

## **REVIEW OF LEGISLATION**

### Responses from Malta, to Questions Posed by Japan and the United States

By means of a communication from the Permanent Delegation of Malta, dated 29 May 2000, the Secretariat has received the following responses to questions posed by Japan and the United States as distributed in documents IP/C/W/173 and IP/C/W/174 respectively.

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#### **JAPAN**

##### **A. COPYRIGHT**

1. *Please explain how the protection is provided for works, phonograms, performances and broadcasts from other WTO Members under the Law on Copyright and Neighbouring Rights of Malta (hereinafter referred to as "Copyright and Neighbouring Rights Law"). Please describe the provisions of the Copyright and Neighbouring Rights Law which provide for the National Treatment and Most-Favoured-nation Treatment as required by Articles 3 and 4 of the TRIPS Agreement as well as Article 9.1 of the Agreement which incorporates Article 5(1) of the Berne Convention.*

Copyright protection is vested automatically i.e. there is no requirement, indeed no possibility for registration.

Malta's Copyright Act which includes neighbouring rights protection for performers, producers and broadcasters and also *sui generis* right protection for databases and semi-conductor product topographies includes the following:

"4(1) Copyright shall be conferred by this Section on every work eligible for copyright of which the author or, in the case of a work of joint authorship, any of the joint authors, is, at the time when the work is made:

- (a) an individual who is a citizen of, or is domiciled or permanently resident in Malta or in a State in which copyright is protected under an international agreement to which Malta is also a party;
- (b) a body of persons or a commercial partnership constituted, established, registered and vested with legal personality under the laws of Malta or of a State in which copyright is protected under an international agreement to which Malta is also a party.

"5(1) Copyright shall be conferred by this Section on every work which is eligible for copyright and which is made or first published in Malta or in a State in which such works are

protected under an international agreement to which Malta is also a party and which has not been the subject of copyright conferred by Section 4 of this Act."

22. "Neighbouring rights conferred by this Part shall apply only in respect of works:

- (a) of which the performer, the producer or broadcaster is:
  - (i) an individual who is a citizen of, or is domiciled or permanently resident in Malta or in a State in which such works are protected by neighbouring rights under an international agreement to which Malta is also a party;
  - (ii) a body of persons or a commercial partnership constituted, established, registered and vested with legal personality under the laws of Malta or of a State in which such works are protected by neighbouring rights under an international agreement to which Malta is also a party; or
- (b) communicated to the public in Malta or in a State in which such works are protected by neighbouring rights under an international agreement to which Malta is also a party".

"29. The right conferred by this Section shall only apply to a database

- (a) whose maker or right holder is at the time when the database is made:
  - (i) an individual who is a citizen of, or is domiciled or permanently resident in Malta or in a State in which such a *sui generis* right in respect of databases is protected under an international agreement to which Malta is also a party;
  - (ii) a body of persons or a commercial partnership constituted, established, registered and vested with legal personality under the laws of Malta or of a State in which such a *sui generis* right in respect of databases is protected under an international agreement to which Malta is also a party; or
- (b) which is made or first made available to the public in Malta or in a State in which such a *sui generis* right in respect of databases is protected under an international agreement to which Malta is also a party".

"36. The right conferred by Section 32 shall apply in favour of a creator or his successor in title who is an individual who is a citizen of, or is domiciled or permanently resident in Malta or in a State in which such a *sui generis* right as is conferred by Section 32 on semiconductor product topographies is protected under an international agreement to which Malta is also a party."

2. *Please explain exceptions or exemptions of the National Treatment and Most-Favoured-nation Treatment under the Copyright and Neighbouring Rights Law, if any, as permitted in Articles 3 and 4 of the TRIPS Agreement.*

Malta accords protection to non-nationals as, a result of international agreements, as explained above.

3. *Please explain whether and how Malta provides retroactive protection to works, phonograms, performances from other WTO Members, as required by Articles 9.1, 14.6 and 70.2 of the TRIPS*

*Agreement which apply, mutatis mutandis Article 18 of the Berne Convention. Please indicate the date to which such protection extends back with respect to each category of subject matter.*

Malta complies with Article 70.2 of the TRIPS Agreement by virtue of Section 60(2)(a) and 60(2)(b):

"(2)(a) The rights of performers in respect of a fixation of their performance on a phonogram to prevent the fixation of their unfixed performance which took place prior to the commencement of this Act and the reproduction of such fixation when undertaken without their authorisation and the rights of performers to prevent the broadcasting by wireless means and the communication to the public of their live performance when undertaken without their authorisation shall be protected under this Act until the end of a period of fifty years computed from the end of the calendar year in which the performance took place. Provided that these rights are exercised through a collecting society.

"(b) The right of producers of sound recordings made prior to the commencement of this Act to authorize or prohibit the rental of the said sound recordings shall be protected under this Act for a term of fifty years computed from the end of the calendar year in which the sound recording was made. Provided that these rights are exercised through a collecting society."

4. *Please explain whether protection of "computer programs" under the Copyright and Neighbouring Rights Law covers computer programs in both source and object code, as required by Article 10.1 of the TRIPS Agreement. Are those computer programs protected as literary works in accordance with Article 2(1) of the Berne Convention?*

Malta's law covers computer programs in both source and object code since the term includes computer programs whatever may be the mode or form of their expression. These are protected as literary works as indicated in the definition of "literary work" in Section 2(1).

5. *Please clarify whether "database" under the Copyright and Neighbouring Rights Law includes compilation of data in machine-readable form. Please explain how the Law complies with Article 10.2 of the TRIPS Agreement in this respect.*

The definition of database under Malta's law extends to compilation of data in machine-readable form since the database may be accessed electronically or by other means.

6. *Please indicate the remedies which the judicial authorities order regarding intellectual property rights, including injunctions, damages, expenses, destruction or disposal of infringing goods, materials or implements for their production. Please explain the criteria for and the way of calculation to decide the amount of the damages which judicial authorities order to the person who infringes intellectual property rights to pay to the right holder.*

#### Injunctions:

The Courts may issue a precautionary warrant against a present or future defendant to a court case and an executive warrant against a losing party after a definitive judgement. Precautionary warrants include:

- (i) the warrant of prohibitory injunction which may be used to stop a person from doing anything which prejudices the right of the plaintiff;
- (ii) a garnishee order freezing the defendants property in the hands of third parties;

- (iii) a warrant of seizure seizing the defendants property; and
- (iv) a warrant of description to draw up an inventory of property in the hands of the defendant.

The warrant of seizure and the garnishee order may also be issued as executive warrants which also include the warrant of ejection or expulsion from immovable property, and the warrant *in factum* ordering the imprisonment of a person until the performance of an act ordered by a judgement if there are no other means of execution.

The Court has the power to issue precautionary warrants *inaudita altera parte*.

Before issuing such injunctions the Courts also have the authority to require the applicant to provide evidence in order to satisfy them *prima facie* that the applicant is the right holder and that the applicant's right is being infringed or that such infringement is imminent. In the case of warrants of prohibitory injunction the provisional issue of which is demanded *inaudita altera parte* it is stated expressly in the law that the Court may impose any conditions which it deems appropriate in the issue of such warrant (Section 873(7) of the Code of Organisation and Civil Procedure - COCP).

A party against whom a precautionary act has been issued, upon showing good cause, may demand that the Court order the party suing out the warrant to provide security for the payment of damages, interest and any penalty which the Court may impose if the proceedings are found to be abusive. (Section 838A COCP).

Moreover, a person against whom a precautionary warrant has been issued may demand the revocation of such warrant by means of an application to the Court if it is shown that in the circumstances it would be unreasonable, unnecessary or unjustifiable to maintain the warrant in force in whole or in part or if the warrant was unduly obtained. (Sections 836 and 837 COCP). A person against whom a warrant is issued has to be given notice of the warrant

The Courts may require the applicant to supply other information necessary for the identification of the goods before ordering the execution of precautionary warrants.

The person suing out a precautionary warrant is bound to bring the action in respect of the claim stated in the warrant within four working days from the delivery to him or to an advocate or legal procurator who represented him on the application of notice of execution of the warrant or within twelve days after the issue of the warrant, whichever is the earlier date, and in default the effects of the warrant shall cease (Sections 843, 847, 850, and 875 COCP)

In cases where the applicant does not bring the action in respect of the claim stated in the warrant or where upon the demand of the defendant for the rescission of the precautionary warrant the person suing out the warrant fails to show that the precautionary warrant was founded or if it is shown that the applicant's claim was frivolous, malicious or vexatious, the person suing out the warrant may be condemned, upon the request of the defendant to pay such damages as may have been caused by the issue of the warrant. The Court may in addition condemn the applicant to pay a penalty to the person against whom a precautionary warrant was abusively issued (Section 836 COCP)

#### Damages and Expenses:

Under Maltese Law damages include both loss of profit and loss of earnings. Expenses incurred due to the fault of other parties and lawyers fees and also recoverable in accordance with the Court judgement.

Under the proposed Patents Act 2000 any person who exploits an invention which is the subject matter of a patent or patent application shall be liable in damages towards the proprietor of the patent or of a patent application or the licensee. The right to sue for damages shall be without prejudice to the right of such person to apply for the issue of any precautionary warrant as provided in the Code of Organization and Civil Procedure to protect his rights. (Section 47(1) and (2)).

Under the Copyright Act 2000 where any person infringes the copyright, neighbouring rights or *sui generis* rights in respect of a work, he shall be liable, at the suit of the copyright owner or right holder to be condemned by the Civil Court, First Hall to the payment of damages or to the payment of a fine to be determined in accordance with a scale of fines to be prescribed by the Minister and to the restitution of all the profit derived from the infringement of the copyright, neighbouring rights or *sui generis* rights.

Where the defendant proves to the satisfaction of the Court that at the time of the infringement he was not aware and could not reasonably be expected to be aware that copyright, neighbouring rights or *sui generis* rights subsisted in the work to which the action relates, the Court shall not condemn him to the restitution of the profit.

The Civil Court, First Hall may in an action for infringement of copyright, neighbouring rights or *sui generis* rights having regard to all the circumstances and in particular to the flagrancy of the infringement and any benefit accruing to the defendant by reason of the infringement, award such additional damage as the justice of the case may require. (Section 43(1) and (2)).

Any person who is found liable for infringement of moral rights shall be liable at the suit of the author or his heirs to be condemned by the Civil Court, First Hall, to the payment of a fine, and for damages to be determined in accordance with a scale of fines to be prescribed by the Minister.

Under the proposed Trademarks Act 2000 an infringement of a registered trademark is actionable by the proprietor of the trademark by writ of summons to be filed in the First Hall of the Civil Court. In an action for infringement all such relief as is available in respect of the infringement of any other property right shall be available to the plaintiff. (Section 14(1) and (2)).

Under the proposed Trademarks Act 2000:

Where a person is found to have infringed a registered trademark, the Court may make an order requiring him:

- (a) to cause the offending sign to be erased, removed or obliterated from any infringing goods, material or articles in his possession, custody or control; or
- (b) if it is not reasonably practicable for the offending sign to be erased, removed or obliterated, to secure the destruction of the infringing goods, material or articles in question. (Section 15(1)(a) and (b)).

If an order as specified above is not complied with, or it appears likely to the Court that such an order would not be complied with, the Court may order that the infringing goods, material or articles be delivered to such person as the Court may direct for erasure, removal or obliteration of the sign, or for destruction, as the case may be. (Section 15(2)).

The proprietor of a registered trademark may apply to the Court for an order for the delivery up to him, or such other person as the Court may direct, of any infringing goods, material or articles which a person has in his possession, custody or control in the course of a business. (Section 16(1)).

An application shall not be made after the end of the period of six years, and no order shall be made unless the Court also makes, or it appears to the Court that there are grounds for making, an order. A person to whom any infringing goods, material or articles are delivered up in pursuance of an order shall retain them pending the decision of the Court. (Section 16(2) and (3)).

Where infringing goods, materials or articles have been delivered up in pursuance of an order an action by writ of summons may be brought before the Court by any party interested:

- (a) for an order that they be destroyed or forfeited to such person as the Court may think fit; or
- (b) for a decision that no such order should be made.

In considering its decision, the Court shall consider whether other remedies available in an action for infringement of the registered trademark would be adequate to compensate the proprietor and any licensee to protect their interests. (Section 19(a)(b) and (c)).

Under the proposed Patents Act 2000:

The Court may on the demand of the plaintiff, order that the machinery or other industrial means or contrivances used in contravention of the patent, the infringing articles, and the apparatus destined for their production, be forfeited, wholly or partially, and delivered up to the proprietor of the patent. (Section 47(3)).

Under the Copyright Act 2000:

The Court may order that all the infringing articles still in possession of the defendant be delivered to the plaintiff.

The Court shall order the destruction of all the infringing articles still in the possession of the defendant where it is satisfied that the prejudice caused to the author is so serious as to justify such measure. This provision shall not apply where the infringing article is a building. (Section 44(2) and (3)).

Calculation of damages:

As stated above, under Maltese law the term 'damages' covers *damnum emergens* and *lucrum cessans* as liquidated by the Court in each particular case.

7. *Please indicate titles of laws and regulations and their provisions in which the suspension of the release of counterfeit trademark of pirated copyright goods is prescribed, as stipulated in Article 51 of the TRIPS Agreement. Please explain types of intellectual property rights about which the suspension can be made upon an application by a right holder.*

The title of the law which provides for the suspension of the release of counterfeit goods, including goods infringing trademarks and pirated goods, including goods infringing copyrights, is the "Intellectual Property Rights (Cross-Border Measures) Act, 2000".

This legislation provides both for the measures and provisions for the suspension of the release (or detention) of goods suspected of infringing an intellectual property right where an application for action by the Customs Authorities has been received. Provision has also been made for Customs to take *ex officio* action and suspend the release of such goods in cases where the goods

are detected by Customs prior to the receipt of the application already referred to, in order to afford the holder of the right with the opportunity to submit the required application.

After the application has been received and accepted by Customs, the goods will be suspended for a stipulated time so that the right holder may initiate legal proceedings against the person responsible for the infringement of this legislation.

The Intellectual Property Rights protected by this legislation are Counterfeit goods, including goods infringing trademarks and relative packaging, Pirated goods, including goods infringing Copyright and neighbouring rights and Design rights, goods infringing a Patent under Maltese law and Materials and Implements, the predominant use of which is for the manufacture of goods infringing intellectual property rights.

8. *Please explain the kind and amounts of criminal penalties including imprisonment and fines regarding property rights. In particular, are the crimes persecuted only when the injured party has made a formal accusation? Please also explain whether penalties are consistent with Article 61 of the TRIPS Agreement which requires the penalties to be sufficient to provide a deterrent, consistently with the level of penalties applied for crimes of a corresponding gravity.*

Violation of copyrights is punished by imprisonment of up to one year and/or a fine equivalent to approximately USD13,000. The above sanction is equivalent to common criminal fraud, commercial fraud and misappropriation. In order to decrease the demand for fake items, a social marketing campaign is earmarked in the near future to increase public awareness of this deviancy. In view of the fact that forfeiture of the *corpus delicti* in Malta is consequent to the punishment for a crime, the above penalties appear to be consistent with Article 61 of the TRIPS Agreement.

UNITED STATES OF AMERICA

A. GENERAL

1. *Please describe, in relation to each form of intellectual property covered by the TRIPS Agreement, including plant variety protection, the manner in which national treatment and most favoured nation treatment are provided to nationals of other WTO Members.*

Malta's Copyright Act which includes neighbouring rights protection for performers, producers and broadcasters and also *sui generis* right protection for databases and semi-conductor product topographies includes the following:

"4.(1) Copyright shall be conferred by this Section on every work eligible for copyright of which the author or, in the case of a work of joint authorship, any of the joint authors, is, at the time when the work is made

- (a) an individual who is a citizen of, or is domiciled or permanently resident in Malta or in a State in which copyright is protected under an international agreement to which Malta is also a party;
- (b) a body of persons or a commercial partnership constituted, established, registered and vested with legal personality under the laws of Malta or of a State in which copyright is protected under an international agreement to which Malta is also a party".

"5. (1) Copyright shall be conferred by this Section on every work which is eligible for copyright and which is made or first published in Malta or in a State in which such works are protected under an international agreement to which Malta is also a party and which has not been the subject of copyright conferred by Section 4 of this Act."

"22. Neighbouring rights conferred by this Part shall apply only in respect of works:

- (a) of which the performer, the producer or broadcaster is:
  - (i) an individual who is a citizen of, or is domiciled or permanently resident in Malta or in a State in which such works are protected by neighbouring rights under an international agreement to which Malta is also a party.
  - (ii) a body of persons or a commercial partnership constituted, established, registered and vested with legal personality under the laws of Malta or of a State in which such works are protected by neighbouring rights under an international agreement to which Malta is also a party; or
- (b) which are made, first published, broadcast or communicated to the public in Malta or in a State in which such works are protected by neighbouring rights under an international agreement to which Malta is also a party."

"29. The right conferred by this Section shall only apply to a database:

- (a) whose maker or right holder is at the time when the database is made:
  - (i) an individual who is a citizen of, or is domiciled or permanently resident in Malta or in a State in which such a *sui generis* right in respect of databases is protected under an international agreement to which Malta is also a party;



- (ii) a body of persons or a commercial partnership constituted, established, registered and vested with legal personality under the laws of Malta or of a State in which such a *sui generis* right in respect of databases is protected under an international agreement to which Malta is also a party; or
- (b) which is made or first made available to the public in Malta or in a State in which such a *sui generis* right in respect of databases is protected under an international agreement to which Malta is also a party."

"36. The right conferred by Section 32 shall apply in favour of a creator or his successor in title who is an individual who is a citizen of, or is domiciled or permanently resident in Malta or in a State in which such a *sui generis* right as is conferred by Section 32 on semiconductor product topographies is protected under an international agreement to which Malta is also a party."

Malta's Trademark Act which also protects geographical indications has no provisions which discriminate against nationals or between nationals of other countries. Furthermore, Section 33(1) states that "a person who has duly filed an application for protection of a trademark in a country which is a member of the World Trade Organisation or a party to the Paris Convention, hereinafter in this Act referred to as a *Convention application*, or his successor in title, has a right to priority, for the purposes of registering the same trademark under this Act for any or all of the same goods or services for which such an application has been filed, for a period of six months from the date of filing of the first such application".

Malta's Patent Act which also protects plant varieties has no provisions which discriminate against national or between nationals of other countries. Furthermore, Section 22(1) states that "the application may contain a declaration claiming priority pursuant to the Paris Convention for the Protection of Industrial Property, of one or more earlier national, regional or international applications filed by the applicant or his predecessor in title in or for any State party to the said Convention of the World Trade Organisation or for any State with which Malta has made an international arrangement for mutual protection of inventions".

## B. COPYRIGHT AND RELATED RIGHTS

2. *Please explain whether and how Malta's copyright law complies with Article 9 of the TRIPS Agreement requiring that Members comply with all Articles 1 through 21 of the Berne Convention (1971) except Article 6bis, since Members do not have rights or obligations in relations to the latter Article under the TRIPS Agreement.*

Malta's New Copyright Act complies with Article 9 of the TRIPS Agreement in that it complies with the Articles 1 to 21 of the Berne Convention. In fact, it also complies with Article 6bis since it also provides for the protection of moral rights. It is more extensive than the Berne Convention and is based on the European Union "acquis communautaire" in the area.

3. *Please explain how Malta's copyright law protects computer programs as literary works and compilations of data as required by Article 10 of the TRIPS Agreement.*

The definition of literary work in Section 2(1) *inter alia* includes computer programs. Hence, the protection accorded to literary works is also accorded to computer programs.

"Compilations of data" are protected through Section 3 which provides that a database shall be eligible for Copyright provided it has original character and has been written down, recorded, fixed or otherwise reduced to material form. A database shall not be eligible for

copyright unless by reason of the selection or arrangement of its contents, it constitutes the author's intellectual creation. Furthermore, Section 25 provides that "the maker of a database who can show that there has been qualitatively or quantitatively a substantial investment in either the obtaining, verification or presentation of the contents of the database shall have, irrespective of the eligibility of that database or its contents for protection by copyright or by other rights, the right to authorize or prohibit acts of extraction or re-utilization of its contents, in whole or in substantial part, evaluated qualitatively or quantitatively".

4. *Article 11 of the TRIPS Agreement protects rental rights for computer programs and cinematographic works. Please cite to the corresponding provision of Malta's Copyright Law.*

Rental rights in respect of *inter alia* audiovisual works and literary works (which include computer programs) are provided in Section 7(b) of the Copyright Act.

5. *Please state the length and terms of protection provided by Malta's Copyright Law for a work other than a photographic work or a work of applied art and cite to the relevant provision of law.*

Section 4(2) stipulates that "the terms of copyright protection conferred by this Section shall be calculated according to the following table:

**TABLE**

<b><u>Date of Expiration of Copyright</u></b>	<b><u>Type of Work</u></b>
Seventy years after the end of the year in which the author dies, irrespective of the date when the work is lawfully made available to the public.	(i) Literary, musical or artistic works and database
Seventy years after the end of the year in which the last of the following persons dies: the principal director, the author of the screenplay, the author of the dialogue and the composer of music specifically created for use in the audio-visual work.	(ii) Audio-visual works

This is complimented by the following:-

Section 4(3): "In the case of an anonymous or pseudonymous literary, musical or artistic work, or in the case of a collective work, the copyright in the work subsists until the end of the expiration of 70 years from the end of the year in which it was lawfully made available to the public or after the end of the year in which the work was made if it has not been made available to the public:

Provided that when the pseudonym adopted by the author leaves no doubt as to his identity or in the event of the identity of the author becoming known during the period referred to in the preceding paragraph of this sub-section or where in the case of collective works by a body of persons the natural persons who have created the work are individually identifiable in the versions of the work

made available to the public the terms of copyright protection shall be calculated in accordance with the provision of paragraph (i) of the last preceding sub-section."

Section 4(5): "In the case of a person who for the first time lawfully publishes or lawfully communicates to the public a previously unpublished work the copyright protection of which has expired, he shall benefit from a protection equivalent to the economic rights covered by copyright but limited for a period of 25 years from the time when the work was first lawfully published or lawfully communicated to the public."

Section 4(6): "Where a work is published in volumes, parts, instalments, issues or episodes and the term of protection runs from the time when the work was lawfully made available to the public, the term of protection shall run for each such item separately."

6. *Please explain what protection Malta's Copyright Law provides for performers, and provide the length and terms of the protection.*

Malta provides protection for performers through Part IV: Neighbouring Rights of its Copyright Law.

According to Section 13: "Performers shall have the exclusive right to authorize or prohibit the doing in Malta any of the following acts:

- (a) the fixation of their performances;
- (b) the direct or indirect, temporary or permanent reproduction by any means and in any form, in whole or in part of a fixation of their performances;
- (c) the rental and lending of their fixed performances;
- (d) the distribution of the original performances fixed in phonograms and of copies thereof;
- (e) the making available to the public of the fixation of their performances, by wire or wireless means, in such a way that members of the public may access them from a place and a time individually chosen by them;
- (f) the broadcasting and the communication to the public of their performances, except where the performance is itself already a broadcast performance or is made from a fixation."

Furthermore, Section 14 stipulates that: "the rights conferred by this section shall have the duration of 50years from the end of the year in which the fixation of the performance was first lawfully published or first lawfully communicated to the public, whichever is the earlier or in the absence of such publication or communication to the public from the end of the year in which it was first performed."

Finally, Section 23 also provides performers with moral rights.

7. *Article 14.2 of the TRIPS Agreement requires the producers of phonograms enjoy the right to authorize or prohibit the direct or indirect reproduction of their phonograms. Article 14.2 requires that producers of phonograms have the right to authorize or prohibit the commercial rental to the public of originals or copies of their phonograms. Please describe in detail how Malta's Copyright Law implements these obligations.*

Malta's Copyright Law fulfils these obligations through Section 15 which states that:

"Producers of sound recordings shall, in respect of their sound recordings, and producers of the first fixations of audio-visual works, in respect of the original and copies of their audio-visual works, have the exclusive right to authorize or prohibit:

- (a) the direct or indirect, temporary or permanent reproduction by any means or form in whole or in part;
- (b) the rental and lending;
- (c) the distribution;
- (d) the making available to the public by wire or wireless means in such a way that members of the public may access them from a place and a time individually chosen by them."

C. TRADEMARKS

8. *Section 4(2)(c) of Malta's Trademark Law precludes registration of a mark consisting exclusively of a shape which gives substantial value to the goods. Please explain the meaning of this section and give examples to clarify its intent and scope.*

A shape will be of substantial value if it adds to the product it should be distinguishing, in such a way that the product becomes incidental and purchase is effected solely for the shape, e.g.: an elaborate perhaps even expensive container for a token amount of tea.

It may be noted that Section 4(2) precludes a trademark from registration if it consists "exclusively" of shape which gives substantial value to the goods. If the shape contains distinctive features it will prima facie be registerable.

9. *Section 4(4) precludes registration of a trademark if or to the extent its use is prohibited in Malta. Please provide examples to clarify the intent and scope of this section.*

Such examples could be obscene marks, violent images or marks which might be restricted by labelling regulations.

10. *Please explain how the provision of section 6(4) of Malta's trademark law is interpreted and provide examples that would clarify the scope and intent of the section.*

Section 6(4)(a) in particular refers to Section 32 of Malta's Commercial Code which prohibits the use of a trademark which would cause confusion with another trademark which is already in use, irrespective of whether it is registered or not.

Section 6(4)(b) refers to the case where a trademark though not registered as a trademark receives protection by virtue of copyright or registered design.

11. *Section 11 of Malta's Trademark Law states that a registered trademark is not infringed by the use of another registered trademark in relation to goods or services for which the latter is registered. Please explain how it would be possible for two identical or similar trademarks to be registered for similar goods or services in light of the provisions of section 6 of the Law.*

There are two main instances when such a situation can occur:

- (i) Section 6(5) provides that "nothing in this section prevents the registration of a trademark where the proprietor of the earlier trademark or the proprietor of an earlier right consents to the registration". Once this right is registered it cannot be held to be infringing.
- (ii) Section 8 provides that the Industrial Property Office may change its practice and refrain from refusing on relative grounds. This could result in identical or similar trademarks being registered for identical or similar goods or services. Obviously this would be subject to invalidity proceedings as per Sections 43(3) and 43(4).

12. *Please explain whether Malta's Trademark Law presumes a likelihood of confusion where an identical mark for identical goods and services is used without authorization of the owner of the registered trademark.*

Section 10(1) stipulates that "a person infringes a registered trademark if he uses in the course of trade a sign which is identical with the trademark in relation to goods or services which are identical with those for which it is registered". There is no need to prove a likelihood of confusion in such cases.

13. *Please explain how Malta's law, in addition to section 6(4) of the Trademark Law, provides for the protection of well-known trademarks and service marks, citing to the relevant provisions of law.*

In addition to Section 6(4), Section 50(2) provides that "the proprietor of a trademark which is entitled to protection under the Paris Convention as a well-known trademark is entitled to restrain by injunction the use in Malta of a trademark which, or the essential part of which, is identical or similar to his mark, in relation to identical or similar goods or services, where the use is likely to cause confusion".

14. *Please explain how Malta's Trademark Law comports with the use provision of Article 19 of the TRIPS Agreement.*

Section 42(1) stipulates that: "the registration of a trademark may be revoked on any of the following grounds:

- (a) that within the period of five years following the date of completion of the registration procedure it has not been put to genuine use in Malta, by the proprietor of with his consent, in relation to the goods or services for which it is registered, and there are no proper reasons for such non-use; and
- (b) that such use has been suspended for an uninterrupted period of five years, and there are no proper reasons for such non-use."

Section 42(2) states that: "the use of a trademark includes the use in a form differing in such elements which do not alter the distinctive character of the mark in the form in which it was registered, and use in Malta includes affixing the trademark to goods or to the packaging of goods in Malta solely for export purposes".

Furthermore, Section 42(3) maintains that: "the registration of a trademark shall not be revoked on the ground mentioned in paragraphs (a) or (b) of sub-section (1) if such use as is referred

to in those paragraphs is commenced or resumed after the expiry of the five-year period and before the application for revocation is made:

Provided that, any such commencement or resumption of use after the expiry of the five-year period but within the period of three months before the making of the application shall be disregarded unless preparations for the commencement or resumption began before the proprietor became aware that the application is likely to be made".

#### D. GEOGRAPHICAL INDICATIONS

15. *If, in addition to the provisions of Schedule 1 of Malta's Trademark Law dealing with collective and certification marks, other laws or regulations also provide for the recognition and protection of geographical indications, please describe the provisions of those laws or regulations and provide citations as appropriate.*

Not applicable.

16. *In determining whether recognition should be given a geographical indication, what criteria are considered?*

Since protection of a geographical indication may be effected through the registration of a collective or certificate mark the Office will base its decision on the absolute grounds and relative grounds for refusal set out in Sections 4 and 6 respectively of the Trademark Act. Obviously Section 4(c), which precludes from registration trademarks which consist exclusively of signs or indications which may serve to designate geographical origin, is not taken into account.

Moreover, the applicant must indicate in what manner is a given quality, reputation or any other characteristic attributable to the origin of the geographical indication.

17. *Please describe the manner in which the higher level of protection required for wines and spirits under Article 23.2 of the TRIPS Agreement is provided and give examples of such products and the law under which they are protected.*

Section 4(1)(c) in the Trademarks Act 2000 precludes from registration: "trademarks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services".

Furthermore, Section 4(3)(b) precludes a trademark from registration if it is "of such a nature as to deceive the public or likely to deceive the public as to the nature, quality or geographical origin of the goods or service or in any other manner".

Finally, Section 43 provides that any person may request by writ of summons before the First Hall of the Civil Court that a trademark which was registered in breach of the above mentioned Sections be invalidated.

18. *Please describe the legal means available under the law of Malta, other than its trademark law, that enable interested parties to ensure the protection required by Article 22 and 23, and cite to the relevant provisions of law?*

The Trade Descriptions Act 1986 includes the following:-

Section 3(1): "any person who, in the course of a trade or business:

- (a) applies a false trade description to any goods; or
- (b) supplies or offers to supply any goods to which a false trade description is applied, shall, subject to the provisions of this Act, be guilty of an offence".

Section 4(1): "A trade description is an indication, direct or indirect, and by whatever means given, of any of the following matters with respect to any goods or parts of goods, that is to say:

- (h) place or date of manufacture, production, processing or reconditioning".

Section 17: "Where a false trade description is applied to any goods outside Malta and the false indication, or one of the false indications, given, or likely to be taken as given, thereby is an indication of the place of manufacture, production, processing or reconditioning of the goods or any part thereof, the goods shall not be imported into Malta".

#### E. INDUSTRIAL DESIGNS

19. *Please describe the procedure that must be followed to obtain protection for industrial designs, citing to the provisions of Malta's law, and describe the nature of the protection provided and any limitation thereon.*

Protection for designs is provided by virtue of Sections 65 to 79 of the Industrial Property (Protection) Ordinance, 1899.

Section 71 states that: "an application for the registration of a new design or model of manufacture shall be made to the Comptroller. It shall be signed by the inventor or by his special attorney, and shall contain:

- (a) the name, surname, place of birth and residence of the applicant or of his attorney, if any;
- (b) a description of the design or model, showing shortly, but with precision, its main characteristics; and
- (c) an indication of the class of articles or substances to which the applicant intends to apply the new design or model".

Section 72 requires that "every application shall be accompanied by:

- (a) the drawing, besides the models which the applicant considers useful for the proper comprehension of his invention;
- (b) the fee due according to the Schedule annexed hereto on the registration of a new design or model;
- (c) if there be an attorney, the power of attorney in any of the forms as provided in paragraph (d) of section 10;
- (d) a list of papers and documents produced".

Section 73 stipulates that "the applicant shall furnish to the Comptroller a number of tracings and drawings sufficient, in the opinion of the Comptroller, for enabling him to identify the new design".

Registration of a design or model of manufacture gives the proprietor the exclusive right to reproduce the design or model and to apply such design or model by whatever means or process to any article of manufacture or to any other substance material or artificial or partly natural and partly artificial whether the design or model is applicable for the pattern or for the shape or configuration or for the ornament thereof. (Sections 67 to 68).

To be registered a design must be new and shall be protected for five years from the date of registration which can be extended for a further 5 years at the proprietor's request. The Comptroller may, in addition, at the request of the proprietor extend protection by yet another 5 years.

20. *Please describe the procedure that must be followed to obtain protection for textile designs and cite to the provisions of the law under which such protection is provided.*

Design registration is straightforward and relatively cheap in Malta.

There are no special provisions for textile designs, therefore the reply to question 19 applies.

#### F. PATENTS

21. *Section 4(6) of Malta's Patent Law authorizes the Minister to make regulations to modify the provisions of paragraph 4(5), except that dealing with inventions that would be contrary to the public order or morality, which prohibit the grant of patents under certain circumstances have such regulations been issued and, if so, please explain in detail what modifications the regulations make.*

No Regulations have as yet been issued.

22. *Section 27 of Malta's Patent Law gives the patent owners the rights required by Article 28 of the TRIPS Agreement. The section also gives patent owners the ability to stop parties who are inducing others to commit infringing acts. Please describe the criteria that would be considered by a judge in determining whether such inducement had occurred or was likely to occur.*

This is a new right and no case law exists.

23. *Section 39(1) authorizes the Civil Court, First Hall, to direct the Comptroller to grant a compulsory licence if the patented invention is not "worked" or is insufficiently "worked". Paragraph (3) expressly states that importation would not constitute justification for non-working in Malta. Please explain how Malta otherwise ensures that there is no discrimination in the enjoyment of patent rights based upon where the product was made, as required by Article 27.1 of the TRIPS Agreement.*

The sentence "Importation shall not constitute such a circumstance" has been removed from the Patents Act.

24. *Please explain how, in granting any compulsory licences under Malta's Patent Law, each requirement of Article 31 is met and cite to the relevant provision of law or regulation ensuring this compliance.*

The requirements of Section 31 are met by Sections 39 to 40 of the Patents Act which has been amended as follows:



"39.(1) The Civil Court, First Hall, may, on a writ of summons filed by any person who proves his ability to work the patented invention in Malta, made after the expiration of a period of four years from the date of filing the application for the patent or three years from the grant of the patent, whichever is later, direct the Comptroller to grant a non-exclusive, non-voluntary licence if the patented invention is not worked or is insufficiently worked in Malta.

(2) The grant of the non-voluntary licence shall be subject to the payment of such equitable remuneration to the proprietor of the patent as may be determined by the Civil Court, First Hall, and may be permitted if, prior to such use, the proposed user has made efforts to obtain authorization from the right holder on reasonable commercial terms and conditions and if such efforts have not been successful within a reasonable period of time.

(3) Notwithstanding sub-section (1), a non-voluntary licence shall not be granted if the Court is convinced that circumstances exist which justify the non-working or insufficient working of the patented invention in Malta.

(4) In deciding whether to grant a non-voluntary licence, the Court shall give both the proprietor of the patent and the person requesting the non-voluntary licence an adequate opportunity to present arguments.

(5) Any non-voluntary licence shall be revoked when the circumstances which led to its granting cease to exist, taking into account the legitimate interests of the proprietor of the patent and of the licensee. The continued existence of these circumstances shall be reviewed upon the request of the proprietor of the patent by writ of summons before the Civil Court, First Hall.

(6) Paragraph (a) of sub-section 3 of section 27 of this Act shall be interpreted in the sense that if the patented product is put on the market by a licensee pursuant to a non-voluntary licence, it will not be deemed to have been put on the market with the express consent of the proprietor of the patent.

(7) The scope and duration of a non voluntary licence shall be limited to the purpose for which it was authorized and shall be:

- a) non-exclusive;
- b) non-assignable, except with that part of the enterprise or goodwill which enjoys such authorization;
- c) terminated if and when the circumstances which led to it cease to exist; and
- d) predominantly for the supply of the domestic market.

(8) Where a non-voluntary licence is issued to permit the exploitation of a patent ("the second patent") which cannot be exploited without infringing another patent ("the first patent"), the following additional conditions shall apply:

- (i) the invention claimed in the second patent shall involve an important technical advance of considerable economic significance in relation to the invention claimed in the first patent;

- (ii) the owner of the first patent shall be entitled to a cross-licence on reasonable terms to use the invention claimed in the second patent; and
- (iii) the use authorized in respect of the first patent shall be non-assignable except with the assignment of the second patent.

"40.(1) Where the national security or public safety so requires, the Minister responsible for the protection of industrial property may authorize, even without the agreement of the proprietor of the patent or the patent application, by notice published in the prescribed form, a Government agency or a person designated in the said notice to make, use or sell an invention to which a patent or an application for a patent relates, subject to payment of equitable remuneration to the proprietor of the patent or the application for the patent.

(2) The conditions set out in Section 39, sub-sections 7 and 8 also apply in respect of an authorisation issued by the Minister under this Section.

(3) Any decision taken by the Minister under this section may be the subject of an appeal in an action by writ of summons before the Civil Court, First Hall."

25. *Section 44(1) of the Patent Law establishes conditions under which the Comptroller may invalidate a patent, but the section additionally authorizes the Comptroller to invalidate a patent "on any other ground". Please explain the intent of this latter authority and give examples in order to clarify the scope of the provision.*

Section 44(1) states that the Comptroller may at the request of a third party or save in the case referred to in paragraph (c) hereof of his own accord, invalidate a patent in whole or in part, on any of the following and may not do so on any other ground.

26. *Please explain whether there is any means under the laws of Malta for the extension of the term of a patent, and, if so, provide information on such extensions and the conditions that give rise to them.*

There are no means under the new Patent Law for the extension of the term of a patent. This is fixed at 20 years.

27. *Section 49 of the Patent Law enables an interested party to request, by bringing proceedings against the patentee, that the Civil Court, First Hall declare that the performance of a specific act does not constitute an infringement of the patent. Please explain whether it is necessary for the requestor to demonstrate that there is a likelihood to believe that the patentee may bring suit for infringement before the Civil Court, First Hall will agree to consider the request for declaratory judgement.*

It is not necessary to demonstrate that there is such a likelihood.

#### G. LAYOUT-DESIGNS OF INTEGRATED CIRCUITS

28. *What provisions of Malta's law provide for the protection for layout-designs of integrated-circuits (referred to in the TRIPS Agreement as "layout-designs") that are registered or have been commercially exploited anywhere in the world, as outlined in Article 35 of the TRIPS Agreement. Please provide citations to those laws.*

Protection for layout-designs of integrated circuits is provided by virtue of:

- Part VIII - Sui Generis Right in respect of semi conductor Product Topographies of Malta Copyright Act No. XIII 2000, Sections 32 to 41; and
- Part IX - Infringement Sections 42 to 44.

29. *Please describe in detail the scope of protection provided layout-designs under those laws.*

Section 32 stipulates that: "Creators of semiconductor product topographies and their successors in title shall have the exclusive right to authorize or prevent in Malta the reproduction of the topography and the commercial exploitation or the importation for the purpose of commercial exploitation of the topography or of a semiconductor product manufactured by using the topography".

Section 33 provides that: "the right conferred by Section 32 shall not prevent:

- (a) reproduction of a topography privately for non-commercial aims;
- (b) reproduction for the purpose of analyzing, evaluating or teaching the processes, systems or techniques bodied in the topography or the topography itself."

Section 35 maintains that: "the right conferred by Section 32 of this Act shall apply only in respect of semiconductor product topographies which are the result of the creator's own intellectual effort and are not commonplace in the semiconductor industry but shall not extend to any concept, process, system, technique or encoded information embodied in the topography:

Provided that where the semiconductor product topography consists of elements that are commonplace in the semiconductor industry, it shall be protected only to the extent that the combination of such elements, taken as a whole, fulfils the above-mentioned conditions".

Section 41 clarifies that: "a person or his successor in title who acquires a semiconductor product shall not be prevented from commercially exploiting that product if at the time of acquisition he was not aware and could not reasonably be expected to be aware that a *sui generis* right as is conferred by Section 32 subsisted in that work:

Provided that, at the suit of the right holder or his successors in title, the Civil Court, First Hall, shall order that person to pay adequate compensation to the plaintiff in respect of the acts committed by him after he became aware or had reasonable grounds to believe that the semiconductor product is protected by such a *sui generis* right".

30. *For what term is protection provided for layout-designs?*

Section 40 states that: "The right conferred by Section 32 shall subsist for ten years from the end of the year in which the semiconductor product topography was first commercially exploited anywhere in the world or for fifteen years from the first fixation or encoding of the semiconductor product topography if it has not been commercially exploited".

#### H. UNDISCLOSED INFORMATION

31. *Please describe in detail how Malta's law provides for the protection of undisclosed information that is secret as defined in Article 39.2 of the TRIPS Agreement and provide citations to the relevant provisions of law.*

The unauthorized disclosure of secret information is a criminal offence under Section 257 of the Criminal Code and under the Professional Secrecy Act 1994.

Section 35 of the Commercial Code also prohibits the suborning of persons employed in the trade or business of a competitor for the object of knowing or exploiting his customers and copies of the relevant provisions of the law are attached.

Section 37 of the same Code makes such conduct subject to a civil penalty and other sanctions.

Under the proposed Trade Marks Act 2000 registered Trademarks agents enjoy professional secrecy on the same level as a lawyer (Section 70).

32. *Please describe in detail the manner of protection against disclosure is provided test data regarding pharmaceutical and agricultural chemical products that is submitted in order to obtain marketing approval in Malta and cite to the relevant provisions of law.<sup>1</sup>*

Data submitted in order to obtain marketing approval is protected against disclosure under the Professional Secrecy Act and under Section 257 of the Criminal Code.

Civil service regulations including its code of ethics prohibit Government employees from revealing information received by virtue of their office.

The disclosure of such information by a Government Department or by a body established by law would also constitute a violation of the general principle that the Administration should act impartially and that it should not abuse its powers. These principles are reflected in section 469A of the Code of Organisation and Civil Procedure on the right to judicial review.

The deprivation of property without compensation is also prohibited under Article 37 of the Constitution.

The European Convention Act, 1987 incorporates the European Convention on Human Rights into Maltese law thereby including the right to privacy and the right to the peaceful enjoyment of possessions as protected by that Convention in Maltese law.

33. *Are other applicants for marketing approval for their own versions of a previously approved pharmaceutical or agricultural chemical products permitted to rely on data submitted by the earlier applicant. If so, how long a period of exclusivity is given the earlier applicant before such reliance becomes possible.*

Each product is examined in its own right and reliance on data submitted by earlier applicants is not permitted.

## I. ENFORCEMENT

### General Provisions

34. *Please explain whether the laws of Malta provide for effective action against infringement of intellectual property rights as required by Article 41.1 of the TRIPS Agreement.*

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<sup>1</sup> The response to this question was amended as follows by means of a communication from the Permanent Delegation of Malta dated 23 June 2000.

Malta's laws do provide for effective actions against infringement of intellectual property rights as can be deduced by the answers to questions 35-58 posed by the United States.

Civil and Administrative Procedures and Remedies

35. *Article 42.4 of the TRIPS Agreement provides for appeals to judicial bodies of final administrative decisions and of at least the legal aspects of initial judicial decisions on the merits of any act of infringement of intellectual property rights. Please explain whether the laws of Malta provide for such a mechanism.*

Under the Maltese legal system all decisions of administrative authorities (including Ministries and Departments of Government, local authorities and any body corporate established by law) are subject to judicial review in accordance with section 469A of the Code of Organisation and Civil Procedure. Where a law provides for a specific mode of contestation or of obtaining redress before a Court or tribunal in respect of a particular type of administrative act it is the specific law which applies.

In the field of intellectual property the position is as follows:

Copyright:

The action in respect of infringement of copyright is a civil action to be filed before the First Hall of the Civil Court by the copyright owner.

A Copyright Board which has to be presided by a retired Judge or Magistrate or by a person who has practised in Malta as an Advocate for a period of seven years, may decide upon cases where it is alleged that there was unreasonable refusal to grant a licence in respect of cable re transmission on re broadcasting or where it is alleged that unreasonable terms are being imposed. The decisions of the Copyright Board are subject to appeal to the Court of Appeal (Section 49 of the Copyright Act 2000).

Patents:

Under the proposed new Patents Act 2000 decisions of the Comptroller refusing the grant of a patent or refusing an application for re-established of rights or any other request of the applicant for, or proprietor of, a patent are appealable to the Court of Appeal (Section 58 of the proposed Patents Act 2000).

Under the proposed new Patents Act 2000 decisions of the Comptroller refusing the grant of a patent or refusing an application for re-establishments of rights or any other request of the applicant for, or proprietor of, a patent are appealable to the Court of Appeal (Section 58 of the proposed Patents Act 2000).

Decisions of the Minister in respect of exploration of a patent without the consent of its owner in the interests of national security or public safety, subject to equitable remuneration are appealable to the Civil Court First Hall and to the Court of Appeal (Section 39).

The grant of a patent to a person not entitled to it is subject to being impugned before the First Hall of the Civil Court where judicial assignment of a patent to the person entitled to it may be ordered (Section 32).

Appeals take cognisance both of points of law and of points of fact.

Trademarks:

In the proposed Trade Marks Act 2000:

Any decisions of the Comptroller may be appealed to the Court of Appeal (Section 64). The Minister has the power to exempt certain classes of acts of the Comptroller from being subject to appeal under this section written pleading commencing.

36. *Please elaborate on the procedures for filing and appealing intellectual property.*

Court cases filed in the Court Registry where the plaintiff is obliged to pay Court Registry for which are rather moderate. Written pleadings have to be signed by a lawyer.

The defendant is then served with the pleading and notified of the date of the first hearing of the case. The defendant is also given a time to file his statement of defence which in most proceedings (i.e. those filed by writ of summons) is a period of 20 days.

An appeal to the Court of Appeal is granted from decisions of the Civil Court, First Hall. An appeal is entered by the filing of an application in the Court Registry.

The defendant is then served with the application and is given twenty days to reply. The reply, or the lapse of the period allowed for it, closes the stage of written pleadings. The appeal is then appointed for oral hearing which is followed by judgement. The periods for filing pleadings can be reduced in urgent cases.

Infringement cases

37. *Please describe the procedures for protecting confidential information in intellectual property infringement cases.*

Please describe the procedures for protecting confidential information in intellectual property infringement cases.

The Court has discretion to determine when a witness may not be compelled to give evidence as to facts or documents the disclosure of which would be prejudicial to the public interest (Article 590 of the Code of Organisation and Civil Procedure).

The disclosure of documents which prejudice the international relations of Malta or which would divulge any information communicated in confidence, *inter alia*, by an authority of a Foreign Government Organisation to the Government of Malta is also not admissible.

The same rule applies to facts or documents the disclosure of which would prejudice the enforcement or the proper administration of the law in a particular instance (Section 637 of the Code of Organisation and Civil Procedure).

It rests with the Court to decide upon the relevance of a document or of evidence to the procedures (Section 558 COCP) and to decide upon the interest of the partly demanding the production of a document, regard being had to the nature of the case and to the nature of the document the production of which is demanded (Section 638 COCP).

Where according to a particular law information of a kind contained in a document in the possession of Government control be revealed by persons to whom such law applies. (e.g. Section 257 of the Criminal Code and the Professional Secrecy Act) such document may not be

demanding in evidence and witnesses may not be asked questions that reveal its contents (Section 590 and 637 COCP).

Persons who commit a criminal offence if they reveal secret information (under Section 257 of the Criminal Code and under the Professional Secrecy Act) cannot be compelled to reveal such secret information in the course of litigation except under a court order pursuant to an express provision of the law for the specific purposes for which that provision was enacted. (Section 9 Professional Secrecy Act).

The Judge is also entitled to order that proceedings be held 'in camera' and that access to the records be restricted other than to the parties.

38. *Article 43.1 of the TRIPS Agreement authorizes judges to order production of evidence necessary to substantiate a party's claim where that party has been unable to obtain such evidence from the opposing party. Please explain the provisions of Malta's laws or regulations that provide this authorization.*

Witnesses may be subpoenaed to give evidence or to produce any book, document or other thing that belongs to the contending parties or which is under the charge or custody of such witnesses or which, according to law the witness is bound to produce (Sections 569 and 570 COCP).

It is also lawful to demand the production of documents which are in the possession of other persons if the party demanding the production of the documents shows that he has an interest that such documents be produced by the other party to the suit.

Documents belonging to persons who are not parties to the suit if the person possessing such documents does not show that he has special reasons not to produce the documents. (Section 637 COCP).

39. *Article 44.1 of the TRIPS Agreement authorizes judges to enjoin a defendant, except the government from infringing intellectual property rights. Please cite to the provisions of Malta's laws or regulations that provide this same authorization.*

The Courts have the power to issue a warrant of prohibitory injunction to restrain a person from doing anything stated in the warrant which might be prejudicial to the person suing out the warrant. (Section 873 COCP). Such warrant has to be followed by a court case to assert the applicant's right.

Under the proposed Trade Marks Act 2000, the proprietor of a trademark may apply to the court for an order for the delivery up to him or such other such other person as the Court may direct of any infringing goods, material or articles which a person has in his possession or control in the course of a business (Section 16(1)).

40. *What provisions of Malta's laws or regulations authorize judges to order the payment of monetary damages adequate to compensate for the injury done by the infringement, as outlined in Article 45.1 of the TRIPS Agreement?*

Under Maltese Law damages include both loss of profit and loss of earnings. Expenses incurred due to the fault of other parties and lawyers fees and also recoverable in accordance to the Court judgement.

### Specific - Patents

Any person who exploits an invention which is the subject matter of a patent or patent application shall be liable in damages towards the proprietor of the patent or of a patent application or the licensee. The right to sue for damages shall be without prejudice to the right of such person to apply for the issue of any precautionary warrant as provided in the Code of Organization and Civil Procedure to protect his rights. (Section 47(1) and (2)).

### Specific - Copyright

Where any person infringes the copyright, neighbouring rights or *sui generis* rights in respect of a work, he shall be liable, at the suit of the copyright owner or right holder to be condemned by the Civil Court, First Hall to the payment of damages or to the payment of a fine to be determined in accordance with a scale of fines to be prescribed by the Minister and to the restitution of all the profit derived from the infringement of the copyright, neighbouring rights or *sui generis* rights.

Where the defendant proves to the satisfaction of the Court that at the line of the infringement he was not aware and could not reasonably be expected to be aware that copyright, neighbouring rights or *sui generis* rights subsisted in the work to which the action relates, the Court shall not condemn him to the restitution of the profit.

The Civil Court, First Hall may in an action for infringement of copyright, neighbouring rights or *sui generis* rights having regard to all the circumstances and in particular to the flagrancy of the infringement and any benefit accruing to the defendant by reason of the infringement, award such additional damage as the justice of the case may require. (Section 43(1) and (2)).

Any person who is found liable for infringement of moral rights shall be liable at the suit of the author or his heirs to be condemned by the Civil Court, First Hall, to the payment of a fine, and for damages to be determined in accordance with a scale of fines to be prescribed by the Minister.

41. *Article 45.2 of the TRIPS Agreement authorizes judges to order the infringer to pay right holders enforcement costs and recovery of profits and/or statutory damages. Please cite to the provisions of Malta's laws or regulations that provide this same authorization.*

Please see the answer to question 40.

42. *Article 46 of the TRIPS Agreement authorizes additional remedies including seizure of infringing goods, and the disposal of materials and implements used predominantly in the creation of infringing goods. Please cite to the provisions of Malta's laws or regulations to provide this same authorization.*

Where a person is found to have infringed a registered trademark, the Court may make an order requiring him:

- (a) to cause the offending sign to be erased, removed or obliterated from any infringing goods, material or articles in his possession, custody or control; or
- (b) if it is not reasonably practicable for the offending sign to be erased, removed or obliterated, to secure the destruction of the infringing goods, material or articles in question. (Section 15(1)(a) and (b)).

If an order as specified above is not complied with, or it appears likely to the Court that such an order would not be complied with, the Court may order that the infringing goods, material or



articles be delivered to such person as the Court may direct of erasure, removal or obliteration of the sign, or for destruction, as the case may be. (Section 15(2)).

The proprietor of a registered trademark may apply to the Court for an order for the delivery up to him, or such other person as the Court may direct, of any infringing goods, material or articles which a person has in his possession, custody or control in the course of a business. (Section 16(1)).

An application shall not be made after the end of the period of six years, and no order shall be made unless the Court also makes, or it appears to the Court that there are grounds for making, an order. A person to whom any infringing goods, material or articles are delivered up in pursuance of an order shall retain them pending the decision of the Court. (Section 16(2) and (3)).

Where infringing goods, materials or articles have been delivered up in pursuance of an order an action by writ of summon may be brought before the Court by any party interested:

- (a) for an order that they be destroyed or forfeited to such person as the Court may think fit; or
- (b) for a decision that no such order should be made.

In considering its decision, the Court shall consider whether other remedies available in an action for infringement of the registered trademark would be adequate to compensate the proprietor and any licensee to protect their interests. (Section 19(a)(b) and (c)).

#### Patents

The Court may on the demand of the plaintiff, order that the machinery or other industrial means or contrivances used in contravention of the patent, the infringing articles, and the apparatus destined for their production, be forfeited, wholly or partially, and delivered up to the proprietor of the patent. (Section 47(3)).

Furthermore, the Court may order that all the infringing articles still in possession of the defendant be delivered to the plaintiff.

The Court shall order the destruction of all the infringing articles still in the possession of the defendant where it is satisfied that the prejudice caused to the author is so serious as to justify such measure. This provision shall not apply where the infringing article is a building. (Section 44(2) and (3)).

43. *According to Article 48.1 of the TRIPS Agreement, judges are authorized to indemnify a defendant, including in the event of abuse by the plaintiffs. Please cite to the corresponding provision of Malta's laws or regulations.*

The Trademarks Act provides that any person aggrieved by groundless threats of infringement proceedings may by means of a writ of summons before the Civil Court claim damages in respect of any loss he may have sustained by the threats. (Section 20(2)(c)).

Moreover, in general a defendant wrongly enjoined may demand the revocation of any precautionary warrants issued against him. He may also demand damages, judicial costs and a condemnation of the plaintiff to the payment of a penalty if the latter's claims are found to be malicious, frivolous or vexatious. A defendant who is successful in a court case is awarded judicial costs.

Provisional Measures

44. Please explain in detail how Malta's laws or regulations implement Article 50 of the TRIPS Agreement.

With regard to Article 50 paragraph 1 the judicial authorities have the right to prevent, upon the demand of the interested party, an infringement of any intellectual property right from occurring by issuing provisional warrants of seizure, garnishee orders or warrants of prohibitory injunction.

Goods suspected of being infringing goods may also be seized and placed under the authority of the Court of Magistrates as a Court of Criminal Inquiring until it is determined whether

Article 50.1 - The judicial authorities have a right to prevent, upon the demand of the interested party, an infringement of an intellectual property right from occurring by issuing provisional warrants of seizure, of description, garnishee orders or warrants of prohibitory injunction (Sections 839 to 854 and sections 855 to 870 of the COCP).

In cases where the facts constitute a criminal offence the infringing goods may be seized by the Police for the purpose of being exhibited in Court in the course of a criminal inquiry or a criminal prosecution.

Article 50.2 - The Court has the power to issue precautionary warrants *inaudita altera parte*.

Article 50.3 - The Courts have the authority to require the applicant to provide evidence in order to satisfy themselves 'prima facie' (in the case of precautionary warrants) that the applicant is the right holder and that the applicant's right is being infringed or that such infringement is imminent. In the case of warrants of prohibitory injunction the provisional issue of which is demanded *inaudita altera parte* the Court may impose any conditions which it deems appropriate (Section 873(7) COCP). Moreover, a party against whom a precautionary act has been issued, upon showing good cause, to demand that the Court order the party suing out the warrant to provide security for the payment of damages, interest and any penalty which the Court may impose if the proceedings are found to be abusive. (Section 838A COCP).

Article 50.4 - A person against whom a precautionary warrant has been issued may demand the revocation of such warrant by means of an application to the Court if it is shown that in the circumstances it would be unreasonable, unnecessary or unjustifiable to maintain the warrant in force in whole or in part or if the warrant was unduly obtained. (Section 836 and 837 COCP). A person against whom a warrant is issued has to be given notice of the warrant

Article 50.5 - The Courts may require the applicant to supply other information necessary for the identification of the goods before ordering the execution of precautionary warrants.

Article 50.6 - The person suing out a precautionary warrant is bound to bring the action in respect of the claim stated in the warrant within four working days from the delivery to him or to an advocate or legal procurator who represented him on the application of notice of execution of the warrant or within twelve days after the issue of the warrant, whichever is the earlier date, and in default the effects of the warrant shall cease (Sections 843, 847, 850, and 875 COCP)

Article 50.7 - In cases where the applicant does not bring the action in respect of the claim stated in the warrant or where upon the demand of the defendant for the rescission of the precautionary warrant the person suing out the warrant fails to show that the precautionary warrant was founded or if it is shown that the applicant's claim was frivolous or vexatious, the person suing out the warrant may be condemned, upon the request of the defendant to pay such damages as may

have been caused by the issue of the warrant. The Court may in addition condemn the applicant to pay a penalty to the person against whom a precautionary warrant was abusively issued (Section 836 COCP)

Article 50.8 - Provisional warrants may only be issued by judicial authorities and administrative authorities have no parallel or similar powers in this regard.

#### Special Requirements Related to Border Measures

45. *Article 51 of the TRIPS Agreement requires that countries adopt procedures that enable right holders to request suspension of the implementation of counterfeit trademark goods and pirated copyright works. Section 5(3)(a)(ii) states that, with respect to copyright or neighbouring rights, the applicant must produce proof of authorship or of the person's status as a right holder. Please explain in detail, with examples, what kind of evidence would be considered to satisfy this requirement.*

Border Measures are with under Cross Border Measures Act VIII of 2000.

It should first be pointed out that, in cases dealing with copyright or neighbouring rights, proof of authorship or the person's status as a right holder must be provided when the work in question has not been registered or for which no application for such registration has been made. In such cases any proof that the work is eligible for copyright protection, accompanied by proof that the same work has not been already published and is covered by a copyright in Malta or in a State in which such works are protected under an international agreement to which Malta is a party, may be considered.

46. *Section 11 of the law dealing with importation of infringing goods provides for fines for such imports. Please explain to whom the fine is payable and, if it is not to the party whose rights are infringed and who, under section 5(7), is charged for the administrative costs of the procedures, please explain why not.*

Any fines imposed by the Courts are payable to the Government. The administrative costs indicated in section 5(7) of this legislation are payable to the Customs Department in respect of costs incurred in dealing with the application itself and are not related to the legal proceedings initiated by the right holder.

#### Criminal Procedures

47. *Section 11(2) of the Trademark Law states that the proceedings under this section are to be conducted in accordance with the provisions of the Criminal Code. Please describe how the procedure would work in this regard.*

It is presumed that the writer is referring to Title II (sections 112 and 113) of the Industrial Properties (Protection) Act, Chapter 29 of the Laws of Malta. Application of false industrial descriptions and the use of trademarks without the requisite licence may be within the parameters of *commercial and industrial fraud* as defined in sections 298, 301 and 304 of the Criminal Code, Chapter 9 of the Laws of Malta.

The Police may proceed to institute court action in this regard *ex officio*, i.e. without the complaint of the injured party. A person found guilty of infringing the above provisions of the law may be liable from four months to one year of imprisonment. The Attorney General may issue its consent so that the court case could be heard summarily. Summary proceedings are held before the Court of Magistrates as a Court of Criminal Judicature. Normally evidence of criminal cases

punishable by more than six months of imprisonment must first be heard before the Court of Magistrates sitting as a Court of Criminal Inquiry.

48. *Please explain whether procedures, permissible under Article 51 of the TRIPS Agreement, are available to stop the re-export of goods suspected of infringing copyright and/or trademarks.*

No re-export of goods which have been placed in one the situations mentioned in Section 4 of the Cross Border Measures Law and are suspected of infringing copyrights and/or trademarks will be allowed if a valid application for action by Customs is received from the right holder and legal proceedings have been initiated.

Such re-export may be allowed however if:

- no valid application is received within the prescribed time-limit in respect of the goods in question;
- a valid application is received and no legal proceedings are initiated;
- legal proceedings are initiated; and
- the Court finds that no infringement of an intellectual property right has taken place.

49. *Article 57 requires that the competent authorities be able to authorize the right holder to inspect the detained goods in order to substantiate the claims. Please explain how right holders are provided an opportunity under Malta's laws to inspect suspect goods that have been detained by customs authorities.*

Section 7(3) of the Cross Border Measures Law stipulates that Customs shall provide the applicant (who must be the right holder as defined in this legislation) with the opportunity to inspect goods, the release of which has been suspended or which have been detained.

50. *Article 57 also establishes that, where the decision on the merits favours the right holder, the competent authorities may give authority to give the right holder information regarding the importer, consignee or consignor. If competent authorities in Malta can provide information regarding the importer, consignee or consignor to the right holder, please explain how information regarding names and addresses of consignors, importers and consignees and quantities of goods is provided to the applicant after a positive decision of infringement is made, e.g., authorities automatically providing information or by submission of a written request from the right holder, etc. Please cite to the law or regulations providing such authority.*

Section 8(2) of the Cross Border Measures Law, under the title 'Provisions applicable to goods found to be goods infringing an intellectual property right', provides that Customs shall inform the holder of the right in question, upon request, of the names and addresses of the consignor, of the importer or exporter and of the manufacturer of the goods established to be goods infringing the intellectual property right and of the quantity of the goods in question.

51. *Article 58 specifies procedures to be followed where the competent authorities can act ex officio. Please explain whether the competent authorities in Malta are empowered to act ex officio and, if so, please identify the intellectual property areas subject to ex officio action.*

Section 6 of the Cross Border Measures Law provides for the Customs Department, where goods suspected of infringing an intellectual property right have been detected before an application

by the holder of the right has been lodged or approved, to suspend the release of (or detain) the goods in question for five working days, in order to enable the holder of the right to lodge an application for action by Customs.

The intellectual property areas covered by *ex officio* action are the same areas covered by this legislation, namely Counterfeit goods, including goods infringing trademarks and relative packaging, Pirated goods including goods infringing Copyright and neighbouring rights and Design rights, goods infringing a Patent under Maltese law and Materials and Implements, the predominant use of which is for the manufacture of goods infringing intellectual property rights.

The use of fake intellectual property in the commissioning of crimes relating to commercial and industrial fraud may be prosecuted *ex officio* in terms of sections 298, 301 and 304 of the Criminal Code. Otherwise complainants in terms of the Industrial Properties (Protection) Act may seek redress at the Civil Court. The police may only proceed to take criminal court action in cases of violation of copyrights with the complaint of the injured party (section 298B of the Criminal Code). Violation of other intellectual property rights does not fall within the domain of the Criminal Law.

52. *Article 59 identifies the remedies that are to be available, including destruction or disposal of infringing goods outside the stream of commerce. Please explain what the law in Malta permits regarding the disposition of infringing goods, i.e., does the law allow for destruction, disposal or both. Please cite to the law or regulations providing such authority.*

Section 8(1) of the Cross Border Measures Law provides, once goods have been found to be goods infringing an intellectual property right, that the Court shall order Customs to dispose of these goods outside the channels of commerce in such a way as to preclude injury to the holder of the right or to destroy them.

The Court may also take, or order Customs to take in respect of such goods, any other measures which will effectively deprive the guilty person of any economic benefits from the transaction.

This legislation however also stipulates that the Court shall take due account of the need for proportionality between the seriousness of the infringement and the remedies ordered, as well as of the interests of third parties.

#### Criminal Procedures

53. *Article 61 of the TRIPS Agreement requires that Members have criminal procedures and penalties, including imprisonment and/or monetary fines sufficient to act as a deterrent, at least for cases of wilful trademark counterfeiting and copyright infringement on a commercial scale. Please describe the provisions of the law of Malta that fulfil that obligation and provide legal citations.*

Trademark counterfeiting for the commissioning of commercial and industrial fraud may be punished by four months to one-year imprisonment. Violation of copyrights, which is prosecuted by the police upon the complaint of the injured party, is punishable by a fine of Lm5,000 (approximately: USD13,000) and/or up to one year of imprisonment (Section 298B of the Criminal Code).

54. *Article 61 also requires that remedies in appropriate cases include the seizure, forfeiture and destruction of infringing goods and any materials and implements the predominant use of which has been the commission of the offence. Please explain the provisions in the laws of Malta that provide for such remedies, and describe the circumstances in which those remedies would be imposed. Please provide legal citations.*

The forfeiture by the courts of all articles used in the commissioning of any crime is a direct consequence of the punishment for such crime. (Section 23 of the Criminal Code).

55. *Article 61 also indicates that Members may provide for criminal procedures and penalties in cases of wilful infringement of other forms of intellectual property. Please describe any provisions of the laws of Malta that provide for such procedures and remedies. Please provide legal citations.*

Criminal court action may only be taken in Malta as regards violation of intellectual property rights, in cases of violation of copyrights. (Section 298B of the Criminal Code).

56. *Please provide statistical information related to civil copyright, trademark, geographical indication, industrial design, patent, integrated-circuit layout design, and trade secret enforcement for each of the years 1996, 1997, 1998 and 1999, including the number of cases filed: injunctions issued; infringing products seized; infringing equipment seized; cases resolved (including settlement); and the amount of damages awarded.*

57. *Please provide statistical information on criminal enforcement against copyright piracy and trademark counterfeiting for the years 1996, 1997, 1998 and 1999, including the number of raids, prosecutions, convictions, the amount of fines and/or jail terms (and whether the fines were paid and the jail term was actually served or was suspended) and other information establishing that the criminal system operates effectively to deter copyright piracy and trademark counterfeiting.*

Reply to questions 56 and 57:

Year	Number of raids	Number of prosecutions	Number of convictions <sup>2</sup>	Fines/ Imprisonment <sup>3</sup>
1996	n/a	8	2	Conditional discharge for a period of one year. 18 months imprisonment suspended for 3 years.
1997	n/a	9	1	1 year imprisonment suspend for 2 years and a fine of Lm1000.
1998	37	22	14	12 cases fined for a total sum of over than Lm8,000. 3 cases - 1 month imprisonment suspended for 1 year. 4 months imprisonment suspended for 1 year. 12 months imprisonment suspended for 2 years (to pay also injured party).

<sup>2</sup> Some cases are under judicial review.

<sup>3</sup> In all decided cases the Court ordered the forfeiture of the seized items.

1999	33	13	3	2 cases conditionally discharged for 6 months. 2 cases fined for a total sum of Lm1,000. 6 months imprisonment suspended for 2 years.
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There are no distinct patterns as regards prevalent regions where cases related to intellectual properties occurred.

The persons who were charged before the Magistrates' Courts hailed from different regions in Malta. No females were charged in relation to violation of copyrights. No exact statistics are held as regards enforcement. However, various police sections hold surprise inspections at the rate of one inspection at a particular location per week. The police do not keep statistics as regards sentences or sentencing policies by the courts. However, persons found guilty of copyright infringements are generally sentenced to pecuniary punishments ranging from USD1000 to USD1500.

In 1998 there was a person who was sentenced to two years imprisonment and a fine of USD2,300 after being found guilty of copyrights violations and commercial fraud in relation to optic media. This person appealed before the Criminal Court of Appeal and had his sentenced altered to a fine of USD1,300.

The above cases concerned violation of copyrights relating to the optic media, textiles and books. However, twenty of the above cases related to the optical media. The Police department does not keep any statistics as regards Civil Court Action and civil proceedings.

58. *Please describe any few initiatives planned to improve enforcement of intellectual property rights in Malta, particularly initiatives related to criminal enforcement.*

There are several new initiatives planned for the amelioration of intellectual property rights in Malta. There is a recommendation for the holding of seminars for beat police as regards identification of fake items. The will undoubtedly ameliorate the enforcement process. Members of the Police Economic Crime Unit from time to time attend conferences and seminars abroad on the subject. It is also planned that a social marketing campaign sponsored by public and private entities will be launched in the near future to enhance public awareness of intellectual property rights.