

**Third Meeting of the Special Commission
 on the Recognition and Enforcement of Foreign Judgments
 13-17 November 2017**

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Title	International Trademark Association (INTA) Board Resolution on the Hague Convention on Recognition and Enforcement of Judgments, dated 12 September 2017 – <i>available in English only</i>	
Author	International Trademark Association (INTA)	
Agenda item		
Mandate(s)		
Objective		
Action to be taken	For Approval <input type="checkbox"/> For Decision <input type="checkbox"/> For Information <input checked="" type="checkbox"/>	
Annexes	N/A	
Related documents		

Board Resolution

Hague Convention on Recognition and Enforcement of Judgments

September 12, 2017

Sponsoring Committee: General Trademark Enforcement Matters Subcommittee of the Enforcement Committee

RESOLUTION:

WHEREAS, the Hague Conference on Private International Law (“HCCH”) has recognized that dissolving borders create a need for regulations on the international jurisdiction of courts and the recognition and enforcement and the first attempt at creating a treaty to facilitate cross-border cooperation led to the 2005 enactment of the Choice of Courts Convention;

WHEREAS, in 2004 INTA adopted a resolution supporting the Hague Choice of Courts Convention subject to its incorporation of provisions that exclude from enforcement any judgments resulting from proceedings that have as an object a determination of trademark validity, but may include proceedings in which trademark validity arises as an incidental question, provided that incidental question determinations are not enforceable under the Convention;

WHEREAS, the HCCH is leading a new effort to develop a Convention on the Recognition and Enforcement of Judgments (“Convention”) resulting in the publication of a first draft in April 2016;

WHEREAS, the draft Convention is intended to apply to Intellectual Property judgments, including judgments in trademark matters, and would enable IP right owners to enforce judgments against infringers across borders under certain circumstances;

WHEREAS, such cross-border enforcement would allow brand owners to follow the infringer to a place of business or location of assets and enforce compliance with injunctions;

WHEREAS, the application and the extent of the draft Convention’s effect on IP judgments is controversial, with several issues remaining unresolved;

WHEREAS, the Convention is drafted to apply to trademark judgments including the actionable parts of injunctions without undermining the territorial nature of trademarks and judgments ruling on the validity of trademarks, as well as the fundamental principles of trademark law, and such application would benefit brand owners in opposing trademark infringement.

BE IT RESOLVED, that INTA supports in principle the conclusion of a Convention on the Recognition and Enforcement of Judgments that applies to registered and unregistered trademark rights, and allows for trademark judgments to be recognized and enforced across borders.

BE IT FURTHER RESOLVED, that any final Convention must contain provisions ensuring the maintenance, protection and respect of the sovereignty of the ruling courts and the principle of territoriality of trademark rights and trademark judgments, particularly with regard to judgments ruling on the validity of trademarks.

BACKGROUND:

After the successful enactment of the Hague Choice of Courts Convention in 2005, which was supported by INTA as declared in its Board Resolution of 2004, the HCCH is presently developing a Convention for the Recognition and Enforcement of Judgments. The intention behind this Treaty is to enable plaintiffs who were granted a favorable judgment in one jurisdiction to obtain recognition of the judgment and enforcement of its actionable parts in a different jurisdiction without the at times lengthy, costly and complicated procedures of cross-border enforcement presently in force.

The HCCH's designated Working Group prepared a first draft Convention text which was published in April 2016. This draft is presently being discussed and processed among the potential Contracting States' Delegates, Observers such as INTA and other stakeholders. The first active discussions about the draft Convention took place during the Special Commission meetings in June of 2016 and February 2017 in The Hague, and the amendments agreed on by the assembly were entered into the draft text as red-line version. Since the first Special Committee meeting uncovered that there was considerable confusion about the application of the Convention to IP matters, a Special IP Working Group was created to enable Delegates to address their countries' concerns with IP experts. INTA actively participated in these discussions.

Most of the controversy circles around concerns for the maintenance and protection of the principle of territoriality of trademark rights. The most recent discussions with the IP experts of the Special Working Group highlighted that the draft Convention contains several provisions that ensure the observation of this principle, particularly with regard to judgments on the validity of trademark rights, to which the Convention is designed to apply only within very restrictive limits. The application of the Convention to trademark judgments is based on the general principle that the requested court will treat the foreign judgment as a national judgment, thereby respecting and maintaining the court of origin's sovereignty in its decision, and will grant any measures as available under its local laws to ensure the enforcement of the actionable non-territorial rulings.

Apart from the provisions protecting the principles of territoriality and sovereignty specific to Intellectual Property Rights, the Convention also contains the ultimate safeguard of refusal of recognition and enforcement of a judgment due to conflicts with the general standards of legality and public policy of the requested State.

The Subcommittee is aware of and has discussed the fact that judgments may originate from countries with lesser standards of judicial integrity and therefore be obtained under questionable circumstances. However, it is the Subcommittee's position that the safeguards as provided in the Convention and in general international law statutes allow for sufficient judicial discretion, and that the benefits arising out of the application of this Treaty far outweigh potential risks. The same applies for the possibility that the Convention may be used against brand owners but again, the draft includes provisions which ensure the protection of defendant's rights.

While details of the application of the Convention to Intellectual Property Rights are still being discussed among the Delegates and INTA will continue to closely monitor the process, the objective of the Convention is to provide an important tool in the fight against globalized trademark infringement which will enable brand owners to follow the infringer's assets across borders. It is INTA's position that this general objective is beneficial to our members and should therefore be supported even if some of the specifics still require refining. Advocating for this treaty is an active implementation of INTA's strategic mission of advancing trademark protection to benefit brand owners.