with the rules of court.

Relationship with other powers

10. Nothing in these Regulations shall be taken to affect –

- (a) any power of the Treasury or officer of Customs and Excise authorised by the Treasury conferred otherwise than by any provision of these Regulations to suspend the release of, or detain, any goods; or
- (b) the power of any court to grant any relief, including any power to make an order by way of interim relief.

Misuse of information by a right-holder

11. - (1) Where the Treasury has reasonable grounds for believing that there has been a misuse of information by a right-holder the Treasury may suspend the decision in force at the time of the misuse of information, in relation to a relevant intellectual property right, for the remainder of its period of validity.

(2) Where the Treasury has reasonable grounds for believing that there has been a further misuse of information within three years of a previous misuse of information by that right-holder the Treasury may –

- (a) suspend the decision in force at the time of the further misuse of information, in relation to a relevant intellectual property right, for the remainder of its period of validity; and
- (b) for a period of up to one year from its expiry, refuse to renew the decision in force at the time of the further misuse of information, or to accept a new application, in relation to a relevant intellectual property right.

(3) In this regulation –

- (a) “misuse of information” means the use of information supplied to a right-holder pursuant to the first sub-paragraph of Article 9(3) of the Council Regulation other than for the purposes specified in Articles 10, 11 and 13(1) of the Council Regulation, or pursuant to an enactment or order of a court, and related expressions shall be construed accordingly;
- (b) “relevant intellectual property right” means any intellectual property right in relation to a suspected infringement of which information was supplied to a right-holder pursuant to the first sub-paragraph of Article 9(3) of the Council Regulation, and in relation to which the Treasury has reasonable grounds for believing that there has been a misuse of that information.

Amendment of the Copyright Act 1991

12. After section 110(5) of the Copyright Act 1991^(k) add –

“(6) This section does not apply to goods placed in, or expected to be placed in, one of the situations referred to in Article 1(1), in respect of which an application may be made under Article 5(1), of Council Regulation (EC) No 1383/2003 concerning customs action against goods suspected of infringing certain intellectual property rights and the measures to be taken against goods found to have infringed such rights.”.

Amendment of the Trade Marks Act 1994

13. For subsection (3) of section 89 of the Trade Marks Act 1994^(l) as it applies in the Island, there shall be substituted –

“(3) This section does not apply to goods placed in, or expected to be placed in, one of the situations referred to in Article 1(1), in respect of which an application may be made under Article 5(1), of Council Regulation (EC) No 1383/2003 concerning customs action against goods suspected of infringing certain intellectual property rights and the measures to be taken against goods found to have infringed such rights.”

Made

16th March

2005

Mary Williams

Chief Secretary

(k) 1991 c.8

(l) 1994 c.26 (of Parliament)

EXPLANATORY NOTE

(This note is not part of the Regulations)

Section 2B of the European Communities (Isle of Man) Act 1973 provides that the Council of Ministers may by regulations make such provision as appears to it to be necessary for the purpose of implementing any Community obligation of the Island, or enabling any such obligation to be implemented, or of enabling any rights enjoyed or to be enjoyed by the Island under or by virtue of the Treaties to be exercised.

Section 2B(7)(a) of the 1973 Act provides that any Community rule which deals with or relates (directly or indirectly) to customs matters shall be deemed to create a Community obligation of the Island.

These Regulations are made to implement the Island's Community obligations created by *Council Regulation (EC) No 1383/2003 of 22 July 2003 concerning customs action against goods suspected of infringing certain intellectual property rights and the measures to be taken against goods found to have infringed such rights*.

These Regulations also implement any parts of EC Regulation 1383/2003 which might not be directly applicable to the Island, applied as modified by an Order (SD 182/05) made under Section 2A of the 1973 Act.

Regulation 3 describes the circumstances under which goods that infringe intellectual property rights shall be liable to forfeiture.

Regulation 4 concerns the actions that Treasury may take when it is suspected goods infringe intellectual property rights.

Regulation 5 concerns the circumstances under which a decision by Treasury concerning an application by the right holder shall cease to have effect.

Regulation 6 provides that Treasury may provide samples of any suspect goods, upon request, to the right holder for inspection.

Regulation 7 concerns the detention, seizure, condemnation and forfeiture of goods that are found to infringe an intellectual property right.

Regulation 8 concerns the detention and seizure of goods that infringe specific intellectual property rights and to which the provisions of Regulation 7 do not apply.

Regulation 9 concerns the initiation of proceedings in the High Court by a right-holder alleging that goods infringe an intellectual property right and seeking relief, and actions of Treasury where such proceedings are not commenced or are withdrawn or terminated.

Regulation 10 describes the relationship of these Regulations with other powers.

Regulation 11 covers the circumstances where it is believed that the right holder has misused any information that they may have supplied with concerning the consignee, consignor, declarant or holder of the suspect goods, or on the origin and provenance of suspect goods.