Comment: Now That We Know "the Way Forward," Let Us Stay the Course

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MARC E. HANKIN*

This Comment is authored by a litigator who has practiced over the past decade in all areas of intellectual property litigation, and has had extensive experience extra-territorially, pursuant to the Hague Conventions on Service of Process\(^1\) and the Taking of Evidence Abroad.\(^2\) The perspective offered is not that of any particular client, group of clients, or industry group, but rather practical suggestions taken from the real-life practice of intellectual property law.

Because of frustrating experiences operating under the Hague Service and Evidence Conventions—with their cumbersome mechanics and limited scope—the author of this Comment shares the goal of professors Dreyfuss and Ginsburg that "it would be desirable to create a regime for international enforcement of intellectual property law judgments."\(^3\)

It is, however, the belief of this author that intellectual property claims ought to be treated in a similar manner to other kinds of claims, particularly in so far as procedure is concerned. Just like intellectual property litigators throughout the United States must follow the Federal Rules of Civil Procedure, Federal Rules of Evidence,

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local rules of the district court in which the case is pending, and existing Hague Conventions, to the extent that they are applicable to the case-at-bar, so too should intellectual property litigators follow the same rules for their patent, trademark, and copyright cases as other civil and commercial litigators follow for non-intellectual property cases.

I. THE STATUS OF SPECIAL RULES AND SPECIAL COURTS FOR INTELLECTUAL PROPERTY CASES

There has long been a split in the intellectual property bar (primarily amongst patent lawyers, but sometimes amongst trademark and copyright attorneys as well) as to whether there ought to be specialized courts for specialized intellectual property cases, e.g., patent cases. While taking no position on the normative argument of whether there ought to be, the author notes that there are no special courts for patent (or any other form of intellectual property protection) cases anywhere within the United States (as there are for bankruptcy and tax cases). Intellectual property cases, particularly including patent cases, are litigated throughout the ninety-four district courts. In fact, there are only two district courts that even have special procedural rules at all for intellectual property cases. In each of those districts, these special rules are additional procedural requirements to be followed, and do not supplant or replace the "regular" local rules that apply to all other cases.

In an effort to standardize appellate rulings, in 1982, Congress created the United States Court of Appeals for the Federal Circuit as the exclusive appellate court for all patent cases from each of the ninety-four district courts. The Federal Circuit, however, hears appeals on patent matters but not on other intellectual property matters. Moreover, the Federal Circuit has many other types of cases within its jurisdiction, and is not limited to patent law. Hence, most

4. There are even intellectual property cases litigated in state courts throughout the United States. This Comment, however, will focus on federal litigation, as that is the general category of litigation that will most likely lead to following procedural rules under the various Hague Conventions.
5. The Northern District of California and the Western District of Michigan.
of the judges that have been appointed to the Federal Circuit since its creation have not had patent experience as practicing lawyers.

Thus, while there has been some effort to treat intellectual property, particularly patents, as "special," for the most part, intellectual property cases are treated procedurally like any other case. That is, ninety-two of the ninety-four districts do not have special procedural rules. Furthermore, cases that involve copyrights, trademarks, trade secrets, and/or unfair competition are appealed to the twelve regional circuits, and not to any particular specialized appellate court.

It may be presumed\(^9\) that the general sentiment amongst United States attorneys, judges, and the Congress is that intellectual property cases ought to be treated like any other cases. Although there are a few countries throughout the world\(^{10}\) that have specialty courts for intellectual property, again, primarily for patent cases, the great majority of countries treat intellectual property cases as they do any other civil or commercial matter. All of this militates against creating a special Convention—whether through the auspices of the Hague, the World Intellectual Property Organization, or the World Trade Organization—limited solely to intellectual property issues. It would be more appropriate to treat intellectual property claims along with other civil and commercial disputes, the way the great majority of the world already does.

II. The Existing Draft Proposed Hague Convention Is Pretty Close to Good

When the preliminary draft text of the Hague Convention on Judgments\(^{11}\) was released to the public in October 1999, it met with widespread and virulent criticism. In general, the Convention had numerous problems, specifically the intellectual property section was completely unworkable, and it seemed that the drafters had ignored completely that new-fangled thing called the Internet.

Almost immediately after release of the preliminary draft, a worldwide effort to fix it was begun both by the drafters and by those who had not previously known about the negotiations that had been quietly taking place at the Hague Conference on Private Interna-

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9. This may be proved by reading numerous articles throughout law reviews and/or bar association periodicals.
10. E.g., Germany, Thailand.
Numerous meetings and consultations were held in many countries throughout the world, and between delegates of countries, on an almost monthly basis. Great strides were made at meetings in far-flung cities, but perhaps the most progress was made in 2000 and early 2001 at meetings in Ottawa, Geneva, and Edinburgh. The dramatic progress that was made after the October 1999 release of the Preliminary Draft has been greatly encouraging, particularly as it concerns intellectual property litigation.

There are several commentators, including professors Dreyfuss and Ginsburg, that believe that the negotiations at the Hague Conference have been either unsuccessful or have moved backwards. While it is true that the delegations of the countries that are negotiating the language of the treaty have engaged in some posturing, at least this author has complete and absolute confidence that the learned and persuasive members of the United States delegation are quite capable of restoring the compromises that existed prior to the June 2001 Diplomatic Conference. Rather than "throwing the baby out with the bath water," it would be significantly better if the delegation were to clean the baby up. Those learned commentators who wish to help can go out and purchase some new clothes for it or find it play dates, rather than seeking to end its very existence or, equally bad, amputate one of its vital limbs.

III. "HARD IP" VERSUS "SOFT IP" AS TREATED BY THE DRAFT CONVENTIONS AND COMMENTATORS

"Intellectual Property" ("IP") is an umbrella term designed to include a bundle of rights, often considered to be intangible, that typically deal with technical inventions and works of creative authorship. This bundle includes patents, trademarks, copyrights, mask works, trade secrets, and additional rights that are spelled out in vari-

12. For a partial list of informal meetings, along with additional history, see http://www.loc.gov/copyright/fedreg/2001/66fr20482.html.
ous ways by different countries throughout the world. All of these rights, however, can be broken down into what most attorneys think of as “hard IP” or “soft IP.” Hard IP typically includes patents, mask works, and design patents, while soft IP typically includes everything else, but primarily trademarks, copyrights, trade secrets and trade dress, to the extent that it is protected by the jurisdiction.

Within the United States, the practical effect of this distinction is one that is often driven by the special examination known as the “patent bar.” Before one can even sit for the patent bar, an applicant must have accomplished a certain number of credits of science courses, whether in the pure or applied (e.g., engineering) disciplines. This distinction, however, has very little to do with the law that is applied to the intellectual property.

While it is true that each of the rights within the bundle is treated separately, there are special laws and judicial doctrines that are developed around each of them. It is a mystery, therefore, that hard IP lawyers and soft IP lawyers are often at odds over the relative importance of their respective disciplines.

The stand-alone IP treaty proposed by professors Dreyfuss and Ginsburg encourages excluding patent litigation from the scope of that convention. This would effectively take hard IP out of the equation should this convention receive sufficient support to be negotiated at the next level. Doing so would eliminate a large proportion of intellectual property litigation, and further narrows the applicability of the proposed convention. Surely, one would never propose doing the same with soft IP. Why then the difference for patents? For the same reasons as given above, this author believes that this idea of exclusion should go no further.

IV. THE WAY FORWARD: A VERY BRIEF HISTORY OF THE NEGOTIATIONS CONCERNING INTELLECTUAL PROPERTY RIGHTS AS APPLIED UNDER THE DRAFT HAGUE CONVENTION

The bundle of intellectual property rights is split up in the Draft Hague Convention along different lines than a hard-soft distinction.

16. These include artist’s rights, design rights, design patents, petty patents, and other rights.
17. The Patent Bar Examination is required for admission to practice before the United States Patent and Trademark Office. One who has passed the examination may hold himself or herself out as a “registered patent attorney” who receives a “registration number.”
Patents and trademarks are addressed by current Article 12,18 which generally concerns "registered rights"19 which are afforded "exclusive jurisdiction" within the particular country where the rights have been registered. Copyrights are treated, as are all other torts (except over registered rights), pursuant to Article 10.20


Justice Laddie’s article led many in the United States and Great Britain to believe that the structure set up for patents would work equally well for trademarks.22 Following numerous consultations in their home countries, when they met at the Informal Meeting in Edinburgh, Scotland in April 2001, the work group spent a great deal of time putting together text to deal with litigations involving patents and trademarks. This text was brought, in draft form, to the Diplomatic Conference at the Hague in June 2001. There, the work group spent a good deal of time engaging in further negotiations and refinement of the draft text.23

At the conclusion of the Diplomatic Conference, Part 1, the Hague Conference released a substantially revised draft text of the

18. The Convention will be reorganized prior to ratification, but the article numbers used here are those that currently are assigned to the different topics.

19. As to the concept of "unregistered" or "common law trademarks" which may, or may not, include "trade dress," the Draft Hague Convention will treat them virtually the same as "registered" trademark rights, even though they are actually not registered.

20. Although copyrights may be—and often are—registered in the United States, this is an anomaly. Most countries throughout the world neither require nor permit registration of copyrights, so the Hague Conference on Private International Law has treated copyrights as "unregistered rights" as distinguished from patents and trademarks, which typically are "registered" in all countries throughout the world.


22. See id.

23. The author, who is not a member of an official country delegation, was a participant at the meetings in Edinburgh and at the Diplomatic Conference, on behalf of several intellectual property bar associations and sections.
Convention on Jurisdiction, designated as the "Interim Draft." The Interim Draft text includes an Article 12 that is substantially improved over the Article 12 that was initially released in the Preliminary Draft text.

V. Future Work Still Remains to Be Done

The work group, and many other commentators and consultants throughout the United States and other countries, have worked very hard on resolving the copyright issues, particularly vis-à-vis the Internet (which also has significant ramifications for trademarks, but much less so for patents), but have not yet resolved the language or the structure.

The problems created by the explosive growth of the Internet have been explored quite fully by a former member of the United States delegation who now works at the Hague Conference. This very thoughtful—and thought-provoking—article notes, "[T]he Internet disturbs conventional notions of private international law, has created policy shifts within the scope of the project and presents considerable challenges for Member States in the drafting and negotiation of a Convention on jurisdiction and the recognition and enforcement of judgments."

Nevertheless, the article concludes that:

[I]t is clear that these challenges are worth overcoming[;]... the pressure will only increase to obtain global solutions to the many problems faced by countries in their attempts to create a legal framework within the context of the Internet. It is worth searching for solutions with regard to these many issues in order to support the rapidly developing global marketplace.

This author could not agree more.

Clearly, as noted by Professors Dreyfuss and Ginsburg, the issues concerning copyright infringement actions—not only whether there ought to be exclusive jurisdiction or whether consolidation should be permitted—merit additional study and consultations in the future.

26. Id. at 22.
27. Id.
This author believes, however, that through working together—as the patent and trademark lobbies have done—the copyright lobby can reach a resolution that will be acceptable to all concerned.

While one may be tempted to follow the lead of Professors Dreyfuss and Ginsburg and simply exclude copyright infringement litigation from the Draft Hague Convention (that would be much easier, after all), this notion should be rejected just as the notions of excluding patent infringement litigation or Internet-based legal issues need to be rejected. We simply have come too far to turn back now. Only through staying the chosen course can we continue to move forward towards solving these thorny issues.