

WIPIP Submission

Name:

Dr Alexandra George

Affiliation:

Faculty of Law, University of New South Wales, Australia

Contact:

Email: a.george@unsw.edu.au

Phone. +61-2-9385 9626

Title:

How Long is Uncle Sam's Arm? Extraterritorial Enforcement of Domestic Intellectual Property Laws

Abstract:

This paper examines three approaches by which governments may apply their domestic intellectual property laws to nationals of other jurisdictions and/or to activities undertaken in other jurisdictions.

1. Background

Domestic intellectual property laws grant jurisdictionally limited rights. However, the value of a copyright work, patented invention, or trademarked trade symbol is easily undermined if someone in another jurisdiction can copy and/or distribute it with impunity. International intellectual property treaties and practices have therefore been developed over several hundred years to give international recognition to nationally-based intellectual property.

Treaties such as the Paris Convention, Berne Convention, and TRIPS Agreement incorporate provisions to enable nationals of one member state to have their intellectual property recognized and protected within other member states. For example, the principle of 'national treatment' enables nationals of one member nation to avail themselves of the copyright protection offered to nationals of other member nations. Meanwhile, the principle of 'priority rights' enables patents and trademarks registered in one jurisdiction to be recognized and re-registered in other jurisdictions.

Increasingly, however, intellectual property rights-holders are seeking other avenues for the international protection and enforcement of their domestically-based rights.

2. Extraterritorial Enforcement of Domestic Intellectual Property Laws

This paper examines the following three methods by which governments may apply their domestic intellectual property laws to nationals of other jurisdictions and/or to activities undertaken in other jurisdictions.

a. Extradition

Governments seek to extradite foreign nationals from foreign jurisdictions to face domestic courts under the provisions of domestic intellectual property laws, despite all relevant activities having taken place abroad (and perhaps even when the activities did not breach laws of the jurisdiction in which they occurred). Examples include the cases of 'Uncle Sam' seeking extradition of:

- Hew Raymond Griffiths, a UK-born Australian resident, who had never been to the US before he was extradited and imprisoned for piracy of US-owned copyright material.
- Richard O'Dwyer, a British university student who founded a website providing links to pirated TV shows and movies on other websites. Although O'Dwyer did not himself host copyright infringing content, and although the website was built in the UK and hosted in Europe, and although the UK's Crown Prosecution Service decided not to prosecute him, but the US Immigration and Customs Enforcement agency sought O'Dwyer's extradition to face trial for copyright infringement in the US. The UK government approved the extradition request.
- Kim Dotcom, a Finish-German national and resident of New Zealand who founded a file-sharing website that is alleged to have hosted pirated copies of US-owned copyright material. Following the January 2012 filing in Virginia, US, of indictments against Dotcom, he was arrested in an armed raid on his Auckland home by New Zealand police. Complicated legal proceedings are underway in New Zealand courts as the US seeks to extradite Dotcom.

b. Local Enforcement of a Foreign Judgment

Rights-holders obtain a favourable judgment in one jurisdiction and seek to have it enforced by the courts of another jurisdiction.

A recent instance was the UK case of *Lucasfilm v. Ainsworth*, No. [2011] UKSC 39. In that case, US company Lucasfilm had won a \$20 million copyright claim against British engineer Andrew Ainsworth in a California court. The UK Supreme Court held that UK courts can make findings as to whether non-UK copyrights have been infringed, giving Lucasfilm the ability to sue Ainsworth in the UK over infringement of US copyright.

c. *International Arbitration*

After a jurisdiction enters into a trade agreement containing an Investor State Disputes Settlement ('ISDS') clause, companies from other jurisdictions can take the state to arbitration alleging unfair or inequitable treatment of an investor.

For example, when the Australian government passed legislation requiring plain packaging of tobacco packaging, the law was by challenged tobacco companies in the High Court of Australia. The law was intended as a health initiative to reduce smoking rates, but tobacco companies claimed plain packaging would expropriate intellectual property in their trademarks. The Court upheld the law. Philip Morris Asia responded by taking action against Australia under the *Agreement between the Government of Australia and the Government of Hong Kong for the Promotion and Protection of Investments* (1993), alleging the unfair or inequitable treatment of an investor by the Australian government.

Such arrangements are likely to increase. For example, a controversial aspect of the proposed Trans Pacific Partnership Agreement ('TPP') is the investment chapter's ISDS clause. This would enable companies to complain to a supra-national dispute resolution body if they believe a member state has damaged their investments. The arbitrator would have the ability to make decisions that overrule domestic laws.

3. The Development of International Intellectual Property Jurisdiction

The paper concludes by considering whether the developments examined above might indicate the development of a *de facto* international intellectual property jurisdiction.