

**Discussion Draft of
Provisions for Non-exclusive Jurisdiction in Patent and Trademark Cases**

Explanatory Note:

This arrangement changes the October 1999 Draft by making actions based on industrial property rights simple required basis jurisdiction provisions, rather than exclusive jurisdiction provisions. It then coordinates Articles 21, 22 and 28, to give preference to suit at in the state of registration (or of creation of unregistered trademark rights), by (1) not requiring lis pendens deference to a court other than one in the state of registration under Article 21; (2) allowing the question of state of registration to be considered in declining jurisdiction under Article 22, and (3) allowing a court to refuse recognition and enforcement of a judgment on industrial property right issues emanating from a court other than in the state of registration.

Thus, as is the case under the status quo, suit may be brought in such cases on other bases of jurisdiction (even though it may seldom occur), but judgments based on Article 12 (*i.e.*, from a court in the state of registration) will receive the full benefits of recognition and enforcement under the Convention.

The benefits of this approach are (1) a retention of the status quo in regard to the cases in question, and (2) avoidance some of the difficult drafting problems that can arise from creating exclusive jurisdiction, and (2) avoidance of the problem of limiting the ability of courts to solve inter partes disputes when to do so is appropriate.

The impact of this approach would be to lessen the “white list” effect of other jurisdictional bases in industrial property right cases, through the effect of the additions to Articles 21, 22 and 28. This would leave Article 12 as the sole, “true white list” basis for industrial property rights cases to which they apply.

The Language:

Article 12 ***Intellectual Property Rights***

1. In proceedings concerning the grant, revocation, validity, invalidity, enforceability, unenforceability, or infringement of a patent, the courts of the Contracting State in which, or for which, the patent was granted shall have jurisdiction.

2. In proceedings concerning the infringement, validity, abandonment, nullity, cancellation, or revocation of a registered trademark or a mark for which an application for registration has been filed, the courts of the Contracting State in which, or for which, the trademark was registered, or the application has been filed, shall have jurisdiction. In proceedings concerning the infringement, validity, abandonment, nullity, cancellation, or revocation of an unregistered trademark, the courts of the Contracting State in which rights in the trademark arose shall have jurisdiction.

NOTE: This language is based on that produced in Edinburgh. We should consider whether to combine these two provisions if there is not going to be exclusive jurisdiction. Doing so would allow easier inclusion of “design or similar right,” as dealt with in Articles 21 and 22.

Article 21 ***Lis pendens***

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7. If the action before the court first seised involves a claim requiring the determination of rights related to the registration, validity, nullity, revocation or infringement in the State addressed of a patent, trademark, design or similar right which is registered or otherwise arises by operation of law in another Contracting State,

a) the provisions of paragraphs 1 to 5 above shall not apply to the court second seised, and

b) the court first seised shall suspend the proceedings at the request of a party if that party has taken steps to seise a court in the State of registration or other such right in the same matter, and the second court is expected to render a decision capable of being recognised under the Convention.

7: 8. This Article shall not apply (no change in language, only in the numbering).

Article 22 *Exceptional circumstances for declining jurisdiction*

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2. The court shall take into account, in particular –

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e) the likelihood that a claim requires the determination of rights related to the registration, validity, nullity, revocation or infringement in the State addressed of a patent, trademark, design or similar right which is registered or otherwise arises by operation of law in another Contracting State.

Article 28 *Grounds for refusal of recognition or enforcement*

1. Recognition or enforcement of a judgment may be refused if –

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(g) the judgment required the determination of rights related to the registration, validity, nullity, revocation or infringement in the State addressed of a patent, trademark, design or similar right which is registered or otherwise arises by operation of law in the State addressed.