

PREFACE TO THE THIRD EDITION

International intellectual property law has developed incrementally over the past several years. We previously observed the growing importance of emerging market countries in the scientific and technological fields and that this trend might gradually influence perspectives within these countries on the treatment of intellectual property. We previously noted the slow pace of negotiations regarding new IP rules at the multilateral level, and that IP negotiators have been focusing their attention on bilateral, regional and plurilateral forums. These trends have continued, albeit not on a linear path. The multiplicity of stakeholders with interests in IP rules pushing and pulling in different directions virtually assures that developments in this field will not follow a straight line.

The TRIPs Agreement of the WTO, incorporating the Paris and Berne Conventions, remains the cornerstone of the international system and the conceptual basis for additional instruments. There is no single “seminal moment” to report since the previous edition, but there have been quite a few notable developments, each of which is addressed in this Third Edition.

Treaties establishing copyright exceptions in favor of the visually impaired (the Marrakesh VIP Treaty) and establishing rights for performers of audiovisual works (the Beijing Treaty on Audiovisual Performances) were adopted at WIPO (though they are not yet in force).

The European Union has introduced a new European Union Patent System designed to make available a single EU Patent, including Unified Patent Court. At the end of 2014, the new EU Patent System is not yet operational owing to requirements for additional ratifications of the Agreement on a Unified Patent Court. However, we have introduced the new system on the assumption that it will become operational in the relatively near term (while remaining appropriately cautious regarding an event that is more than 40 years in the making). The introduction of the new EU Patent System may ultimately simplify the process of applying for and enforcing patents in Europe. However, given the plan to simultaneously maintain existing national systems as well as the European Patent Convention (EPC) system, “simplified” might not be the proper term for describing this new state of affairs.

The United States, with adoption of the America Invents Act of 2011 (AIA), has transitioned from its “first to invent” patent priority system to a “first to file” system, bringing it into line with the rest of the world. In addition, the AIA has created a new post-grant opposition procedure fairly similar to the one long used under the EPC, and this new institutional mechanism is up and running.

There have been a substantial number of judicial decisions throughout the world with important implications for international IP law. Perhaps the most notable is the US Supreme Court decision in the *AMP v. Myriad* (2013) case, holding that patents are not available on genes as found in nature. There are a number of other significant Supreme Court case law developments in the United States (adopting international exhaustion in the field of copyright, refining the definition of transmission to the public in the field of copyright, limiting the availability of software patents, restricting the replanting of patented seeds, and others), by the European Court of Justice (precluding the application of member state IP rights to goods based on mere transit, allowing for reverse-engineering of computer software under the Software Directive, and others), and by the Supreme Court of India (requiring a demonstration of enhanced therapeutic efficacy for patenting a new form of known compound), all of which are part of the body of rules to which international IP lawyers look.

It is worth pointing out that most of the important judicial decisions referenced above limit rather than extend the scope of IP protections. They are directed towards achieving a balance between the rights of IP holders and the rights of the public to access knowledge. This presents something of a contrast with efforts to negotiate new IP rules in bilateral/regional and plurilateral forums where IP-dependent industry groups and some supporting governments are pushing for more extensive protections. So, for example, in the TransPacific Partnership (TPP) negotiations the United States has tabled proposals to significantly strengthen protections for IP right holders with its 11 negotiating partners. The project entails a number of TRIPs plus proposals, also incorporating existing international agreements negotiated at WIPO. There is pushback from some, and it remains to be seen how far this plurilateral forum will go toward strengthening protections. It is notable that the Anti-Counterfeiting Trade Agreement (ACTA), discussed in the previous edition, was rejected by the European Parliament following strong protest from consumer groups in the EU. There may be lessons to be learned from this experience for IP negotiators in terms of the necessary inclusiveness and breadth of the negotiating process.

In 2014, there were some very important disputes regarding the scope of international IP protection. Probably the most important are the cases initiated directly or indirectly (through WTO member states) by the tobacco companies at the WTO and under investor to state dispute settlement (ISDS) provisions. The companies claim that tobacco plain packaging rules, such as that adopted by Australia, are inconsistent with international trademark law (including the TRIPS Agreement and Incorporated provisions of the Paris Convention). Authors Abbott and Cottier are of the firm view that Australia's plain packaging legislation is *not* inconsistent with international trademark law, and presume such claims will be rejected.* Nonetheless, there is a substantial amount of interest in industries other than tobacco, such as the food industries, regarding how decisions are ultimately framed.

* Francis Gurry, due to his position as Director General of WIPO, refrains from expressing an opinion about these cases as opinions from WIPO may be sought during proceedings. More generally, the views expressed in this book are personal and, in respect of Francis Gurry, do not necessarily reflect the views of the World Intellectual Property Organization (WIPO).

Another important pending case involves claims against the government of Canada by Eli Lilly, a US-based pharmaceutical company, under the NAFTA's ISDS mechanism. The company argues that the legal formula adopted by the Canadian Supreme Court to assess the patent criterion of utility constitutes an act of expropriation under customary international law. The claims by Eli Lilly are directed to the Canadian Supreme Court case which has been used — and continues to be used — in this course book to introduce the utility doctrine (*Apotex v. Wellcome*, 2002).

China has adopted some significant changes to its patent law, and these are discussed in Chapter 2.

As always, we welcome your comments and suggestions regarding a future Fourth Edition, and extend our appreciation to those who have provided feedback regarding the Second Edition.

Frederick M. Abbott
Thomas Cottier
Francis Gurry

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