

ENFORCEMENT OF INTELLECTUAL PROPERTY RIGHTS AROUND THE WORLD

Legislation, Case law and Commentaries

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Introduction

Belgium has observed high standards for the protection of Intellectual Property (IP) rights since well before the implementation of Directive 2004/48/EC of 29 April 2004 on the Enforcement of Intellectual Property Rights (Enforcement Directive)¹. Belgian law already provided for many of the measures, procedures and remedies required by the Enforcement Directive, such as those relating to evidence, precautionary measures and injunctions, counterfeit seizure and corrective measures. As a result, IP protection and enforcement in Belgium has sometimes been recognised as a 'best practice' for the Enforcement Directive's adoption. The implementation of the Directive did, however, provide for additional IP protection measures and further refined and harmonised enforcement measures, procedures and remedies across the different IP rights.

The harmonisation of the available measures, procedures and remedies was one of the most important changes that followed the implementation of the Enforcement Directive. As a result, the same measures are now generally available to holders of all IP rights. This includes trademarks and designs rights, which are governed at the level of the Benelux on the basis of a Convention with the Netherlands and Luxembourg. This Convention was also amended to implement the necessary provisions for the protection and enforcement of Benelux trademarks and designs. The Belgian legislator later consolidated the harmonised IP laws into a single IP code to provide further protection and transparency to IP rightsholders. As a result, rightsholders can rely upon several distinct measures and procedures to protect and to enforce their different IP rights in Belgium in accordance with the provisions of the Enforcement Directive.

The different IP rights that are recognised and protected in Belgium are: patents, supplementary protection certificates, plant variety rights, copyright and related rights, database producers' rights, rights to topographies of semiconductors, trademark rights and design rights. The last two, trademarks and designs, are governed on a Benelux or EU level. Specific protection is also provided to domain names and trade secrets, although they are not considered IP rights.

I. National Law Implementing the Directive

A. Primary and Secondary Law

Due to constitutional restrictions concerning the legislative process for civil and judicial legislation, two separate acts were necessary to transpose the Enforcement Directive into Belgian legislation, namely:

- the Act of 9 May 2007 on the Civil Law Aspects of the Protection of Intellectual Property Law² which aimed to transpose the Directive by amending the different national acts on IP rights, including the Copyright Act, the Database Act, the Software Act, The Act on Legal Protection for the Topographies of Semiconductors, the Act on Commercial Practices, the Patent Act and the Plant Variety Rights Act. Provisions regarding trademark and design rights were not implemented on a national level, as they are governed on a

¹ Directive 2004/48/EC of the European Parliament and of the Council of 29 April 2004 on the Enforcement of Intellectual Property Rights, 29 April 2004, *OJ L 195*, 16 (hereinafter - Enforcement Directive).

² Act of 9 May 2007 on the Civil Law Aspects of the Protection of Intellectual Property Law, 9 May 2007, *BS 25704 10 May 2007, err. 15 May 2007*.

Benelux level by virtue of the Benelux Convention on Intellectual Property (BCIP). This Convention was previously amended in December 2006 to comply with the Enforcement Directive's implementation obligations.³

- the Act of 10 May 2007 on the Procedural Aspects of the Protection of Intellectual Property Law⁴ which amended the Belgian Judicial Code (Judicial Code) (i) to implement the provisions of the Enforcement Directive, and (ii) to make enforcement measures, procedures and remedies applicable to all IP rights.

The implementation acts principally amended several provisions on measures, procedures and remedies which were already incorporated in Belgian legislation, but which needed to be adjusted to the conditions provided in the Enforcement Directive. Other measures, procedures or remedies were also already laid down in Belgian law, but only applied to a limited number of IP rights. Because this did not correspond to the Enforcement Directive's horizontal approach, the implementation acts had to amend the different IP acts in order for the measures, procedures and remedies to be applicable to all IP rights. This was, for example, the case for the counterfeit seizure procedure, which was only available for holders of patent rights, plant variety rights and copyright and related rights. Finally, the implementing acts also introduced certain measures, procedures and remedies that were not present in Belgian law, such as the right of information, specific recovery measures, the precautionary seizure of movable and immovable property and certain corrective measures.

With the Act of 19 April 2014, the different Belgian IP acts were consolidated into a single IP code, within Book XI 'Intellectual Property' of the Belgian Code of Economic Law (CEL) (hereafter Book XI CEL).⁵ Consequently, the different provisions regarding the measures, procedures and remedies for the enforcement of the different IP rights are generally laid down in Book XI CEL. In particular, Title 9 of Book XI CEL, entitled 'Civil aspects of the protection of intellectual property rights', specifically implements the Enforcement Directive's provisions. It provides for injunctions, corrective measures, the right of information, the publication of the judicial decision, the quantification of damages available to the holders of all IP rights governed by Book XI CEL, as well as conditions regarding the application of technical circumvention measures in relation to copyright, related rights and data producers' rights. Additionally, relevant procedural provisions, such as those regarding the right of information, injunctions or preliminary measures, can also be found in Book XV 'Legal Enforcement' CEL, Book XVII 'Special Procedures' CEL and in the Belgian Procedural Code.

B. Transposition issues

Although the Enforcement Directive's implementation deadline was set on 29 April 2006, Belgian draft legislation for the implementation of the Enforcement Directive was only put forward on 2 February 2007.⁶ With the Acts of 9 and 10 May 2007, Belgium consequently exceeded the implementation deadline by more than a year. For this, the European Commission notified

³ Decision of the Committee of Ministers of the Benelux Economic Union on the Amendment of the Benelux Convention on Intellectual Property, *Benelux Committee of Ministers*, 1 December 2006.

⁴ Act of 10 May 2007 on the Procedural Aspects of the Protection of Intellectual Property Law, 10 May 2007, *BS 25694 10 May 2007*, *err. 14 May 2007*.

⁵ Act of 19 April 2014 on the Insertion of Book XI "Intellectual Property" in the Code of Economic Law, and on the Incorporation of Provisions Specific to Book XI in Books I, XV and XVII of the same Code, 19 April 2014, *BS 60 12 June 2014*.

⁶ Draft Bill on Civil Law Aspects of the Protection of Intellectual Property Rights, Chamber of Representatives, *Parliamentary Document 51 2943/001*, 51-2944, 26 February 2007; Draft Bill on Procedural Aspects of the Protection of Intellectual Property Rights, Chamber of Representatives, *Parliamentary Document 51 2944/001*, 51-2944, 26 February 2007.

Belgium, together with 19 other Member States, regarding its infringement of non-communication of the implementation.⁷ Belgium, unlike Germany, Sweden and Luxembourg, succeeded in resolving the implementation issues before reaching the stage of referral to the Court of Justice of the European Union (CJEU).

Prior to the implementation deadline, Belgium had already provided for most of the enforcement measures, procedures and remedies required by the Enforcement Directive. However, many provisions still needed to be adjusted. In this respect, the most important amendments dealt with the quantification of damages, the application of additional recovery measures, the implementation of the right of information and the interpretation of injunctions.⁸ In the proposal for the Enforcement Directive, The European Commission sometimes recognised Belgian legislation on the protection of IP rights as a best practice for drafting new provisions.⁹ Accordingly, Belgian law already satisfied many of the high standards that the Enforcement Directive sought to achieve. The implementing Acts did, however, provide for additional IP protection measures, and for further refinement and harmonisation of enforcement measures, procedures and remedies across the different IP rights.

As mentioned above, the Belgian legislator needed two separate acts to transpose the Enforcement Directive. This was due to the constitutional difference in legislative adoption procedures for legislative matters relating to civil law and matters relating to judicial law and organisation. However, both implementing acts must be considered as coherent legislation. The segmentation of the different IP rights in different acts has presented difficulties with regard to transparency and potential discrimination. This has resulted in the Enforcement Directive's complicated and fragmented implementation. The Belgian legislator has properly addressed and resolved these issues by consolidating the different IP acts in the CEL.

C. Assessment reports on the implementation

Article 18(1) of the Enforcement Directive required that Member States submit an assessment report on the Directive's implementation in their respective country to the Commission by 29 April 2009. The reports served to evaluate the effectiveness and impact of the measures in order to propose amendments at a later stage. Belgium only managed to provide this report after a significant delay, namely in May 2010. The Commission considered the report to neither be one of the most complete and in-depth reports, nor one of the less detailed ones.

Generally, the assessment on implementation mainly focussed on the harmonisation of the available measures for all IP rights, given that many of the measures, procedures and remedies were already available to rightsholders in Belgium.

II. Jurisdiction and competence

⁷ Analysis of the application of Directive 2004/48/EC of the European Parliament and the Council of 29 April 2004 on the enforcement of intellectual property rights in the Member States, European Commission, *Commission Staff Working Document SEC(2010) 1589*, 22 December 2010. The other Member States which failed to comply with the implementation deadline were Austria, Cyprus, Czech Republic, Estonia, Finland, France, Germany, Greece, Ireland, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Slovak Republic, Spain and Sweden.

⁸ E. DE GRUYSE and MICHAUX, B., "De handhaving van intellectuele rechten gereorganiseerd", *R.D.C./T.B.H. issue 7*, 2007, 623-648.

⁹ Proposal for a Directive of the European Parliament and of the Council on measures and procedures to ensure the enforcement of intellectual property rights, European Commission, 30 January 2003, *COM(2003) 46*, 20, 22.

A. Competence of local courts

The Act of 10 May 2007 not only introduced the necessary amendments to the Judicial Code, but it also sought to further centralise competences regarding IP rights in the hands of a limited number of courts. The Act intended to permit a greater and more focussed expertise of the competent judges in IP matters. As a result, the Belgian commercial courts have been given almost exclusive competence regarding disputes concerning IP rights.

Pursuant to article 574 of the Judicial Code, the commercial courts are competent for disputes concerning all IP rights, even those in which both parties are not merchants, commercial or corporate entities.¹⁰ The only exception to this rule is that both the commercial courts and the courts of first instance are competent for disputes concerning copyright, related rights, and database producers' rights, concerning a sum exceeding EUR 2,500.¹¹ The courts of first instance are competent when the defendant or both of the disputing parties are not merchants, commercial or corporate entities. When both of the parties are merchants, commercial or corporate entities, the commercial courts have exclusive jurisdiction. If only the defending party is a merchant, commercial or corporate entity, then the claimant may choose which court to address.¹² If a party intends to initiate summary proceedings or injunction proceedings, the president of the commercial court or of the court of first instance, depending on the kind of IP right and the parties involved, is competent.

With regard to territorial competence, only the commercial courts that are located at the seat of the different court of appeals (in Ghent, Antwerp, Mons, Liège and Brussels) are competent for disputes concerning IP rights.¹³ For disputes concerning patents, EU trademarks and EU models, only the commercial court of Brussels has competence. This jurisdictional concentration also applies to proceedings that are brought before the president of those commercial courts. Consequently, applications for injunctions or for counterfeit seizures relating to patent, EU trademark or EU model rights must be brought before the president of the Brussels commercial court, while these actions for other IP rights can also be brought before the commercial court of Ghent, Antwerp, Mons or Liège.¹⁴

B. Position towards cross-border decisions

Belgian courts will recognise judgments from other EU countries, dependent territories of EU Member States and EFTA states without any special procedure being due.¹⁵ The recognition will

¹⁰ The principal rule for establishing competence in the Belgian commercial courts is that the dispute took place between two merchants, commercial or corporate entities concerning sums of more than EUR 2,500, or that at least the defending party is a merchant, commercial or corporate entity.

¹¹ For disputes concerning copyright, related rights and data producers' rights with a value less than EUR 2,500, the justices of the peace are competent.

¹² Art. 575 Judicial Code.

¹³ For copyright, related rights and database producers' rights, the courts of first instance located at the seat of the different courts of appeal can also be territorially competent in accordance with art. 574 Judicial Code.

¹⁴ Art. 633quinquies Judicial Code.

¹⁵ For EU countries other than Denmark with respect to proceedings that commenced on or after 10 January 2015: Article 36 of Regulation (EU) 1215/2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters, *OJ L 351*, 20.12.2012, p.1 (Recast Brussels I Regulation); For Denmark and for other EU countries in proceedings commenced before 10 January 2015: Article 33 of Council Regulation (EC) No 44/2001 of 22 December 2000 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters, *OJ L 012*, 16.02.2001, p. 1 (Brussels I Regulation); For various dependent territories of EU Member States (including Gibraltar): Article 26 of the 1968 Brussels Convention on jurisdiction and the enforcement of judgments in civil and commercial matters, *OJ L 299*, p. 32 (Brussels Convention); For the EFTA states (Iceland, Norway and Switzerland, but not Liechtenstein): Article 33 of the 2007 Lugano Convention on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters, *OJ L 339*, 21.12.2007, p. 3 (Lugano Convention).

only be refused in limited circumstances, such as a manifest violation of public order or a judgment ignoring the exclusive jurisdiction of Belgian courts with respect to the registration and validity of registered IP rights.¹⁶

Between EU Member States (other than Denmark), judgments are enforceable without the need for any declaration of enforceability in proceedings that commenced on or after 10 January 2015.¹⁷ A declaration of enforceability is still required for judgments from Denmark, various dependent territories of EU Member States, EFTA states and those for which proceedings commenced before 10 January 2015 in all EU members states.¹⁸ The enforcement may be refused on the same grounds that are applicable to the recognition of judgments.¹⁹

As an EU Member State, Belgium is also a party to the 2005 HCCH Convention on Choice of Court Agreements, which limits the grounds for refusal to recognise and enforce foreign judgements issued by a court of a contracting state designated in an exclusive choice of court agreement. At present, this Convention is only applicable between EU Member States and Mexico. The US and Singapore have signed the Convention indicating their intention to become parties, but they have yet to ratify the Convention.

In the absence of an international treaty, Belgium shall recognise and enforce judgements in accordance with Articles 22 and following of the national Private International Law (PIL) Code. With respect to IP rights, Belgian courts refuse to recognise and enforce foreign judgements relating to the registration or validity of IP rights that must be deposited or registered in Belgium.²⁰ For nationally deposited or registered IP rights, Belgian courts have exclusive jurisdiction.²¹

However, it is unclear at present whether the possibility to refuse the recognition and enforcement of foreign judgements ignoring the exclusive jurisdiction of Belgian courts may be invoked in situations to which the 2005 HCCH Convention on Choice of Court Agreements applies. This possibility is not explicitly adopted in the Convention. It could nevertheless be argued that the exclusive jurisdiction regarding deposited or registered IP rights is a public policy provision and, thus, is a valid ground to refuse the recognition and enforcement of foreign judgements, irrespective of a choice of court agreement.

III. Persons entitled to apply for the application of the measures, procedures and remedies (Art. 4)

A. Rightsholders

The Enforcement Directive's implementation did not significantly change the position of IP rightsholders in Belgium. They were principally entitled to apply for the measures, procedures and remedies already in place to enforce their IP rights. The implementation did, however, provide those rightsholders with additional measures related to, *inter alia*, the right of information and improved counterfeit seizure. It also aligned the protection standards for all rightsholders by

¹⁶ Article 45, Recast Brussels I Regulation; Articles 34 and 35, Brussels I Regulation; Articles 27 and 28, Brussels Convention; Articles 34 and 35, Lugano Convention

¹⁷ Article 39, Recast Brussels I Regulation.

¹⁸ Article 38, Brussels I Regulation; Article 31, Brussels Convention; Article 38, Lugano Convention.

¹⁹ Article 46, Recast Brussels I Regulation; Article 45 Brussels I Regulation; Article 34, Brussels Convention; Article 45, Lugano Convention.

²⁰ Article 25(1)(7) *juncto* Article 95, PIL Code.

²¹ Article 86, PIL Code.

making measures, procedures and remedies, which were previously only available to holders of certain IP rights, available to all rightsholders, regardless of the IP right.

In general, every person who is entitled to initiate counterfeit proceedings can also apply for the measures, procedures and remedies provided by the Enforcement Directive implemented into Belgian law.²² These persons will always include the right holders themselves, regardless of the IP right concerned.

B. Licensees

As stated above, the provided measures, procedures and remedies for the enforcement of IP rights are generally available for 'every party that is entitled to initiate counterfeit proceedings'. Unlike for rightsholders, whether this includes licensees depends on the IP right concerned.

With regard to copyright and related rights, there is a broad entitlement to IP enforcement measures. Injunctions are available to 'every person involved' which is interpreted broadly as everyone who can present a sufficient interest.²³ It is established that this rule is also applicable to substantive claims, meaning that all licensees of copyrights and related rights may initiate proceedings for the infringement of those rights. This also means that other persons with a sufficient interest, such as the distributor, editor, or publisher of the copyrighted work, have this right.

For patents and plant variety rights, the holder and usufructuary of the patent may apply for the enforcement measures. The holder of a compulsory license, in the absence of an action by the holder or the usufructuary, and the exclusive licensee, unless otherwise specified in the license, may also apply for the provided measures.²⁴ The law does not provide for a possibility for licensees to apply for measures to enforce IP rights in case of rights to topographies of semiconductors and database producers' rights.

Lastly, only some of the enforcement measures can be exercised by licensees of the rightsholders for Benelux trademark and model rights. Trademark or model licensees may intervene in procedures initiated by the rightsholder to obtain compensation for a prejudice directly incurred by them or to be allocated a proportion of the profit made by the defendant. A licensee may also bring independent actions for the compensation of damages, transfer of ownership of the infringing goods or materials, or transfer of profits, if he has obtained the permission of the holder.²⁵ The licensee is further authorised to request the corrective measures of recall or definitive removal from the channels of commerce, or the destruction of the infringing goods, provided that these are initiated in order to protect the rights which he has been permitted to exercise and provided that the licensee has obtained permission from the holder of the trademark or model.²⁶ Consequently, licensees of Benelux trademarks or models cannot apply for interlocutory or definitive injunctions, as this is exclusively reserved for rightsholders.

²² See, *inter alia*, Art. XI.334 §2 Belgian Code of Economic Law (hereinafter – CEL); Art. XI.334 §3 CEL; Art. XVII.19 CEL; Art. 1369bis/1 Judicial Code.

²³ Art. XVII.19 §2 CEL. See, for example, Court of First Instance Liège, 3 October 2008, *l'Ingénieur-Conseil 2009*, 354; President of the Brussels Court of First Instance, 17 January 2007, *Authors and Media 2007*, 26; Brussels Court of First Instance, 8 October 2001, *Authors and Media 2002*, 344.

²⁴ Art. XI. 60 §2 CEL.

²⁵ Art. 2.32 (4)(5) and Art. 3.26 (4) Benelux Convention on Intellectual Property (trademarks and designs), The Hague, 25 February 2005, as last amended by the Protocol of 22 July 2010 (hereinafter - BCIP).

²⁶ Art. 2.32 (6) and Art. 3.26 (5) BCIP.

C. Collective rights-management bodies

The Enforcement Directive had based the availability of the enforcement measures to collective rights-management bodies and professional defence bodies on already existing legislation from Belgium and other Member States.²⁷

In Belgium, authorised collective rights-management bodies and (inter)professional organisations with legal personality can, however, only apply for IP enforcement measures in relation to infringements of copyright or related rights.²⁸ They are not required to present a specific mandate to exercise this right. However, (inter)professional organisations are required to demonstrate that their members have a sufficient interest and that the protection of these interests falls under their defined statutory objective. The CEL does not provide these bodies with the possibility to apply for the same measures regarding the infringement of other IP rights.

Collective rights-management bodies play an important role in Belgian copyright and related rights protection. They are principally tasked with collecting and distributing specific royalties in relation to the rights of remuneration. They often also manage and protect authors' and performing artists' other rights and interests. In this regard, collective rights-management bodies are competent to initiate legal proceedings (and apply for enforcement measures) with a view to defending the rights managed by them, according to their statutes.²⁹

D. Professional defence bodies

Additionally, (inter)professional organisations with legal personality are also competent to apply for enforcement measures with a view to defending their statutory collective interests in relation to infringements regarding the circumvention of technical measures for the protection of copyright, related rights and database producers' rights.³⁰

IV. Targeted defendants

A. Infringer

The principal targeted defendant for infringements of IP rights in Belgium is, evidently, the infringer himself. When a court establishes an infringement of a patent, supplementary protection certificate, plant variety right, copyright, related right, database producers' right or the right to a topography of a semiconductor, it will order the cessation of the infringement against every infringer.³¹ The measures, procedures and remedies provided for in the BCIP for the infringement of Benelux trademarks and designs also principally target the infringer. Since an IP right provides its holder with an exclusive right, third parties cannot use the IP without his/her consent, subject to certain exceptions.

B. Intermediaries

²⁷ Proposal for a Directive of the European Parliament and of the Council on measures and procedures to ensure the enforcement of intellectual property rights, European Commission, 30 January 2003, *COM(2003) 46*, 20.

²⁸ Art. XVII.19 §2 CEL.

²⁹ Art. XI.268 CEL.

³⁰ Art. XI. 336 §2 CEL.

³¹ Art. XI. 334 §1 CEL.

A judge may issue an injunction against an intermediary whose services are used by third parties to infringe upon a patent, supplementary protection certificate, plant variety right, copyright, related right, data producers' right or the right to a topography of a semiconductor.³² The president of the competent commercial court, or of the court of first instance in the case of certain copyright and related rights infringements, may also issue an interlocutory injunction against intermediaries whose services are used by third parties to infringe upon one of the above-mentioned IP rights. For trademark and design rights, the BCIP provides that the courts may, at the request of the holder of the Benelux trademark or the design right, issue an (interlocutory) injunction for the cessation of services against intermediaries whose services are used by a third party to infringe upon its Benelux trademark or design right.³³

Prior to the implementation of the Enforcement Directive, injunctions against intermediaries were already possible in Belgium on the basis of the Information Society Directive, in relation to infringements of copyright and related rights.³⁴ Book XII 'Law of the Electronic Economy' CEL also directly implemented the provisions of the E-Commerce Directive³⁵ concerning the liability of intermediaries providing 'mere conduit', 'caching' or 'hosting' services. On this basis, contributory liability for IP infringements can be established for intermediaries who are actively involved in the transmission or storage of the infringing content or which failed to expeditiously remove or disable access to the content after having obtained actual knowledge thereof. The specific intermediaries cannot, however, be generally required to actively monitor the information that they transmit or store, nor to actively seek facts or circumstances indicating illegal activity.³⁶

C. Liability

The measures included in the Enforcement Directive are principally applicable to all (alleged) infringers, regardless of the scale or their knowledge of the infringement. However, Article 13(1) of the Enforcement Directive provides that only the infringer who knowingly, or with reasonable grounds to know, engaged in an infringing activity must be required to pay the appropriate damages. It thus requires a subjective element on the part of the infringer. In Belgium, however, the legislator decided to retain the existing principle of objective liability for the infringement of IP rights.

The objective liability means that the infringement of an IP right automatically implies a fault by the infringing party, resulting in civil liability. Negligence of the infringing party does not need to be proven. The fact that the infringer acted in good faith or was unaware of the existence of any IP rights does not serve as a justification for the infringement. The court will order the compensation of any damages suffered by the injured party as a result of the IP infringement.³⁷ For Benelux trademark and design rights, the rightsholder can claim compensation for any prejudice which he has suffered following the infringement.³⁸ As there is no subjective element of fault required, the Belgian legislator implemented more favourable provisions for rightsholders in accordance with article 2 (1) of the Enforcement Directive.

³² Art. XI. 334 §1(2) CEL.

³³ Art. 2.22 (3)(6) and Art. 3.18 (3)(6) BCIP.

³⁴ Art. 8(3) of Directive 2001/29/EC of 22 May 2001 on the harmonisation of certain aspects of copyright and related rights in the information society, *OJ L 167*, 22 April 2001, 10.

³⁵ Art. 12-15 of Directive 2000/31/EC of 8 June 2000 on certain legal aspects of information society services, in particular electronic commerce, in the Internal Market (Directive on electronic commerce), *OJ L 178*, 17 July 2000, 1.

³⁶ Art. XII. 17-20 CEL.

³⁷ Art. XI. 335 §1 CEL.

³⁸ Art. 2.21 (1) and 3.17 (1) BCIP.

Intermediaries whose services are used by third parties to infringe IP rights can be held contributorily liable if they were actively involved in the infringement or if they failed to expeditiously remove or disable access to the content after having obtained actual knowledge thereof.

Additionally, counterfeiting offences can be sanctioned as a criminal offence. Criminal liability not only requires the infringement of an IP right, but also the establishment of the malicious or fraudulent intent of the infringing party. For patents, supplementary protection certificates, plant variety rights, trademarks, and designs, the infringement must take place in the channels of commerce.³⁹ For counterfeiting infringements concerning copyright or related rights, the persons who knowingly sell, rent, offer for sale or for rent, have in stock to sell or rent or import counterfeit goods in Belgium are liable to the same offense.⁴⁰

V. Evidence (Art. 6)

A. Presumptions (Art. 5)

The presumption of authorship provided in article 5 of the Enforcement Directive follows the established rule of article 15 of the Berne Convention, which was already implemented in Belgian law. The implementation of the Directive slightly modified the article to also include the appearance of the author's name on reproductions of the work and communications of the work to the public.⁴¹ Consequently, the amended provision goes further than what is necessary to comply with article 5 of the Enforcement Directive. The presumption is not only applicable to names affixed to the work, the reproduction or concerning the communication to the public, but also to the author's identifiable pseudonyms that appear thereon. When the work is anonymous or published under an unknown pseudonym, then the publisher is presumed to be the author towards third parties.

More importantly, the implementation of article 5 introduced the same presumptions for owners of related rights in Belgian legislation. As a result, performing artists, producers of phonograms, and broadcasters are presumed to be the owners of the neighbouring rights to the performance if their name or identifiable pseudonym appears on the performed work, a reproduction of the performed work or a communication of the performance to the public.⁴²

The presumptions are only applicable in the event that no proof contrary to the presumption is presented.

B. Opposing party's obligation to cooperate

The Belgian legislator contended that no transposition of the existing provisions on the production of evidence was necessary to implement the Enforcement Directive. Belgian legislation complied with the Directive's requirements as it already required the production of the necessary evidence and the cooperation of the opposing party.

³⁹ Art. XV. 103 CEL.

⁴⁰ Art. XI. 293 (3) CEL.

⁴¹ Art. XI. 170 (2) CEL.

⁴² Art. XI. 205 §2, Art. XI. 209 §2 and Art. XI. 215 §2 CEL.

In this way, Belgian law provides for a broad possibility. It enables judges to order every party in the proceedings to produce the evidence which it has in its possession.⁴³ This general provision confirms the duty of every party to contribute to the establishment of the facts. It enables judges to order the production and communication of every piece of evidence that is relevant to the proceedings.

In addition, the Judicial Code provides that the judge may order a party or third party to produce documents in their possession if there are substantial, determinable and coherent assumptions that these documents contain proof of a relevant fact which might be conclusive for the judge's final determination.⁴⁴ These documents include all tangible evidence relevant to the proceedings.

In contrast to Article 6 of the Enforcement Directive, third parties can also be ordered to produce relevant evidence. The evidentiary procedure can be initiated upon the request by a party to the proceedings. A judge can also take the initiative *ex officio* from the moment he has substantial, determinable and coherent assumptions.

The judgment ordering the production of the relevant documents cannot be challenged, is provisionally enforceable and may be subject to a recurring penalty payment. A judge may order that parties failing to comply with the judgment pay damages or be held criminally liable if they intentionally destroyed, altered or hid evidence.⁴⁵

C. Reasonable sample of a substantial number of copies

Belgian law does not specify what constitutes 'substantial, determinable, and coherent assumptions' that documents contain evidence of a fact relevant to the proceedings. The interpretation is left to the discretion of the judge. He may consider, taking into account all the relevant facts, that a reasonable sample of a substantial number of copies of a work or any protected object is sufficient for a party to support its claims relating to evidence which remains the opposing party's control.

D. Opposing party's obligation to communicate banking, financial or commercial documents

As mentioned above, the Belgian legislator did not expressly transpose the provisions on evidence from the Enforcement Directive. Instead, he relied on the existing broad provisions of articles 870 and 871 of the Judicial Code. Accordingly, a judge may order the production of all information relevant to the proceedings which can be conclusive for his final determination. This may include the communication of banking, financial and commercial documents if there are substantial, determinable and coherent assumptions as to their relevance for the proceedings. Judges must consider all relevant facts and interests in exercising this wide discretion, including the protection of confidential information. There is no provision in Belgian law that an IP infringement must be committed on a commercial scale before a judge may order the communication of relevant banking, financial or commercial documents. Article 877 of the Judicial Code leaves it up to the judge to decide what constitutes relevant evidence for the proceedings.

⁴³ Art. 871 Judicial Code.

⁴⁴ Art. 877 Judicial Code.

⁴⁵ Art. 882 Judicial Code and Art. 495bis Penal Code.

E. Confidential information

Different provisions from the Enforcement Directive take the protection of confidential information into account. Regarding the production of evidence, the Directive provides that the competent judicial authorities must take the protection of confidential information into account when ordering an opposing party to produce evidence under its control. While there was no specific transposition of article 6 in Belgian law, the legislator did note that the protection of confidential information needed to be determined comprehensively in a separate legislative initiative. A new legislative proposal to implement Directive 2016/943 of 8 June 2016 on the protection of undisclosed know-how and business information against their unlawful acquisition, use and disclosure (Trade Secrets Directive) will provide for the protection of trade secrets; this possibility is accessible to individuals involved in court proceedings.

In practice, judges, as well as the parties involved, must take the fundamental right of defence of the parties into account, which includes the right to be heard and to reply. This means that every party must receive all documents and evidence that are invoked and presented by the other party to the competent judge. A judge may not take evidence into account which is not subjected to contradiction. However, in cases for which it is important to safeguard confidential (commercial) information, the judge must balance the principles of confidentiality and trade secrecy with the necessity for an effective legal protection and the right of defence of the parties involved.

Parties must be precise in their request for the production of evidence. The request cannot be unnecessarily broad or ambiguous. The judge may determine, at his own discretion, to accept the application and order the production of the relevant evidence. When a party invokes professional secrecy as a reason to refuse the communication of evidence, then the judge must evaluate whether there is sufficient reason to protect the confidentiality of the information and whether the requested documents or information are relevant and necessary for the determination of an infringement.⁴⁶ In this way, the evaluation of confidential information in IP rights infringement cases remains a case-by-case assessment by the competent judge.

VI. Measures for preserving evidence (Art. 7)

A. Measures before the commencement of proceedings

The Enforcement Directive requires Member States to implement prompt and effective provisional measures to preserve relevant evidence with respect to the alleged infringement. These measures can include a detailed description, with or without the taking of samples, or the physical seizure of the infringing goods, and, in appropriate cases, the materials and implements used in the production and/or distribution of these goods and the documents relating thereto.

The provision sought to address the evidentiary problems that arose when infringing parties, having obtained knowledge of the (impending) litigation, destroyed, concealed or disposed of evidence relating to the infringing activity. It was therefore necessary to establish a special procedure aimed at preserving evidence by ordering surprise interventions on the private premises of an alleged IP infringer in order to describe and seize infringing goods and/or related materials, implements and documents.

⁴⁶ See, for example, Supreme Court, 2 November 2012, C.09.0436.N, N. 586, *Arr. Cass.* 2391.

Such a mechanism already existed in Belgian law prior to the implementation of the Enforcement Directive. The procedure of 'counterfeit seizure' enabled holders of certain IP rights, such as patents, plant variety rights and copyright, to obtain the expert description of the goods, instruments, processes and documents capable of infringing on the applicant's IP rights. This was done by unexpectedly entering the private premises of the alleged infringer or a third party, based on a signed *ex parte* judicial authorisation. However, because this measure was only applicable to a limited number of IP rights, the implementation of the Enforcement Directive sought to extend its scope of application to all IP rights, such as trademarks, protected geographical indications and designs. It further intended to modernise the procedure of counterfeit seizure and to reorganise jurisdictional competences in favour of the presidents of the commercial courts and courts of first instance instead of the judges of attachments.

a. Schutzschrift

The practice of the 'schutzschrift' or 'protective letter' is not explicitly recognised in Belgian law. A 'schutzschrift' is used as a proactive measure by a potential target of a counterfeit seizure. In this way, he pre-emptively addresses the president of the court to present relevant arguments and to avoid the unilateral description or attachment measures. The writer of the protective letter will present arguments of invalidity or non-infringement in order to convince the president of the court that, in the case of a request for *ex parte* counterfeit seizure, there are sufficient reasons to hear him first. The letter is normally presented in a sealed envelope, that will only be opened when a corresponding request for counterfeit seizure is sought against the writer. No specific formal rules on the content, composition or retainment of these letters are provided. Presidents of the commercial courts and the courts of first instance generally disregard them.

b. Detailed description

The mechanism of detailed description and physical seizure, called counterfeit seizure (*beslag inzake namaak / saisie-contrefaçon*), is laid down in articles 1369bis/1-/10 of the Judicial Code. This precautionary attachment measure facilitates the burden of proof of IP rightsholders, making it easier to demonstrate both the existence and the scale of the IP infringement. Counterfeit seizure is an *ex parte* procedure, meaning that the request is brought and evaluated without hearing the alleged infringer. As with other IP enforcement measures, the request for a counterfeit seizure can be brought by 'every party that is entitled to initiate counterfeit proceedings'. This means that as well as the IP rightsholders, the following people may also, in certain circumstances, apply for a counterfeit seizure: licensees, collective rights-management bodies and professional defence bodies. Holders of foreign IP rights may also apply for a descriptive counterfeit seizure (detailed description) if evidence of the IP infringement is found in Belgium.

The request is brought before the president of the competent commercial court. In certain cases of copyright, related rights or database producers' rights, it is brought before the president of the court of first instance.

The counterfeit seizure procedure aims at obtaining two separate measures. In accordance with the aim of collecting evidence for subsequent IP infringement procedures, the principal measure is a descriptive attachment (detailed description). Additionally, it is also possible to obtain the attachment of the infringing goods, the materials and implements used in the manufacture or distribution of those goods and of the relevant documents (physical seizure) (see below, under

d.). A request for this 'conservatory attachment' is, however, optional and can only be brought together with a request for the 'descriptive attachment'.

The conditions for a descriptive attachment are twofold. First, the president of the court must assess whether the IP right that the applicant invokes is *prima facie* valid. Second, he must evaluate whether there are (sufficient) indications that there has been an infringement of the IP right or that such an infringement is imminent. These conditions are in line with the requirement of a party to present 'reasonably available evidence to support his claims that his intellectual property right has been infringed or is about to be infringed', as provided by article 7 of the Enforcement Directive.

c. Taking of samples

The president of the court can authorise the expert to take all measures necessary for the performance of his mandate, within the limits specified in the authorisation. This includes, *inter alia*, the taking of (photo)copy's, photographs and audio-visual recordings. The expert may also request samples of the goods suspected of infringing the IP right for which protection is claimed, as well as of materials and implements used for the manufacture or distribution of those goods and any documents relevant thereto.

d. Physical seizure

The additional conditions for obtaining the conservatory attachment are stricter. Here, the president of the court will examine, alongside the *prima facie* validity of the IP right, whether the IP infringement cannot be reasonably disputed. This means that simple presumptions of an infringement will not suffice and that the IP rightsholders must demonstrate that there are serious and coherent indications of an (imminent) infringement. Additionally, the president of the court must also perform a balancing exercise between the rights and interest of all parties involved, including the public interest. The assessment must determine whether the available facts and evidence reasonably warrant the conservatory attachment.⁴⁷ Only when these conditions are fulfilled can the president of the court prohibit the holder to relocate or make any adjustments to the infringing goods, materials, implements or relevant documents which could influence their functioning. He may also assign a custodian and order the sealing of the goods.⁴⁸ The president of the court must explicitly motivate the need for these conservatory attachment measures in his decision. One or more experts will perform the counterfeit seizure accompanied by, if necessary, a bailiff, the police and/or a locksmith.

B. Confidential information

Prior to the implementation of the Enforcement Directive, counterfeit seizures were frequently abused to illegitimately obtain confidential commercial information or to put pressure on competitors. As a result, the Belgian legislator has introduced several mechanisms to protect confidential information in these unilateral measures. Most importantly, during the entire procedure of description and during the preparation of the report, the expert tasked with the counterfeit seizure must take into account and observe the legitimate interests of the alleged infringers and the holders of the described goods, particularly with regard to the protection of

⁴⁷ Art. 1369bis/1 §5 Judicial Code.

⁴⁸ Art. 1369bis/1 §4 Judicial Code.

confidential information.⁴⁹ The report, together with the documents, samples and inquiries which are gathered during the procedure of description, are also considered to be confidential and may only be disclosed or used by the applicant (IP rightsholder) within the framework of Belgian or foreign proceedings.⁵⁰

The president of the court may grant the counterfeit seizure under certain conditions. These measures will especially relate to the protection of confidential information and may serve to prevent, for example, corporate espionage. The judge can expressly exclude certain goods, processes, materials or documents from the scope of the counterfeit seizure.⁵¹

Lastly, the applicant is principally not allowed to be present or represented at the counterfeit seizure, unless he was specifically authorised by the president of the court to do so. The same is true of the applicant's counsel. This authorisation must be specifically motivated in the decision, taking all relevant circumstances into account, in particular regarding the protection of confidential information. In addition, the authorisation to be present at the counterfeit seizure can be subjected to specific conditions.⁵² An applicant can be held liable for using the confidential information obtained from the counterfeit seizure for purposes other than providing evidence of the infringement of his IP right.

C. Review by opposing party

The alleged infringer will be immediately notified of the counterfeit seizure by the bailiff, who will service the decision to him before the start of the measures. Following this notification, the alleged infringer has one month to contest the decision in third-party proceedings before the president of the court who issued the decision.⁵³ Apart from the alleged infringer, other parties affected by the measures can also initiate third-party proceedings.

The decision for counterfeit seizure is, however, provisionally enforceable, meaning that it is advisable for the alleged infringer to also request the suspension of the imposed measures before the president of the court. In these third-party proceedings, the president of the court can, wholly or partly, repeal the decision for counterfeit seizure, limit the mandate of the expert to specific locations or goods and impose additional conditions and limitations with an aim to protecting confidential information.

D. Opposing party's right to be heard

Following the Enforcement Directive's implementation, the modernisation of the counterfeit seizure procedure resulted in additional guarantees for the target of the attachment measures. The president of the court may decide, before granting 'conservatory attachment' measures, to hear the alleged infringer in the presence of the applicant.⁵⁴ However, the president of the court will first notify the applicant (IP rightsholder) of his intentions to hear the alleged infringer, giving the applicant the opportunity to limit his request to only 'descriptive attachment' measures. The notification of the request for counterfeit seizure, and the opposing party's right to be heard, evidently negates the surprise effect of the measures. This may increase the risk of destruction

⁴⁹ Art. 1369bis/1 §6 Judicial Code.

⁵⁰ Art. 1369bis/1 §7 Judicial Code.

⁵¹ Art. 1369bis/1 §3 Judicial Code.

⁵² Art. 1369bis/4 Judicial Code.

⁵³ Art. 1033 and Art. 1034 Judicial Code.

⁵⁴ Art. 1369bis/1 §4 Judicial Code.

or concealment of the infringing goods, materials, implements or documents. The measure is intended to prevent the abuse of the counterfeit seizure procedure to incapacitate competitors for the duration of the conservatory attachment.

E. Modification, Revocation or Confirmation of measures

Apart from initiating third-party proceedings, the alleged infringer may also request the modification or revocation of the decision for descriptive and/or conservatory attachment in the case of a change in circumstances. This is done by means of a summons to all the parties before the president of the court that issued the decision.⁵⁵ The decision on the revocation serves as a cancellation of the contested decision. The alleged infringer may also claim damages for the prejudice suffered as a result of the counterfeit seizure. Changed circumstances may, for example, include a subsequent decision of invalidity of the relevant IP right.

F. Lodging of a security or an equivalent assurance

The president of the court may require that the applicant lodge an adequate security or an equivalent assurance. The security serves to ensure compensation for any prejudice suffered by the alleged infringer resulting from a counterfeit seizure, which is later revoked or forfeited because of the failure to further pursue the procedure on the merits or when it is later found that there is no (threat of) infringement of an IP right. The president of the court may freely decide whether or not the lodging of such a security is appropriate. In such a case, he only grants the execution of the counterfeit seizure after the applicant has presented proof of the consignment.⁵⁶

The president of the court determines the security on the basis of the relevant circumstances of the case, such as the dispute's importance, the scope of the measures, the risk of detrimental abuse, the confidential information involved, etc. The amount of the security may not be as high as to incapacitate the application of the rightsholder. The president of the court may decide on the appropriate type of security, which can take the form of, for example, the depositing of a certified cheque or a bank guarantee. The president of the court will not decide on the reimbursement of the security. This will be done by the judge deciding on the merits of the case in the subsequent proceedings.

G. Period for initiating proceedings leading to a decision on the merits

In accordance with the Enforcement Directive, the Judicial Code prescribes a period within which the applicant must initiate proceedings on the merits on the basis of evidence determined by the report on the counterfeit seizure.

The applicant must initiate proceedings on the merits before the competent court within a period determined by the president of the court or, in the absence thereof, within 20 working days or 31 calendar days following the receipt of the expert report, whichever is the longest. If the counterfeit seizure is not followed by timely proceedings on the merits, then the decision automatically ceases to hold legal effect and the applicant can no longer use or disclose the content of the expert report, without prejudice to the defendants right to compensation.⁵⁷ Proceedings on the merits of the case do not necessarily need to be brought before a Belgian judge. Unless actual

⁵⁵ Art. 1369bis/1 §7 Judicial Code.

⁵⁶ Art. 1369bis/3 §1 Judicial Code.

⁵⁷ Art. 1369bis/9 Judicial Code.

attachment measures have been carried out in Belgium, an applicant can also bring such proceedings exclusively before a foreign competent judicial authority.

H. Compensation to the defendant for any injury caused by measures

The president of the court can, at the request of the target of the attachment measures, order the applicant to pay appropriate damages for any injury caused by the counterfeit seizure when the descriptive or conservatory attachment measures are revoked, when they are forfeited because of an action or failure to act by the applicant, or when it is later determined that there is no (threat of) infringement of an IP right.⁵⁸ The president of the court may award the defendant the security that the applicant was previously ordered to lodge. This security is then deducted from the overall damages. In contrast to situations that arose prior to the implementation of the Enforcement Directive, the mere determination that there is no infringement of an IP right is sufficient for the defendant to claim damages. Consequently, this measure further confirms the principle that the counterfeit seizure is executed at the risk of the applicant.

I. Protection of witnesses' identity

The Enforcement Directive provided Member States with the option to implement measures to protect witnesses' identity concerning measures for preserving evidence. However, Belgium did not specifically implement any provisions related to the protection of witnesses during counterfeit seizure procedures given that the implementation of such a measure is not mandatory. The president of the court will consider all appropriate measures in light of his wide margin of appreciation and the principle of proportionality.

VII. Right of information (Art. 8)

Prior to the implementation of the Enforcement Directive, Belgian IP law did not include a right of information for holders of IP rights. Consequently, in order to transpose article 8 of the Directive, the Belgian legislator amended the existing IP acts to provide a right of information. The right does not function as an independent right directly applicable against infringers or intermediaries, but enables rightsholders and other applicants to obtain crucial information concerning the IP infringement in the context of judicial proceedings. The right of information was later consolidated under article XI. 334 §3 CEL for all Belgian IP rights. Accordingly, the BCIP was also amended to conform to the provisions on Benelux trademarks and designs with the provisions of the Enforcement Directive.

Article 8 of the Enforcement Directive specifies that the relevant information can be requested from the infringer and/or from any other person who was found to be in possession of, or found to be using the infringing goods on a commercial scale or who was found to be providing services used in the infringing activities on a commercial scale. The BCIP and the CEL have both taken over this provision. Accordingly, holders of IP rights can request the production of relevant information from any infringer, regardless of the scale of the infringement. They can, thus, also request the production of information from infringers not, or only indirectly, aiming at commercial profit. This commercial dimension is necessary for other persons involved in the infringing activities, such as intermediaries.

⁵⁸ Art. 1369bis/3 §2 Judicial Code.

For Benelux trademarks and designs, the BCIP does not explicitly require that the judge has previously established an infringement of an IP right before ordering an injunction to produce information. An applicant can also apply for this injunction in proceedings for which there are clear indications of an alleged infringement.

For all other Belgian IP rights, the prior determination of an infringement is required. Article XI.334 §3 CEL requires that an infringement is established by the court before an injunction to provide the applicant with information can be ordered. This requirement is sometimes criticised as being contrary to the case law of the CJEU.⁵⁹ Belgian law does, however, provide other possibilities to obtain information on infringements, even if these have not been previously established. Holders of IP rights can, for example, request preliminary measures based on a *prima facie* determination,⁶⁰ an order to produce evidence relevant to the proceedings,⁶¹ and counterfeit seizure measures.⁶² In light of these measures, Belgian courts have shown that they follow the case law of the CJEU and grant an injunction to produce information based on evidence indicating that an infringement is 'more than likely'.⁶³

A. Information on the origin and the distribution network

When the judge establishes an infringement of an IP right (apart from Benelux trademarks and designs) in the course of proceedings, he may, at the request of a party that is entitled to initiate counterfeit proceedings,⁶⁴ order the production of all known information concerning the origin and the distribution networks of the infringing goods or services to the applicant, as far as this measure seems justified and reasonable.⁶⁵ The information can be requested from any infringer and/or any other party who either possesses or uses the infringing goods on a commercial scale or who provides infringing services on a commercial scale.

For Benelux trademarks and designs, the courts may order, at the request of the holder of a trademark or design right in infringement proceedings, that the infringer provides the holder with all information available concerning the origin and distribution networks of the infringing goods and services, insofar as this measure seems justified and proportionate. The court may also issue the order against anyone who is in possession of the infringing goods on a commercial scale, who has used the infringing services on a commercial scale or who has provided, on a commercial scale, services used in infringing activities.⁶⁶

The president of the commercial court, or the court of first instance for certain cases concerning copyright or related rights, may also order the production of the relevant information in injunction proceedings, as far as the production of the relevant information contributes to the cessation of the determined infringement or the consequences thereof.⁶⁷

⁵⁹ See, for example, V. VANOVERMEIRE, "Mededeling van persoonsgegevens in het kader van het recht op informatie" in F. PETILLION (ed.), *Handhaving van intellectuele rechten in België. 10 jaar implementatie van de handhavingsrichtlijn 2004/48*, Larcier, 2018, p. 17-24.

⁶⁰ Art. 19 (3) Judicial Code.

⁶¹ Art. 871 and Art. 877 Judicial Code

⁶² Art. 1369bis/1-10 Judicial Code.

⁶³ See, for example, Antwerp Commercial Court, 19 January 2017, A.R. A/16/5614.

⁶⁴ See *supra* "III. Persons entitled to apply for the application of the measures, procedures and remedies (Art. 4)".

⁶⁵ Art. XI. 334 §3 CEL.

⁶⁶ Art. 2.22 (4)(5) and Art. 3.18 (4)(5) BCIP.

⁶⁷ Art. XVII. 16 CEL.

While the competent judge has no obligation to order the production of information on the origin and the distribution network of the infringing goods or services, he may only do so at the applicant's request. He can order the infringer to produce information on, for example, the place of manufacture or the identity of the producers, manufacturers, distributors, wholesalers and retailers involved in the manufacture or distribution of the counterfeit goods, on the suppliers and other previous holders of the goods, or on the quantity or price of the infringing goods. The competent judge has a clear margin of appreciation for ordering these measures, as he must limit it to those situations in which it seems justified and reasonable.

B. Names and addresses of producers, manufacturers, distributors, suppliers, previous holders, wholesalers and retailers

The competent judge may order the production of information on the identity and addresses of producers, manufacturers, distributors, suppliers, previous holders, wholesalers and retailers if this seems justified and reasonable. Belgian and Benelux law provide the competent judge with a wide discretion to determine which information must be produced. Accordingly, he can order the production of 'all information known to the infringer' or 'all information available'. The broad scope of the right of information is further affirmed by providing that 'all data relating to the infringement, possession or service' can also be requested.

The information is, therefore, not limited to names and addresses and may also include (dynamic) IP addresses or other indirect data, such as bank account information, to determine the identity of the infringer or any relevant third party. This information is often requested from intermediaries whose services are used to infringe upon IP rights.

The competent judge must take other fundamental rights into account, such as the right to privacy and the protection of personal data, when ordering the production of information, especially with regard to natural persons. The CJEU has affirmed that the competent judge must perform an actual balance of interests, taking the concrete elements of the case into account, between, on the one hand, the protection of the IP right concerned and the right to effective judicial protection, and the right to protection of personal data and private life on the other.⁶⁸

C. Information on quantities produced, manufactured, delivered, received, ordered

The judge may also order the production of relevant information on quantities produced, manufactured, delivered, received, or ordered. Such information is often crucial to determine the scope of the infringement. This information can be inferred from invoices, orders, sales contracts, digital spreadsheets and files on production, manufacturing, and delivery, etc.

D. Pricing information

The competent judge may also order the infringer or the relevant third party to produce all known information about the asking and selling price of the goods or services in question. Pricing

⁶⁸ Court of Justice of the European Union (Grand Chamber), *Productores de Música de España (Promusicae) v Telefónica de España SAU*, 29 January 2008, C-341/07, Promusicae, ECLI:EU:C:2008:54; Court of Justice of the European Union, *Bonnier Audio and others v Perfect Communication Sweden AB*, 19 April 2012, C-461/10, ECLI:EU:C:2012:219.

information serves to determine the scope of the infringement and the prejudice inflicted on the holder of the IP right.

E. Misuse of information

The Enforcement Directive provides that the right of information must apply without prejudice to other statutory provisions which grant the holder of the IP right rights to receive fuller information, which govern the use of the information communicated in civil or criminal proceedings or which govern the responsibility for misuse of information. However, the Belgian legislator did not specifically implement or amend existing legislation. Instead, he relied on already existing law regarding, for example, provisions on evidence on the basis of which a judge can order the communication of all evidence on relevant facts from both a party or third parties.⁶⁹

The misuse of information acquired is not explicitly governed in Belgian IP law. Misuse can include, for example, the procurement of sensitive commercial information from competitors which is irrelevant to the proceedings or the obtainment of an unfair commercial advantage based on that information. An applicant misusing his right of information can, however, be held liable on the basis of the catch-all tort provisions of articles 1382-1383 Civil Code. The general principle of 'abuse of right' can also be invoked against a party that is manifestly abusing its right of information.

F. Principle of no self-incrimination

On the same basis, the principle of no self-incrimination provided in art. 8 (3), (d) of the Enforcement Directive is not explicitly implemented in Belgian Legislation. Instead, parties can rely on the general fundamental right to a fair trial when they are ordered to produce specific information in the context of IP infringement proceedings.

G. Confidential information sources

In contrast to the provisions on counterfeit seizure, the implementation of the right of information did not include specific measures to protect confidential information. The competent judge may, however, only order the communication of the relevant information insofar as this measure seems justified and proportionate. Because of this wide margin of appreciation, the judge must look after the protection of confidential information when considering this measure.

In the context of the Trade Secrets Directive, which is due to be implemented in Belgian law, the Belgian legislator intends to further protect confidential information sources submitted in the course of IP infringement proceedings. The legislative proposal to implement the Trade Secrets Directive aims to protect the confidentiality of trade secrets in judicial proceedings where trade secrets are used or disclosed.⁷⁰ This may include injunctions to produce information relevant to the IP infringement. Additionally, information which constitutes 'personal data' may also be protected under the General Data Protection Regulation (GDPR) 2016/679.

H. Processing of personal data

⁶⁹ See *supra* "V. Evidence (Art.6) - B. Opposing party's obligation to cooperate".

⁷⁰ Draft Legislation on the protection of trade secrets, *Parliamentary Document 54K3154*, 12 June 2018.

The competent judge must take particular account of the justifiability and proportionality of the injunction to produce information when it comes to the transfer and communication of personal data. In accordance with the *Promusicae* judgment⁷¹ of the CJEU, the competent judge must strike a fair balance between the right to privacy and the protection of personal data,⁷² and the effective protection of the IP right concerned. As a result, the protection of personal data in the context of the right of information involves a case-by-case assessment by the competent judge, who must take due account of the principle of proportionality.

VIII. Provisional and precautionary measures (Art. 9)

A. Interlocutory injunction

The provisional and precautionary measures prescribed by article 9 of the Enforcement Directive include the option to order interlocutory injunctions preventing imminent infringements or prohibiting the continuation of an alleged infringement. It also covers the seizure or handing over of suspected goods. The Judicial Code already provided judges with the possibility of interlocutory injunctions for the prevention or cessation of the (imminent) infringement, as well as of the seizure or handing over of the allegedly infringing goods in summary proceedings. As a result, the Belgian legislator did not find it necessary to expressly take over article 9 (1) Enforcement Directive.

For Benelux trademarks and designs, the BCIP was amended to allow courts, on the request of the holder of a Benelux trademark or design right, to issue an interlocutory injunction against the alleged infringer or against an intermediary whose services are used by a third party to infringe a trademark or design right. The injunction serves to prevent any imminent infringement of a trademark right, or to forbid, on a provisional basis and subject, where appropriate, to a recurring penalty payment, the continuation of the alleged infringements of a trademark or design right. The court can also make the continuation of the alleged infringements subject to the lodging of guarantees intended to ensure the compensation of the holder of the trademark or design right.⁷³

In Belgium, an applicant can obtain an interlocutory injunction in both summary proceedings and proceedings on the merits of the case.

In the context of proceedings on the merits, the judge may, at any stage of the proceedings, order interim measures to further examine the claim, to settle an interlocutory dispute or to provisionally determine the situation of the parties. Either party can request such measures from the judge at any stage of the proceedings by means of a simple written request.⁷⁴ In contrast to interlocutory measures in summary proceedings, there is no requirement to demonstrate the urgency of the measures. The judge has a wide margin of appreciation to determine which preliminary measures are appropriate for the purposes provided. The measures may entail the prevention of an imminent infringement or the provisional prohibition to continue the alleged infringement of the IP right. The judge has the possibility to subject these interim measures to a recurring penalty

⁷¹ See *supra*, note 75, 21.

⁷² While the protection of personal data at the time of the *Promusicae* judgment was governed by national law implementing Directive 95/46/EC, data processing activities related to personal data are currently governed in a uniform way by EU Regulation 2016/679 (GDPR). Although the GDPR has introduced several more extensive rights and obligations regarding the processing of personal data, the general data processing principles (such as those regarding lawfulness, fairness, transparency, purpose and storage limitation, and data minimisation) remain in place.

⁷³ Art. 2.22 (3) and Art. 3.18 (3) BCIP.

⁷⁴ Art. 19 (3) Judicial Code.

payment or to the lodging of guarantees. The measures ordered are provisionally enforceable.⁷⁵ Parties cannot immediately appeal the decision ordering interim measures in the context of proceedings on the merits; parties can only appeal these measures together with the subsequent decision on the merits of the case.⁷⁶

In urgent matters, where an interlocutory injunction needs to be obtained without delay, holders of IP rights can apply to the president of the commercial court, or to the court of first instance for specific copyright or related right cases, to order a preliminary decision in summary proceedings.⁷⁷ These intermediary measures can only be requested if the applicant can demonstrate urgency. For this, an applicant must demonstrate that an immediate decision is necessary to prevent considerable prejudice or serious inconveniences. The requirement of urgency must be evaluated on the date of the decision and not on the date of the request. The applicant must also demonstrate the *prima facie* validity of the (IP) right and, in the context of the balancing exercise performed by the president of the court, that his interests outweigh those of the alleged infringer. Here as well, the president of the court is given a broad discretion regarding the preliminary measures he can impose. These measures may include, but are not limited to, the appointment of a custodian, the organisation of an expert determination or investigation with a possible estimation of damages, the organisation of witness hearings, etc. The interlocutory decisions may also be supplemented by a recurring penalty payment or by the lodging of a guarantee.

Most importantly, in the context of IP infringement proceedings, the president of the court may order the precautionary seizure of the movable and immovable property of the alleged infringer, including the blocking of his bank accounts and other assets.⁷⁸ The president of the court can only impose these measures if the infringement was committed on a commercial scale. The holder of the IP right must also demonstrate that there are circumstances that endangered the compensation of damages.

Measures imposed by the president of the court are provisionally enforceable. However, unlike precautionary measures by a judge in proceedings on the merits of the case, the interim decision can be immediately appealed by the opposing party.

Lastly, article 9 (b) of the Enforcement Directive requires that judicial authorities may order the seizure or handing over of the goods suspected of infringing an IP right in order to prevent their entry into or movement within the channels of commerce. The above-mentioned counterfeit seizure procedure addresses this.⁷⁹ This procedure allows the judge to always take the necessary attachment measures.

B. Blocking injunction

In light of the broad competences of both judges in proceedings on the merits and for presidents of the court in summary proceedings, it is possible to order interlocutory and conservatory measures against intermediaries whose services are used by third parties to infringe IP rights. Such measures were already possible for copyright and related rights as a result of the implementation of the Information Society Directive 2000/31/EC. On this basis, courts could order

⁷⁵ Apart from certain exceptions, Belgian decisions on the merits of the case are also principally provisionally enforceable since 1 November 2015. As a result, the lodging of an appeal against a decision no longer suspends the enforceability of the decision.

⁷⁶ Art. 1050 (2) Judicial Code.

⁷⁷ Art. 584 (1) Judicial Code.

⁷⁸ Art. 584 Judicial Code.

⁷⁹ See *supra* "VI. Measures for preserving evidence (Art. 7)".

intermediaries to take appropriate measures to stop copyright or related right infringements, even if they could not be held liable for the infringement itself. It was, however, necessary to carefully evaluate and balance the different rights at stake, such as the right to protection of (intellectual) property and the right to conduct business, the protection of personal data, and the right to receive and disseminate information.⁸⁰ The implementation of the Enforcement Directive extends these measures against intermediaries to all IP rights.

To impose measures that 'block' the further provision of services by an intermediary to an (alleged) infringer who uses them to infringe an IP right, it is not required that the intermediary is liable itself, nor that proceedings be brought against the (alleged) infringer, or that he is known in the first place.⁸¹ A judge may order the blocking of certain specific domain names to prevent further access to an infringing website. However, this does not prevent the creation of mirror websites connected to other domain names unaffected by the blocking injunction. To respond to this, the court of Antwerp had issued a forward-looking injunction where it authorised the Computer Crime Unit of the Belgian police to keep a list of domain names related to the website 'thepiratebay.org' which had to be blocked by the ISPs.⁸²

C. Recurring penalty payment

A judge may make its decision subject to a recurring penalty payment applicable to the failure to comply with the principal obligation. A recurring penalty payment can be connected to an interlocutory injunction ordering the prevention or cessation of the allegedly infringing activity. A rightsholder must, however, specifically request the order of a recurring penalty payment. Additionally, such a measure cannot be imposed in the case of a decision ordering the payment of a certain sum or the performance of employment obligations.⁸³ The recurring penalty payment can be determined as a single immediate payment or on the basis of subsequent periods or infringements.⁸⁴

D. Lodging of guarantees

A judge can establish a *prima facie* infringement during a preliminary procedure. Instead of ordering the provisional cessation of this *prima facie* infringement, he may allow for the continuation of the allegedly infringing activity subject to the condition that the defendant lodges a certain guarantee. This guarantee serves as compensation for possible damages in the event that an actual infringement is established in subsequent proceedings on the merits of the case.⁸⁵

E. Action against intermediaries

IP rightsholders can obtain provisional and precautionary measures against intermediaries whose services are (allegedly) being used by a third party to infringe upon an IP right. An IP rightsholder

⁸⁰ Court of Justice of the European Union (Grand Chamber), *L'Oréal SA v. eBay International AG and others*, 12 July 2011, C-324/09, ECLI:EU:C:2011:474; Court of Justice of the European Union, *Scarlet Extended SA v. Société belge des auteurs, compositeurs et éditeurs SCRL (SABAM)*, 24 November 2011, C-70/10, ECLI:EU:C:2011:771; Court of Justice of the European Union, *Belgische Vereniging van Auteurs, Componisten en Uitgevers CVBA (SABAM) v. Netlog NV*, 16 February 2012, C-360/10, ECLI:EU:C:2012:85.

⁸¹ K. JANSSENS, "Targeting the middle man: het opleggen van maatregelen aan tussenpersonen in de strijd tegen namaak en piraterij" in F. PETILLION (ed.), *Handhaving van intellectuele rechten in België. 10 jaar implementatie van de handhavingsrichtlijn 2004/48*, Larcier, 2018, 42.

⁸² Antwerp, 14 February 2013, Cases 2012/FR/303, 2012/PGA/3549, and 2012/KC21/262; Cass., 22 October 2013, P.13.0550.N.

⁸³ Art. 1385bis Judicial Code.

⁸⁴ Art. 1385ter Judicial Code.

⁸⁵ Art. 2.22 (3) (c) and art. 3.18 (3) (c) BCIP.

must only demonstrate that he has an interest in bringing proceedings against the intermediary.⁸⁶ The rightsholder does not have to demonstrate that the intermediary infringes upon the IP right itself or that it can be held liable for the infringement. The fact that the intermediary is in a position to stop the continuation of the infringement is sufficient to requesting provisional measures against it, regardless of the intermediary being aware of the IP infringement.⁸⁷

Neither the Enforcement Directive nor the Information Society Directive defines an intermediary. Article 9 of the Enforcement Directive only refers to entities 'whose services are being used by a third party to infringe an IP right'. Belgian law also does not define this notion further. Belgian and European case law have been shown to adopt a broad interpretation as to what exactly constitutes an intermediary. The only necessary requirement is that the entity provides services, of any nature, which can be used by one or multiple persons to infringe IP rights.⁸⁸ The holder of the IP right will have to show that there exists a connection between the infringement and the service of the intermediary. The infringing third party must use the service to infringe the IP right, or at least to facilitate the infringement. Examples of intermediaries against which provisional measures can be ordered include transporters of counterfeit goods, lessors of marketplaces at which infringing goods are sold, ISPs, domain name registries, etc.

F. Seizure

IP rightsholders can also obtain the seizure or handing over of the goods suspected of infringing an IP right in order to prevent their entry into or movement within the channels of commerce. It was not necessary to implement this provision of the Enforcement Directive, as Belgian's procedure of counterfeit seizure already provided the possibility to obtain the seizure of (suspected) infringing goods.⁸⁹ As mentioned above, this conservatory attachment measure allows the president of the court to order, in *ex parte* proceedings, the seizure of goods suspected of infringing an IP right. It is also possible to obtain the seizure of relevant documents, materials and implements used for the production and/or distribution of those goods.

The applicant must demonstrate that the IP right invoked is *prima facie* valid and that the infringement of this IP right cannot be reasonably disputed. The president of the court must weigh the various interest involved against each other and determine whether the facts and the evidence sufficiently warrant the conservatory attachment measures.

G. Blocking of bank accounts and other assets

The measures for obtaining the precautionary seizure of movable and immovable property of the alleged infringer, including the blocking of their bank account and other assets were not provided in Belgian legislation prior to the implementation of the Enforcement Directive. The procedures laid down in the Judicial Code, such as the precautionary seizure, were not sufficient. The conditions required did not correspond to the provision of the Directive and the blocking of bank accounts and other assets went beyond the competences of the courts in these proceedings. As a result, a new provision was added to the Judicial Code, under the measures of the presidents of the courts of first instance and the commercial courts, for matters falling under their respective

⁸⁶ Art. 18 and 19 Judicial Code.

⁸⁷ President of the Commercial Court of Antwerp, 24 February 2011, *IRDI* 2011, ed. 4, 320; President of the Commercial Court of Brussels, 8 October 2014, *Jb. Markt* 2014, 1028.

⁸⁸ Court of Justice of the European Union, *UPC Telekabel Wien v Constantin Film Verleih GmbH and Wega Filmproduktionsgesellschaft mbH.*, 7 March 2014, C-314/12, ECLI:EU:C:2014:192

⁸⁹ See *supra* "VI. Measures for preserving evidence (Art. 7)".

competences. The new provision provides them with the possibility to order, in case of an IP infringement committed on a commercial scale, the precautionary seizure of the movable and immovable property of the alleged infringer, including the blocking of his bank accounts and other assets, if the injured party demonstrates circumstances likely to endanger the recovery of damages.⁹⁰ Consequently, article 9.2 of the Enforcement Directive was expressly taken over in Belgian law.

The president of the court must base its decision on a careful evaluation because these measures go way beyond the existing measures of precautionary seizure. He must assess the *prima facie* validity of the IP right invoked, the fact that the infringement of that IP right cannot be reasonably disputed and the reasonableness of the attachment measures, which requires a careful balancing of the rights and interests involved.⁹¹ Accordingly, the safeguards established for the counterfeit seizure procedure were also implemented for these attachment measures. As with other summary proceedings, the applicant must also demonstrate urgency, by proving the necessity of an immediate decision to prevent considerable prejudice or serious inconveniences.

H. Evidence of infringement or imminent infringement

The president of the court is expressly required to evaluate the *prima facie* validity of the IP right as well as the evidence that the (imminent) infringement of that IP right cannot be reasonably disputed for the above-mentioned measures of precautionary seizure of movable and immovable property and counterfeit seizure. In other proceedings regarding provisional and precautionary measures, the general provisions of the Judicial Code and Belgian case law require that judges assess the *prima facie* validity of the rights of the parties in summary proceedings. The judges may consider whether or not this *prima facie* validity is sufficient to warrant the requested precautionary measures or whether this validity or the damages resulting from the continued infringement are not sufficiently demonstrated. He may not order any measures that might result in the definitive and irreparable infringement of the demonstrated rights.⁹² The presidents of the court will evaluate whether an (imminent) infringement is sufficiently demonstrated on a discretionary basis, taking into account all facts relevant to the case.

I. *Ex parte* proceedings and information of the relevant parties after the execution of measures

Apart from counterfeit seizure proceedings, which are carried out *ex parte* based on a unilateral request and where urgency is presumed,⁹³ it is also possible to take provisional measures without first hearing the defendant in the context of summary proceedings. Such proceedings are brought on the basis of a unilateral request to the president of the competent court.⁹⁴ An applicant must demonstrate that there is a strict necessity and urgency that these provisional measures are taken without delay and without involving the other party. This can be the case when there is an exceptional urgency requiring immediate judicial action, such as situations in which infringing goods may be released at any moment. *Ex parte* proceedings are also possible in situations in which it is impossible to have a contradictory procedure because the opposing party cannot be

⁹⁰ Art. 1369bis/1 Judicial Code.

⁹¹ Art. 584 (4) °5 Judicial Code.

⁹² Supreme Court, 25 April 1996, C.93.0356.N, N. 135, *Arr. Cass.* 349; Supreme Court, 9 September 1982, A.R. n. 664, N. 28, *Arr. Cass.* 51.

⁹³ See *supra* "VI. Measures for preserving evidence (Art. 7) - B. Counterfeit seizure, counterfeit description, taking of samples, *schutzschrift*".

⁹⁴ Art. 584 (3) Judicial Code.

identified.⁹⁵ Lastly, the strict necessity of *ex parte* proceedings may also follow from the nature of the requested measures, which may only be effective if they imply a surprise effect.

The president of the court will only accept these unilateral proceedings in exceptional circumstances based on absolute necessity. As this constitutes an exception to the general principle of contradictory proceedings and is incompatible with the fundamental rights of defence, the courts interpret these conditions restrictively. However, if parties fail to demonstrate the absolute necessity of *ex parte* proceedings, they can still request a reduced period of summons in cases of strong urgency. In this case, the court will promptly notify the defendant of the proceedings.

J. Review and right to be heard upon request of the defendant

The defendant must be given notice without delay of the measures, which will generally take place at the time of their execution. In the case of *ex parte* proceedings, the defendant and other interested third parties can bring third party proceedings against the interlocutory injunction or the counterfeit seizure measures within one month of the notice.⁹⁶ If the injunction was ordered in contradictory proceedings, then the defendant can appeal the decision within one month of the notification (by way of service by a bailiff) of the decision. The judge that previously ordered the interim decision will review whether or not those measures shall be modified, revoked, or confirmed, considering the arguments of both the defendant and the applicant.

K. Decision, within a reasonable time after notification of the measures, whether measures shall be modified, revoked or confirmed

A defendant can initiate third party proceedings against the *ex parte* precautionary measures from the moment at which he is notified of the measures. The defendant must serve all parties in the proceedings with a writ of summons before the judge who has ordered the contested decision.⁹⁷ In subsequent proceedings on the merits, it is also possible to bring third party proceedings against the *ex parte* decision by legal brief before the judge conducting the proceedings on the merits. This is only possible if that judge is equal or superior in hierarchy and if all the parties involved in the contested decision are parties in the proceedings.

The third-party proceedings provide the defendant with the opportunity to present their arguments on, for example, the invalidity of the IP right, the absence of an infringement or the lack of urgency. The judge can then choose to modify, revoke or confirm the contested decision based on the contentions and evidence of the parties.

L. Period for initiating proceedings leading to a decision on the merits

The Belgian legislator adopted a new article in the judicial code under the section 'Provisional measures applicable to intellectual property rights'. The implementation was necessary because the Judicial Code did not impose an obligation on the applicant in summary proceedings to initiate proceedings on the merits of the case within a certain period. Additionally, it did not provide for the safeguards regarding the lodging of securities or the compensation of damages resulting from

⁹⁵ Supreme Court, 25 February 1999, C.96.0409.N, N. 116, *Arr. Cass.* 279.

⁹⁶ Art. 1033, art. 1034 and art. 1125 Judicial Code.

⁹⁷ Art. 1125 Judicial Code.

the provisional measures.⁹⁸ The safeguards implemented in the new article largely correspond to the safeguards included in the counterfeit seizure procedure.⁹⁹

In accordance with the Enforcement Directive, applicants who have requested the order of an interlocutory injunction must initiate proceedings that lead to a decision on the merits of the case within a reasonable period. If the applicant fails to do so, the measures will be revoked or will otherwise cease to have effect, upon the request of the defendant. The reasonable period will be determined by the judicial authority ordering the measures or, in the absence thereof, it will be equal to a period not exceeding 20 working days or 31 calendar days, whichever is the longest.¹⁰⁰

M. Lodging of an adequate security or an equivalent assurance by the applicant to ensure compensation for any prejudice by the defendant

The court may subject the precautionary measures to the condition that the applicant lodges an adequate security or an equivalent assurance as a compensation for possible damages suffered by the defendant as a result of the measures.¹⁰¹ The court will take all the facts relevant to the case into account and freely decide whether or not the lodging of such a security is appropriate. In such a case, the execution of the precautionary measures is only granted after proof of the consignment has been presented.

N. Compensation to the defendant for any injury caused by measures

The general tort provisions enable the defendant to recover all damages for prejudice suffered following from the fault of another person. Additionally, Belgian law specifically provides, in accordance with the Enforcement Directive, that the court can order the applicant to provide the defendant appropriate compensation for any injury caused by precautionary measures. The compensation is only possible upon the request of the defendant and when the provisional measures are revoked or when they lapse due to any act or omission by the applicant, or when it is subsequently found that there has been no infringement or threat of infringement of an IP right.¹⁰²

IX. Measures resulting from a decision on the merits of the case (Art. 10 - 11)

A. Corrective measures

Belgian law provides for two separate procedures on the merits of the case regarding IP disputes. First, rightsholders may resort to the 'classic' procedure on the merits before the competent courts. Second, they can initiate an injunction proceeding. This last procedure is also a proceeding on the merits but is brought before the president of the court as an expedited procedure, functioning similarly to preliminary summary proceedings. The president of the competent court will determine the existence and order the cessation of any infringement of an IP right.¹⁰³ The decision is provisionally executable and may include appropriate measures that can contribute to the cessation of the determined infringement or the consequences thereof. In contrast to summary proceedings, the injunction proceeding does not require that an applicant

⁹⁸ Art. 1369ter Judicial Code.

⁹⁹ Art. 1369bis/3 and Art. 1369bis/9 Judicial Code.

¹⁰⁰ Art. 1369ter §1 Judicial Code.

¹⁰¹ Art. 1369ter §2 Judicial Code.

¹⁰² Art. 1369ter §3 Judicial Code.

¹⁰³ Art. XVII. 14 Judicial Code.

demonstrates urgency. The president of the court cannot, however, decide upon the compensation for damages caused by the IP infringement. As a result, although this procedure allows rightsholders to obtain a decision on the merits of the case ordering the cessation of the infringement quickly, they must still initiate regular court proceedings in order to obtain damages. In the context of injunction proceedings, the corrective measures will only be imposed together with the order to cease the IP infringement.

B. Appropriate measures

In regular proceedings on the merits, a court establishing an infringement of a patent, supplementary protection certificate, plant variety right, copyright, related right, database producers' right or the right to a topography of a semiconductor, will order the cessation of the infringement against every infringer.¹⁰⁴ The same applies to Benelux trademarks and designs under Benelux law. Having established the IP infringement, the court can also order additional corrective measures. This is, however, an option that the court is not required to take.

In injunction proceedings, the president of the court can also impose additional measures which contribute to the cessation of the infringement.¹⁰⁵ The appropriate corrective measures range from the recall or removal from the channels of commerce to the destruction of the infringing goods.

The court can, however, only order the appropriate measures upon the specific request of the applicant and can, therefore, never impose these measures *ex officio*. These measures specifically serve to contribute to the cessation of the established infringement or the consequences thereof. They intend to dispose of infringing goods, as well as materials and implements primarily used in their creation or manufacture, preventing further negative consequences of the counterfeiting.

C. Recall

At the request of a party entitled to initiate counterfeit proceedings (or at the request of the holder of the trademark or design rights for Benelux trademarks and designs), the courts may order the recall of goods or their definitive removal from the channels of commerce. They may also order the destruction of the goods which infringe upon an IP right, as well as, in appropriate cases, materials and implements principally used in the manufacture of those goods without prejudice to any damages due to the holder of an IP right by reason of the infringement, and without any compensation.¹⁰⁶

The president of the court may also order these measures in the context of injunction proceedings, in addition to ordering the cessation of the infringement. He must first evaluate if the measures can contribute to the cessation of the established infringement or to the consequences thereof.¹⁰⁷ Considering the principle of proportionality in these procedures, the president of the court will, however, rarely order the destruction of the infringing goods.¹⁰⁸

¹⁰⁴ Art. XI. 334 §1 CEL.

¹⁰⁵ Art. XVII. 16 CEL.

¹⁰⁶ Art. XI. 334 §2 CEL and art. 2.22 and 3.18 BCIP.

¹⁰⁷ Art. XVII. 16 CEL.

¹⁰⁸ President of the Commercial Court of Ghent, 18 June 2010, *Jb. Markt.* 2010, 799; President of the Commercial Court of Brussels, 21 March 2013, *Jb. Markt.*, 2013, 1095.

Neither Belgian nor European law further clarifies the distinction between these different measures. The recall of the infringing goods implies that the goods are no longer in the possession of the infringer, who will be ordered to request those goods back from their clients, such as distributors or retailers. The judge may order the recall to be either provisional or definitive.

D. Removal from the channels of commerce

The definitive removal of the infringing goods from the channels of commerce results in the seizure of those goods, either at the premises of the infringer or of its contractual partners. This measure often serves as a precursor for the destruction of the goods collected.

E. Destruction

The destruction of the infringing goods serves to deprive the infringer of all profits of the illicit activity and to prevent further profits from being made. This measure will principally be carried out at the expense of the infringer.¹⁰⁹

In regular court proceedings, the competent judge¹¹⁰ will impose this corrective measure without prejudice to the compensation of any damages that are due to the holder of the IP right and without compensation of any sort. Accordingly, the measures are not intended to compensate the damages incurred by the injured party. The judge can order the measures in addition to the damages awarded.

F. Reasons for (not) carrying out measures at the expense of the infringer

The corrective measures are principally carried out at the infringer's expense. The measures will evidently entail costs for the seizure, storage and actual destruction of the infringing goods. The fact that the infringer is principally responsible to carry these costs does not affect his potential obligation to pay damages. If the infringer cannot be identified, then the person physically holding the goods may be ordered to compensate the costs. Exceptionally, the costs of carrying out the corrective measures can be divided between parties on the basis of equity; for example, when the infringer acted in good faith.

G. Principle of proportionality between the seriousness of the infringement and the remedies ordered and interests of third parties

The competent judge must assess whether the imposed corrective measures are proportionate to the seriousness of the infringement and the interest of third parties before ordering the recall, removal or destruction of the goods. As a result, the judge must perform a factual assessment, taking into account, for example, the interests of consumers acting in good faith. A judge will, therefore, not impose the measures if it would cause disproportionate harm to third parties.¹¹¹ In this context, presidents of the court will often refrain from ordering the additional destruction of the goods in injunction proceedings as it is often considered to be disproportionate.

¹⁰⁹ P. MAEYAERT and ARNAUT, D., "De vordering tot staking van een inbreuk op een intellectueel eigendomsrecht" in F. PETILLION (ed.), *Handhaving van intellectuele rechten in België. 10 jaar implementatie van de handhavingsrichtlijn 2004/48*, Larcier, 2018, 117-118.

¹¹⁰ See *supra* "II. Jurisdiction and competence - A. Competence of local courts".

¹¹¹ See, for example, Antwerp Court of First Instance, 17 May 2010, *Jb. Markt.*, 2010, 772.

X. Injunctions

A. Stopping the infringement

In both regular proceedings and injunction proceedings on the merits, the competent judge must order the cessation of the infringement when he establishes a substantive IP infringement has taken place. Accordingly, judges cannot establish an infringement without ordering the cessation of that infringement. This obligation is applicable to infringements of all IP rights, including Benelux trademarks and designs. Contrary to the above-mentioned corrective measures, the competent judge may not perform any balancing exercise or take into account external interests for ordering the cessation. Accordingly, an objective evaluation of the existence of an IP infringement is decisive. Where the Enforcement Directive provides that the competent judicial authority *may* issue an injunction aimed at prohibiting the continuation of the infringement, Belgian law *requires* judges to do so. Only in cases where the judge determines an abuse of (IP) rights by the applicant will he refrain from ordering the cessation.

The injunction proceedings before the president of the commercial court specifically serve the purpose of obtaining a rapid injunction to stop the infringement. Without having to demonstrate urgency, the applicant can obtain a fast and provisionally executable decision on the merits that may also include the order of additional measures. The president of the court may even decide upon the validity of the IP right concerned, which will have an *erga omnes* effect. The decision on the validity will, however, not be provisionally executable. In contrast, the president of the court may not issue a determination on the compensation of damages in these proceedings.

Additionally, before an infringement is established, an applicant can also obtain an interlocutory injunction ordering the cessation of the (alleged) infringement. These injunctions can be obtained during the proceedings on the merits of the case, as well as in preliminary summary proceedings for urgent matters.¹¹² Judges acting in preliminary summary proceedings who establish the *prima facie* infringement of an IP right are not obligated to order the provisional cessation of this alleged infringement. They can, for example, allow the continuation of the *prima facie* infringing activity on the condition of the lodging of a guarantee by the alleged infringer.¹¹³ As a result, judges ruling on the merits of the case must order the cessation of the IP infringement when they establish the infringement.

B. Recurring penalty payment

As is the case for interlocutory injunctions, the competent judge may make the injunction ordering the cessation of the infringement subject to the payment of a recurring penalty payment. The judge determines the amount of the penalty payment considering the facts of the case, the potential prejudice caused by the continuation of the infringement and, possibly, the defendant's financial situation. A judge will only impose a recurring penalty payment if the applicant specifically requests it. The penalty payment may be established as a single sum for the continuation of the infringement, or as a payment per infringement or per period of infringement.¹¹⁴

C. Injunctions against intermediaries

¹¹² See *supra* "VIII. Provisional and precautionary measures (Art. 9) - A. Interlocutory injunction".

¹¹³ See *supra* "VIII. Provisional and precautionary measures (Art. 9) - D. Lodging of guarantees".

¹¹⁴ Art. 1385bis Judicial Code.

Both the Belgian CEL and the Benelux BCIP provide that the courts may issue an injunction for the cessation of services against intermediaries whose services are used by a third party to infringe an IP right.¹¹⁵ This possibility is also provided for the president of the court in injunction proceedings, in as far as this can contribute to the stopping of the infringement or its consequences.¹¹⁶ The injunction to stop the infringement can even be ordered against other persons than the infringer or intermediary, if they are in a position to contribute to the cessation of the infringement or its consequences.

Intermediaries are considered to be entities whose services can be used by third parties to infringe IP rights. It is required, however, that those third parties have used the service with the intent to infringe upon an IP right. Intermediaries can both be service providers in a material and in a digital environment, irrelevant of the activity performed or the nature of the services provided.

It is not necessary that the intermediary directly or indirectly infringes an IP right in order to obtain an injunction against an intermediary. It is also irrelevant that the intermediary contributed to or facilitated the infringement, that it had knowledge or a suspicion of the infringement or that it was liable or negligent in any way.

For more information and examples on actions against intermediaries, please refer to 'IV. Targeted defendants – B. Intermediaries'; 'VIII. Provisional and precautionary measures (Art. 9) – B. Blocking Injunction'; and 'VIII. Provisional and precautionary measures (Art. 9) - E. Action against intermediaries'.

XI. Alternative measures (Art. 12)

A. Pecuniary compensation in cases of unintentional action and without negligence

The Enforcement Directive provides that judicial authorities may order the defendant to pay pecuniary damages to the injured party instead of ordering an injunction or imposing any of the corrective measures stipulated above. This alternative measure depends on the person acting unintentionally, and without negligence, and on the disproportionate harm the other measures would cause him.

The Belgian implementation laws do not mention alternative measures and do not specifically transpose article 12 of the Enforcement Directive in the relevant legislation. However, considering the broad margin of appreciation of judges for ordering appropriate measures, and the proportionality exercise they must carry out before ordering corrective measures, judges always have the option to order the pecuniary compensation where appropriate. However, in proceedings on the merits, a judge must always order the cessation of the infringement once he has established the infringement.

B. Proportionality principle

The competent judge is expressly required to perform a proportionality exercise before ordering corrective measures, such as the recall or removal of the infringing goods. For this, he must weigh the seriousness of the infringement against the corrective measures requested and the interests

¹¹⁵ Art. XI. 334 CEL, art. 2.22 (6) and art. 3.18 (6) BCIP.

¹¹⁶ Art. XVII. 14 §4 CEL.

of third parties. Accordingly, if the execution of these measures would cause the defendant disproportionate harm in relation to the seriousness of the infringement, his good faith and/or the absence of negligence, the judge may decide to order alternative measures instead.

C. Satisfactory principle

The alternative measures prescribed in article 12 of the Enforcement Directive provide the competent judicial authority with the possibility to impose pecuniary compensation instead of the provided corrective measures, in as far as this appears reasonably satisfactory.

This satisfactory principle is reflected in the broad margin of appreciation that is given to judges to determine which measures are appropriate to stopping and remedying the infringement.

XII. Damages (Art. 13)

Unlike the Enforcement Directive, which is based on a subjective element of fault, the Belgian legislator retained the existing objective liability principle for the compensation of damages resulting from IP infringements. The Directive provides that infringers who, knowingly or with reasonable grounds to know, infringed an IP right must pay damages appropriate to the actual prejudice suffered by the holder of the IP right as a result of the infringement.

In Belgium, the objective liability principle entails that a material infringement of an IP right automatically implies a fault of the infringing party without the need to prove negligence or bad faith, making him civilly liable, based on the general principles of tort.¹¹⁷ In this respect, Belgian and Benelux IP law provides that the injured party¹¹⁸ can claim compensation for any prejudice that he has suffered as a result of the infringement.¹¹⁹ Damages can only be claimed before the competent commercial court or court of first instance in proceedings on the merits of the case. Damages cannot be claimed in summary or injunction proceedings before the president of those courts.

A. Actual prejudice principle

An injured party can claim compensation for *any* prejudice suffered as a result of the infringement. The injured party must prove a causal link between the damages and the IP infringement. The infringer will be liable to compensate all damages, but nothing more (*restitutio in integrum*). Courts cannot award higher damages than what is actually sustained or proven. As a result, Belgian law does not provide for punitive damages. However, in some instances, especially concerning IP infringements related to software, Belgian courts have awarded damages based on doubling the hypothetical royalty.¹²⁰ Such a practice is in conformity with the principle of *restitutio in integrum* if it only intends to fully compensate the holder of the IP right, without additionally punishing the

¹¹⁷ According to art. 1382 and 1383 Civil Code, everyone is liable for damages his acts, negligence or carelessness has inflicted on another resulting from his fault; Supreme Court, 10 April 1970, Pas. 1970, I, 682; See *supra* "IV. Targeted defendants – C. Liability".

¹¹⁸ For Benelux trademark and designs the claimant can only be the holder of the trademark or design right, unless the licensee independently intervenes in proceedings initiated by the rightsholder or the licensing agreement expressly authorised the licensee to independently introduce a claim for compensation.

¹¹⁹ Art. XI. 335 §1 CEL, art. 2.21 (1) and art. 3.17 (1) BCIP.

¹²⁰ Ghent Court of Appeal, 19 January 2009, AM 2009, 384 with case note by J. KEUSTERMANS and T. DE MAERE; Antwerp Court of Appeal, 13 October 2008, AM 2009, 391.

infringer. Courts can consider the general need for a deterrent effect as an element for the quantification of the damages.¹²¹

The fact that the damages compensated must conform to the damages sustained also means that the courts must consider the expenses incurred by the holder of the IP right, such as costs of identification and research, to enable compensation based on objective criteria.¹²² The only limited exception to the actual prejudice principle is the possibility for the competent judge to order the forfeiture of the infringing goods and, in appropriate circumstances, the materials and implements used.¹²³

B. Appropriate aspects

The Enforcement Directive requires judges to consider all appropriate aspects of the damages. It continues by listing examples of these appropriate aspects, such as the negative economic consequences, including lost profits, which the injured party has suffered, any unfair profits made by the infringer and, in appropriate cases, elements other than economic factors, such as the moral prejudice caused to the holder of the IP right by the infringement.

As mentioned above, the Belgian legislator did not consider it necessary to expressly implement the provisions on damages of the Enforcement Directive, instead retaining the existing principles of objective liability and equivalence. The law does not give examples of elements that the judge must take into account when quantifying damages. The judge is, therefore, given a broad margin of appreciation regarding his consideration of the appropriate aspects involved. As a result, the quantification of damages is always a case-by-case assessment. The judge will generally take elements such as the decrease of sales and loss of profits, the loss of royalties, the diminution of the value and exclusivity of the IP, the loss of market position, but also administrative and other costs incurred into account, such as those related to the identification and research of the infringement. While the compensation for lost profits can generally be determined on the basis of concrete numerical and accounting data, the amount of losses incurred is often calculated *ex aequo et bono* on the basis of objective criteria. Judges will also take into consideration things other than economic factors, such as moral prejudice, which can be the result of, for example, the loss of prestige of the counterfeited product, or damage to the reputation of the producer. In conclusion, the competent judge will consider all relevant circumstances of the case for determining the damages that must be compensated.

The provisions on damages of the Enforcement Directive were more expressly implemented for Benelux trademarks and designs. Here, the exemplative list of elements that can be considered to be appropriate aspects is explicitly taken over.¹²⁴ In practice, however, judges will determine the quantification of damages for the infringement of Benelux trademarks or designs on the same bases as for the other IP rights.

For the calculation of damages, the judge will first determine the scope of the infringement. For lost profits, the damages are quantified according to the profits which the holder of the IP right shows he would have normally made in the absence of the infringement. If profits are normally obtained from licensing, lost profits are based on the licensing fees (royalties) he would have

¹²¹ C. VANLEENHOVE, "Punitive damages in intellectual property law – a private international outlook", in F. PETILLION (ed.), *Handhaving van intellectuele rechten in België. 10 jaar implementatie van de handhavingsrichtlijn 2004/48*, Larcier, 2018, 208-209.

¹²² Recital 20, Enforcement Directive.

¹²³ Art. XI. 335 §3 CEL.

¹²⁴ Art. 2.21 (2) (a) and art. 3.17 (2) (a) BCIP.

normally acquired. For other losses, the judge will take all proven difficulties and expenses incurred as a result of the infringement into account.¹²⁵ The burden of proof for demonstrating the prejudice suffered because of the IP infringement lays with the claimant.

C. Unfair profits made by the infringer

The judge must take all appropriate aspects into account to quantify the compensation for the actual damages inflicted, but nothing more. This is in line with the actual prejudice principle and the principle of equivalence. Although he can take the unfair profits made by the infringer into account, he cannot simply equate this to the loss of profits incurred by the claimant. An infringer will usually sell the counterfeit products at a much lower price in order to attract customers.

To calculate the actual losses of the claimant as a result of the IP infringement, the judge must not only take the products sold by the infringer into account, but also the other products that were produced or imported. He will then assess what the normal (margin of) profits would have been for the claimant if he had commercialised the infringing products himself.

D. Other than economic factors such as moral prejudice

Claimants can also obtain compensation for moral prejudice resulting from the IP infringement. This moral prejudice will normally result from damage to the reputation of the claimant or other loss of prestige. An infringer may, for example, have failed to maintain the quality of the product that was counterfeited, making it inferior or even unusable. He may also have used a copyrighted work in another context than the original, or adapted it without any useful purpose.¹²⁶ While courts used to award largely symbolic compensations of one euro for moral prejudice, they now often quantify moral damages on the basis of actual damage inflicted to the exclusive character or to the appeal of the product.

E. Alternative lump sum

The Enforcement Directive provides that judges 'may, in appropriate cases set the damages as a lump sum on the basis of elements such as at least the amount of royalties or fees which would have been due if the infringer had requested authorisation to use the intellectual property right in question'.

This provision was not expressly taken over in Belgian IP law. Judges are, however, given the option to set the damages as a lump sum, in all reasonableness and fairness (*ex aequo et bono*), and when the extent of the damages cannot otherwise be determined.¹²⁷ As mentioned above, if profits are normally obtained from licensing, compensation for lost profits is based on the licensing fees (royalties) the claimant would have normally acquired if the infringer had requested authorisation to use the IP right in question. However, in the context of the principle of equivalence, this is just one of the elements that the judge must take into account to determine the actual prejudice incurred and to quantify the damages. Unlike the Enforcement Directive, the *ex aequo et bono* evaluation of damages is subsidiary to an actual quantification based on

¹²⁵ H. VANHEES, "Commentaar bij art. XI. 335 WER", *OHRA*, ed. 70, 20 April 2015, 87.

¹²⁶ F. PETILLION, "Schadevergoeding voor inbreuken op intellectuele rechten: ex aequo et malo", case not under Ghent court of first instance, 19 January 2009, *Computerrecht* 2009, 229.

¹²⁷ Art. XI. 335 §2 CEL.

objective elements. This means that the judge may only set the damages as a lump sum if he cannot determine the extent of the damages in any other way.

In contrast, damages incurred by holders of Benelux trademarks or designs can be set as a lump sum in all appropriate cases on the basis of elements such as the amount of royalties and fees due. As such, the BCIP expressly took over the Enforcement Directive's text regarding the alternative lump sum determination of damages for Benelux trademarks and designs.¹²⁸

F. Recovery of profits

Article 13 (2) provides that 'Member States may lay down that the judicial authorities may order the recovery of profits or the payment of damages where the infringer did not knowingly, or with reasonable grounds to know, engage in infringing activity'. This was not taken over in Belgian or Benelux legislation.

Such a provision does not correspond to the Belgian objective liability principle, on the basis of which the infringement of an IP right automatically implies a fault, without the need to determine any subjective element.

G. Other alternative measures of compensation

Both Belgian and Benelux IP law provide for alternative measures of compensation which are not provided in the Enforcement Directive.

First, the holder of the IP right can, by way of compensation, obtain the **transfer of the ownership** of the infringing goods, as well as, in appropriate cases, the materials and implements used in the manufacture of those goods. This measure is purely optional and the competent judge will only order it in appropriate circumstances. The judge will take the interests of the parties, the value and extent of the counterfeiting and of the counterfeit goods into account. The measure does not require bad faith on the part of the infringer.

For Benelux trademarks and designs, the holder of the trademark or design right must specifically request the transfer of ownership. The court may also order that the transfer shall only take place upon payment by the claimant of a predetermined sum in order to safeguard the measure's proportionality. In contrast to the other IP rights, it is not specifically required that the infringing goods, materials, or implements be in the possession of the infringer.¹²⁹

For all other IP rights, the judge can order the transfer of ownership on his own initiative, without the need for a specific request by the holder of the IP right. It is specifically required that the infringing goods, materials or implements still be in the possession of the infringer. If an infringer has previously sold or otherwise transferred the goods, then he cannot be ordered to pay an amount equal to the price he obtained for them. Additionally, the judge can order that the claimant must pay a compensatory amount if the value of the transferred goods, materials, and implements exceeds the extent of the actual damages sustained.¹³⁰

¹²⁸ Art. 2.21 (2) (b) and art. 3.17 (2) (b) BCIP.

¹²⁹ Art. 2.21 (3) and 3.17 (3) BCIP.

¹³⁰ Art. XI. 335 §2 (2) CEL.

Second, the competent judge may also order the **transfer of all or part of the profits** resulting from the infringement of a patent, supplementary protection certificate, plant variety right, copyright, related right, database producers' right or a right to a topography of a semiconductor. The transfer of profits can only be ordered in case of bad faith by the infringer. The judge can also order that the infringer presents justification and accountability for his infringement before the court.¹³¹ To determine the actual profits to be transferred, the judge will only deduct the costs directly related to the particular IP infringement. This measure is again purely optional for the competent judge. He will, thus, also consider the interests of the parties or the proportionality of the measure. The measure also serves as compensation and cannot be cumulated with the additional award of damages for the same infringement.

For Benelux trademarks and designs, the holder of a trademark or design right can initiate proceedings to transfer the profits made by the infringement, and to produce the corresponding accounts. The court shall reject the claim if it considers that the infringement is not in bad faith or the circumstances of the case do not justify such an order.¹³² Here, the measure can only be ordered following a specific request by the rightsholder. The transfer of profits in case of an infringement of a Benelux trademark or design right can also be cumulated with an additional award of damages because this measure does not serve as compensation of damages.

Third, an additional measure is available for infringements of a patent, supplementary protection certificate, plant variety right, copyright, related right, database producers' right or a right to a topography of a semiconductor. In case of bad faith, the judge may order **the confiscation and forfeiture** to the claimant of the infringing goods, as well as, in appropriate cases, the materials and implements used in the manufacture of those goods, and which are still in the possession of the infringer. If the goods, materials and implements are no longer in the possession of the infringer, then the judge can order the payment of an amount equal to the price received for the goods, materials and implements sold.

The forfeiture will serve as compensation for the established damages to an amount equal to the value of the forfeited goods, materials or implements.¹³³ As for the other two measures of alternative compensation, the judge also has a margin of appreciation to order the forfeiture of the infringing goods, materials or implements, by taking the interests of the parties and the proportionality of the measure into account. However, in case of forfeiture, the claimant is not required to reimburse the surplus if the goods, materials and implements forfeited have a higher value than the actual damages established. This alternative measure of compensation does not exist for Benelux trademarks and designs.

XIII. Legal Costs (Art. 14)

A. Principle of reasonable and proportionate legal costs and expenses

The 'loser pays' principle, according to which the unsuccessful party must cover the costs, is expressly provided in the Judicial Code. However, attorney's fees are covered by a flat-rate procedural cost indemnity (*rechtsplegingsvergoeding / indemnité de procédure*). This flat-rate indemnity depends on the type and importance of a claim. The judge ruling on a case can deviate

¹³¹ Art. XI. 335 §2 (3) CEL.

¹³² Art. 2.21 (4) and 3.17 (4) BCIP.

¹³³ Art. XI. 335 §3 CEL.

from the standard indemnity, upon reasoned request of a party, but must remain within the minimum and maximum amounts determined by a Royal Decree.

Expert fees are not covered by this flat-rate procedural cost indemnity but, until recently, the reimbursement of the costs of a technical adviser was provided for only in the case of fault on the part of the unsuccessful party.

This cost recovery system has been criticised because the amounts granted are often insufficient to cover a fair share of the fees and costs of the prevailing party. The CJEU eventually ruled on this issue and essentially confirmed that the existing Belgian system does not comply with the Enforcement Directive.¹³⁴ The principle of a flat-rate system may be acceptable, but in Belgium, the maximum amounts are often too low to ensure that a significant and appropriate part of the reasonable attorney's fees incurred by the prevailing party in IP disputes is covered. The Belgian legislation will, therefore, have to be adapted in that regard.¹³⁵

With regard to expert fees, the CJEU ruled that Belgium cannot subject the reimbursement of expert costs to a condition of fault on the part of the unsuccessful party. This means that when the costs of a technical adviser are directly and closely linked to a specific judicial action seeking to uphold an IP right, then these costs must unconditionally be borne by the unsuccessful party.

In view of the above, a Belgian Court which had requested a preliminary ruling from the CJEU granted the full reimbursement of the expert fees.¹³⁶

B. Principle of equity not allowing the unsuccessful party to bear costs and expenses

The Enforcement Directive provides for an exception to the abovementioned 'loser pays' principle allowing courts, in a specific case in which the application of the general scheme regarding legal costs would lead to a result considered unfair, to disregard that scheme for reasons of equity.

In Belgium, this principle may indirectly be found in Article 1022 Judicial Code, listing several criteria which can be taken into account by a judge to reduce (or increase) the amount of the procedural cost indemnity covering the attorney's fees, including:

- the financial capacity of the unsuccessful party;
- the complexity of the case;
- the obviously unreasonable nature of the situation.

These criteria can be considered to be applications of the equity principle, given that their purpose is to avoid an unfair application of the rules regarding the procedural cost indemnity. However,

¹³⁴ Court of Justice of the European Union (Fifth Chamber), *United Video Properties Inc. v Telenet NV*, 28 July 2016, C-57/15, ECLI:EU:C:2016:611.

¹³⁵ D. NOESEN, "Répétibilité des honoraires d'avocat dans un litige relatif aux droits intellectuels : état de la question et pistes de réflexion" in F. PETILLION (ed.), *Handhaving van intellectuele rechten in België. 10 jaar implementatie van de handhavingsrichtlijn 2004/48*, Larcier, 2018, 223-240; F. PETILLION, "Gepaste rechtsplegingsvergoeding is Europees recht", *RABG 2018/8 Feestnummer 15 jaar RABG, de markantste arresten*, case note under Ghent court of appeal 26 March 2012; D. DELARUE and A. VAN DER PLANKEN, "Niets belet nog de integrale vergoeding van advocatenkosten in IE-geschillen", *RABG 2016*, 1434.

¹³⁶ Antwerp court of appeal 8 May 2017, *RABG 2017/20*, p. 1543-1554, with case note by D. DELARUE and A. VAN DER PLANKEN.

the use of these criteria cannot just lead to a reduction, but also to an increase of the indemnity to be borne by the unsuccessful party. The procedural cost indemnity, as mentioned above, must always remain within the minimum and maximum amounts determined by law.

XIV. **Publicity measures (Art. 15)**

A. Publication of judicial decisions

When transposing article 15 of the Enforcement Directive, the goal of the Belgian legislator was twofold. First, publicity measures serve to ensure the cessation of the IP infringement. Second, they can contribute to the compensation of the damage inflicted by the infringement.

In regular proceedings on the merits, the competent judge may order that his decision or a summary made by him will be publicly posted, inside as well as outside the facilities of the infringer, during a period set by him, and that his decision or the summary will be published in newspapers or in any other manner, all at the expense of the infringer.¹³⁷

This measure applies to infringement proceedings of patents, supplementary protection certificates, plant variety rights, copyright, related rights, database producers' rights or rights to a topography of a semiconductor. For Benelux trademarks and designs, the BCIP provides that the courts may order, at the request of the claimant and at the expense of the infringer, that appropriate measures be taken to disseminate information concerning the decision.¹³⁸ The possible 'appropriate measures' will, in practice, be the same as those for the other IP rights, given that the modalities of publication provided for the other IP rights are only exemplary. A judge can, for example, also order the publication of the decision on a website or that it be communicated to the public by way of radio or television. The judge will also determine the period of the publicity measures which can be of a more permanent nature. However, in case of infringements of a Benelux trademark or design, the claimant must specifically request that publicity measures be taken. In all IP infringement proceedings, the competent judge is free to decide whether and which publicity measures are appropriate and useful, in accordance with the principle of proportionality. The judge is not obligated to follow the claimants' requests. In practice, Belgian judges are somewhat reluctant to consider publicity measures appropriate or necessary.¹³⁹

In case of injunction proceedings, the president of the court can also impose these publicity measures. Here, however, it is required that the measures contribute to the cessation of the infringing act or its consequences.¹⁴⁰ In these proceedings, the president of the court will also determine the amount of compensation which will be due to the alleged infringer if it would be decided on appeal that the publicity measures were unjustly imposed. Consequentially, a claimant must duly evaluate the risk of reversal of the decision on appeal.

When executing the publicity measures, claimants must take the legislation on the protection of personal data into account.¹⁴¹ In this regard, the publication of personal data in the context of

¹³⁷ Art. XI. 334 §4 CEL.

¹³⁸ Art. 2.22 (7) and art. 3. 18 (7) BCIP.

¹³⁹ V. PEDE and VANHERPE, J., "Naming and Shaming bij inbreuken op intellectuele rechten: de openbaarmaking van rechterlijke uitspraken", in F. PETILLION (ed.), *Handhaving van intellectuele rechten in België. 10 jaar implementatie van de handhavingsrichtlijn 2004/48*, Larcier, 2018, 252-253.

¹⁴⁰ Art. XVII. 20 §2 CEL.

¹⁴¹ See *infra*, "XVII. Special issues - B. Weighing intellectual property rights vs other rights like privacy, competition, trade secrets".

publicity measures for IP infringements cannot go beyond what is necessary to achieve its purpose. Additionally, claimants cannot go as far in the execution of the publicity measure for it to constitute an abuse of rights. Claimants may not, for example, specifically choose the most expensive method or medium of publication, or may not publicly shame the defendant by repeatedly publishing the decision in the same newspaper.

Parties may choose to disseminate a judicial decision on their own, outside the imposition of any publicity measure. However, they must be especially cautious and comply with the legislation on the protection of personal data, the freedom of expression and fair competition.

B. Infringer pays publication expenses principle

The principle according to which the infringer must pay for all expenses related to the publicity measure imposed, is a rule from which the judge cannot deviate. However, and as mentioned above, the president of the court in injunction proceedings will determine an amount of compensation which will be due to the alleged infringer if it would be decided on appeal that the publicity measures were unjustly imposed.

In principle, the losing party will always have to carry the costs of the publicity measures. However, as already mentioned above, a claimant may not execute the measures in a way that will unjustly increase the costs of the infringer by, for example, only opting to publish in the most expensive manner. In this case, the claimant can be held liable on the basis of the principle of abuse of rights, and the judge can order the compensation of damages incurred by the party subject to the publicity measures.

The judge will also determine the modalities of the payment and reimbursements necessary for the execution of the measures. He can order that the losing party is directly required to pay the costs of the publication or translation, or that he must reimburse the claimant for the initial costs of execution of the publicity measures.

XV. Other sanctions (Art. 16)

A. Criminal procedures

The Enforcement Directive did not lead to any specific changes to Belgian criminal law, given that it was only intended to harmonise civil IP enforcement legislation. After all, the Enforcement Directive does not affect any national provisions relating to criminal procedures or penalties in respect of infringement of intellectual property rights. However, Member States may apply other appropriate sanctions in cases in which IP rights have been infringed upon. In this regard, the Belgian legislator adopted a third act alongside the two implementing Acts of 9 and 10 May 2007. The Act of 15 May 2007, on the punishment of counterfeiting and piracy in Intellectual Property Rights, aimed to provide the holders of IP rights and the government with the possibility to more effectively combat the production and bringing into commerce of goods infringing IP rights.¹⁴² The Act also adopted provisions to more effectively implement Council Regulation 1383/2003/EG 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 Act

¹⁴² Act of 15 May 2007 on the punishment of counterfeiting and piracy in Intellectual Property Rights, 15 May 2007, *BS 38734 18 July 2007*.

further modernised criminal law and procedures, especially those regarding counterfeiting of trademarks, designs, plant variety rights and supplementary protection certificates.

Counterfeiting is criminally sanctioned. A person who infringes a patent, supplementary protection certificate, plant variety right, trademark or design with malicious or fraudulent intent is criminally liable to a penalty of imprisonment of one to five years and a fine of EUR 500 to EUR 100,000.¹⁴³ Fines must be multiplied by an index factor, which is currently fixed at eight.

A counterfeiter can only be criminally liable if there is a malicious or fraudulent intent. The infringement must take place in the channels of commerce, meaning that the infringer has acted in the context of a commercial activity with the aim of obtaining an economic benefit. As a result, a person who maliciously counterfeits a patented product for private use cannot be held criminally liable.

Counterfeiting infringements concerning copyright, related rights or database rights are also criminally sanctioned. Here, the infringement must not take place in the channels of commerce. Persons who knowingly sell, rent, offer for sale or for rent, have in stock to sell or rent or import counterfeit goods in Belgium, are liable to the same counterfeiting offense.¹⁴⁴

Apart from the prison sentence and/or fine, a criminal judge may also order additional sanctions and measures. For example, he can order the forfeiture of the infringing goods or the goods used for the infringement, even if they are not in the possession of the infringer. He can also order the transfer of ownership of the infringing goods, materials and implements to the holder of the IP right, in as far as this is proportional. He can even order the destruction of the infringing goods at the expense of the infringer. Further, the publicity measures available in civil procedures can also be ordered in a criminal context. Lastly, the criminal judge may order that the establishment in which the infringer operates be permanently or temporarily closed.¹⁴⁵

Belgian law also provides for an 'alert procedure' allowing competent authorities to alert the infringer, urging him to stop the continuation of the infringing activity.¹⁴⁶ The measures serve a kind of official cease and desist notice by the public authority, mentioning that judicial, administrative or criminal initiatives will be taken if the infringer does not stop his activity within the period mentioned.

B. Administrative procedures

In line with EU regulation on customs action against goods suspected of infringing certain IP rights, the Belgian customs authority has specific competences to take actions regarding goods suspected of infringing IP rights found at the external borders of the EU or in transit.¹⁴⁷ In Belgium, this will primarily concern goods found in the port of Antwerp and the Airports of Brussels-Zaventem and Brussels-Charleroi. This procedure serves to avoid the outcome that counterfeit products end up on the Belgian or EU market.

¹⁴³ Art. XV. 103 CEL.

¹⁴⁴ Art. XI. 293 (3) CEL.

¹⁴⁵ Art. XV. 127 – art. XV. 131/2 CEL.

¹⁴⁶ Art. XV. 31 CEL.

¹⁴⁷ See Regulation (EU) No 608/2013 of the European Parliament and of the Council of 12 June 2013 concerning customs enforcement of intellectual property rights and repealing Council Regulation (EC) No 1383/2003, *OJ L 181*, 29 June 2013, 15.

Customs authorities can, on their own initiative or at the request of the holder of the IP right, suspend the release or detain the goods suspected of infringing an IP right at the border. Thereafter, the goods can be destroyed, absent the opposition of the owner, following a fast-track procedure. If the conditions for destruction are not fulfilled, the owner of the IP right must initiate a judicial proceeding to establish a counterfeiting infringement.

C. Alternative procedures

As an alternative to judicial proceedings, which are often expensive and time-consuming, disputes can also be resolved through alternative dispute resolution (ADR) procedures such as arbitration or mediation, subject to the agreement of all parties involved.¹⁴⁸

Alternative procedures are particularly important in domain name cases. A specific fast-track ADR procedure has been introduced to combat 'cybersquatting' in the '.be' country code top-level domain. The procedure is managed by CEPANI, the Belgian centre for arbitration and mediation. A rightsholder may avail himself of the fast-track written procedure if he can cumulatively prove that: (i) the disputed domain name is identical or confusingly similar to a trademark, trade name, company name, geographical indication, indication of origin, a personal name or name of a geographic entity in which he has rights; (ii) the holder of the disputed domain name does not have rights or legitimate interests in respect of the domain name; and (iii) the disputed domain name has been registered or is being used in bad faith. If the claimant has proven these three conditions, then the third-party decider appointed by CEPANI will cancel or transfer the domain name to him, depending on the specific request of the rightsholder. The procedure greatly resembles the international Uniform Domain Name Dispute Resolution Policy (UDRP) which is applicable to all generic as well as the '.brussels' and '.vlaanderen' top-level domains. The decision does not prevent the parties from presenting the issue before a competent independent court. The losing party also has the possibility to appeal the decision. The procedure is available to both Belgian and foreign rightsholders.

XVI. Codes of conduct (Art. 17)

The Enforcement Directive requires Member States to encourage the development by trade or professional organisations of codes of conduct at EU level aimed at contributing towards the enforcement of IP rights. Member States are also required to encourage the submission to the Commission of draft codes of conduct at national and Community levels and of any evaluations of the application of these codes of conduct.

No specific provisions or amendments were introduced in Belgian law to conform to this obligation. Although initiatives have been taken at the EU level to introduce, for example, a memorandum of understanding on the sale of counterfeit goods via the internet between Internet platforms, trademark owners and trade associations,¹⁴⁹ there is currently no specific initiative for an IP code of conduct in Belgium.

XVII. Special issues

¹⁴⁸ F. PETILLION, "Arbitrage als alternatief voor het oplossen van geschillen over intellectuele rechten", in F. PETILLION (ed.), *Handhaving van intellectuele rechten in België. 10 jaar implementatie van de Europese Richtlijn 2004/48*, Larcier, 2018, 314 p., 281-304.

¹⁴⁹ Memorandum of Understanding on the online sale of counterfeit goods, Brussels, 21 June 2016, *Ares(2016)3934515*.

A. Impact of rulings in protective and temporary measures on procedure on the merits

As a general rule, protective or temporary measures ordered in summary proceedings are not attributed *res judicata*.¹⁵⁰ The judge deciding on the merits of the case is in no way bound by the interim decision and can freely decide otherwise. Although the president of the court in summary proceedings can order all of the interim measures that he considers appropriate, he may under no circumstances order measures that govern the rights of the parties in a definitive and irreparable way.¹⁵¹ The measures must, therefore, be of a provisional nature and cannot negatively affect the case itself.

The president of the court in summary proceedings can base his decision on the *prima facie* valid (IP) rights of the parties when these are not seriously disputed.¹⁵² The president of the court has a broad discretion to order the appropriate preliminary measures. When assessing the *prima facie* validity of the IP right, he may only depend on a marginal appreciation of the validity of that right. The evaluation will primarily include a formal assessment regarding the fulfilment of the necessary formalities, such as the proper grant or renewal of the title and the payment of the relevant application fees. The president of the court will take all relevant facts and circumstances of the case into consideration. While an invalidity decision of the (corresponding) IP right in a foreign jurisdiction can be of relevance for the evaluation, it does not automatically lead to the *prima facie* invalidity of the IP right.¹⁵³ Judges should refrain from performing an in-depth analysis in the context of interim measures. It is not the president of the court's task to make an evaluation on the merits regarding the validity of the IP right concerned. As a result, the judge ruling on the merits of the case is in no way bound by the decision on the *prima facie* validity of the right in preliminary proceedings.

In contrast, the president of the court in injunction proceedings does rule on the merits of the case. As a result, his decisions in these proceedings are given *res judicata*. He is competent to declare the invalidity of the IP right invoked in the injunction proceeding. This only applies, however, to IP rights which are protected in Belgium by way of an application or registration. It does not apply to copyright, related rights, and database producers' rights, as these require no application or registration. When the president of the court determines that the IP right, application, or registration is null or lapsed, he will order the nullity or revocation, and the deletion of the application or registration from the applicable registers.¹⁵⁴ This decision on invalidity has the effect of *erga omnes*, but can only be ordered on the basis of a counterclaim by the defendant. As a result, the president of the court in injunction proceedings may decide on the (in)validity of (registered) IP rights in injunction proceedings which serve to achieve the cessation of the infringement and its consequences.

B. Weighing intellectual property rights vs other rights like privacy, competition, trade secrets

¹⁵⁰ Unlike judicial decisions taken in regular proceedings on the merits or in injunction proceedings by the president of the court.

¹⁵¹ Supreme Court, 25 April 1996, C.93.0356.N, N. 135, *Arr. Cass.* 349; Supreme Court, 9 September 1982, A.R. n. 664, N. 28, *Arr. Cass.* 51.

¹⁵² Supreme Court, 16 November 1995, C.93.0310.N., A.R. n. 499, 1018.

¹⁵³ L. WEYNANTS and ROBRECHTS, T., "The *prima facie* validity requirement for preliminary enforcement of patent rights", in F. PETILLION (ed.), *Handhaving van intellectuele rechten in België. 10 jaar implementatie van de Europese Richtlijn 2004/48*, Larcier, 2018, 314 p., 83-93.

¹⁵⁴ Art. XVII 17 CEL.

Judges have a wide margin of appreciation to impose measures and remedies to combat IP infringements. Judges can generally adopt all appropriate measures within their competence. However, in almost all decisions, they must take the principle of proportionality and other (fundamental) rights of parties into account, such as the right to privacy and the protection of personal data, the freedom of expression, the right of defence and due process and the right to free competition.

In accordance with the case law of the CJEU, Belgian courts must perform an actual balance of interests, taking into account the concrete elements of the case, such as between the protection of the IP right concerned and the right to effective judicial protection, and the right to protection of personal data and private life.¹⁵⁵ Before imposing IP enforcement measures that concern the disclosure of personal information, the judge must perform a concrete case-by-case assessment, taking due account of the principle of proportionality. He must also consider whether the measures are in accordance with the principles and obligation of the GDPR. Disclosure of personal data in the context of judicial decisions is considered as a 'processing activity' and falls under the material scope of the GDPR. Judges will have to determine whether additional guarantees are necessary to ensure the protection of the personal information disclosed.

For different measures, such as regarding the production of evidence, counterfeit seizure and the right of information, judges must also specifically take the protection of confidential information into consideration. Measures that will unduly disclose irrelevant confidential information will be considered unreasonable and disproportionate and will, therefore, be denied by the competent judge. This evaluation is particularly important for trade secrets. Parties that excessively use information acquired on the basis of IP enforcement measures, will generally be held liable on the basis of an abuse of rights, unfair competition or general tort law. With the implementation of the Directive on the Protection of Trade Secrets before 9 June 2018, Belgian law will provide further protection to confidential information sources in the context of IP enforcement and other judicial proceedings.¹⁵⁶

Judges must always start from this general rule when considering IP enforcement measures because the exclusive protection of IP rights is an exception to the general rule of freedom of competition.¹⁵⁷ The freedom of competition must be considered when performing the proportionality assessment for deciding the appropriate enforcement measures or remedies. As a result, judges cannot attribute an overly extensive scope of protection to an IP right. Additionally, competitors will often use competition law, such as rules concerning the prohibition of agreements restricting competition and the prohibition of abuse of a dominant position, to counter the abuse of IP rights.

C. Importance and value of experts

The opinion of experts is much sought after in IP disputes generally and in disputes relating to highly technical matters particularly. A counterfeit seizure will automatically lead to the appointment of an expert to describe the nature and extent of the alleged counterfeit. Experts

¹⁵⁵ Court of Justice of the European Union (Grand Chamber), *Productores de Música de España (Promusicae) v Telefónica de España SAU*, 29 January 2008, C-341/07, *Promusicae*, ECLI:EU:C:2008:54; Court of Justice of the European Union, *Bonnier Audio and others v Perfect Communication Sweden AB*, 19 April 2012, C-461/10, ECLI:EU:C:2012:219.

¹⁵⁶ See *supra*, "VII. Right of information (Art. 8) – G. Confidential Information Sources".

¹⁵⁷ Supreme Court, 11 March 2005, C.03.0591.N, N. 152, *Arr. Cass.* 585.

appointed in the framework of a counterfeit seizure may not give any legal advice; their task is purely descriptive.

Outside the context of a counterfeit seizure, judges may call upon experts to give their opinion on the alleged counterfeit. Parties typically call upon their own expert witnesses to assist the court in its understanding of technical issues.

Judges have no obligation to accept the opinion of the expert that they have appointed. They must recognise its evidentiary value¹⁵⁸ and comply with the factual findings of the expert.¹⁵⁹

D. Importance and value of surveys

There are no legal provisions requiring the use of surveys in IP disputes. In practice, however, survey evidence is commonplace, especially in trademark disputes. Surveys are often used to prove the reputation, the well-known status or the acquired distinctiveness of trademarks. They can also be used to prove the dilution of a trademark or the likelihood of confusion.

The probative value of the survey will significantly depend on the methodology used, the questions asked and sometimes also on the reputation and deontology of the survey provider.¹⁶⁰ If the survey contains leading questions, its results will often be ignored.¹⁶¹ Judges will also interpret the results of the survey in view of other elements of the files.¹⁶²

¹⁵⁸ Supreme Court, 5 April 1979, *Arr. Cass.* 1978-79, 931; Supreme Court, 9 October 1953, *Pas.* 1954, I, 99.

¹⁵⁹ Supreme Court, 26 March 1981, *Arr. Cass.* 1980-81, 842; *Bull.* 1981, 809; *Pas.* 1981, I, 809.

¹⁶⁰ See Mons, Court of Appeal, 9 September 2010, *Ing.-Cons.* 2010/3, p. 411.

¹⁶¹ See e.g., Brussels Commercial Court (Pres.), 28 July 2015, *Ing.-Cons.* 2015/4, p. 754-792; Brussels, Court of Appeal, 3 January 2003, *Ing.-Cons.* 2005/3, p. 250; Ghent, Court of Appeal, 22 November 2004, *RABG* 2005/20, p. 1859.

¹⁶² See e.g., Brussels Commercial Court (Pres.), 17 March 2016, *Ing.-Cons.* 2016/2, p. 467.