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Report

*Davide Luigi Petraz**

The Industrial Property Code: Jurisdictional Protection

Introduction

On 19 March 2005, the Legislative Decree No. 30 of 10 February 2005, concerning the new Industrial Property Code, came into force in Italy. The Code (Art. 1) is applied to patents of inventions; patents for utility models; trademarks, whether they be product trademarks, commerce, service, collective, business names and domains, designation of origin, or geographical indications; designs and ornamental models; topographies of products with semiconductors; secret information; new plant varieties; unfair trade practice; and piracy, including counterfeiting and usurpation. De facto trademarks, business names, signs and domain names are also included.

On 19 March 2005, the following norms came into force: concerning the levy and seizure of industrial property rights (Art. 137, Levy and seizure of industrial property rights); concerning interventions against piracy, with the possibility of obtaining the administrative seizure of the counterfeited goods and of having them destroyed; concerning expropriation (Art. 194, Expropriation procedure); concerning registration (Art. 195, Registration applications and Art. 196, Registration procedure); concerning military secrets (Art. 198, Procedures of military secrets); concerning compulsory licence (Art. 199, Procedure on compulsory licence) and finally concerning voluntary licence relating to pharmaceutical active principles (Art. 200, Procedure on voluntary licence for active principles).

The New Procedure

Six months after the Code came into force (i.e. from 19 September 2005), a series of norms became enforceable concerning legal actions and matters that can be referred to arbitration. These are:

- I) the norms of the Code in Chapters I and IV of Title II and those of Title III, as well as the norms of Arts. 35 and 36, Title V of Legislative Decree No. 5 of 17 January 2003 (hereafter: D.L.), which comprise the norms of company procedure.

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Consequently, cases brought after this date will be subject to the norms of this legislative decree with regard to the contents of the deed of summons (Art. 2 D.L.). Further, the plaintiff's appearance before the court (Art. 3 D.L.) must take place within ten days from the notification of the summons (five in the case of summary procedures); the contents of the statement of response, which allows the plaintiff a period of no less than 30 days from the notification of the statement for a possible objection (Art. 4 D.L.); the possible summons of third parties (Art. 4.3 D.L.) with specific notification; the defendant's appearance before the court (Art. 5 D.L.), which must take place through an attorney; the written record of the plaintiff's objections (Art. 6 D.L.); further objections (Art. 7 D.L.); the petition for the hearing of the case, its contents and effects (Arts. 8, 9 and 10 D.L.); and the hearing of the case (Art. 16 D.L.). The so-called "company procedure" requires short, non-deferrible time limits, as well as a precise procedure.

- II) Appeals, even when filed against a first instance ruling that has been pronounced after an ordinary procedure and not by a specialized section of the court, must be made before the appellate specialized section competent for the territory, with the formalities laid down in Chapter IV of the company procedure. The appeal must therefore follow the rules of Art. 20 D.L.

The combined provisions of Arts. 245.2 and 134.1 of the Code establish that, for all subjects falling within the competence of the specialized sections, the norms of Chapters I and IV of Title III apply, as well as Arts. 35 and 36 of Title V of the legislative decree.

- III) The whole subject of industrial property, including the part which concerns the infringement of community and national antitrust law, may be referred to arbitration on the basis of Art. 34.5 of the decree, according to which the only disputes that are not subject to the arbitration clause are those in which the law establishes a compulsory intervention of the Public Prosecutor, compulsory intervention which has been abolished (Art. 122.1 of the Code). Arbitration must take place following the norms laid down for company procedure, which dictate that the request for arbitration must be lodged at the Registry of Companies (Art. 35.1 D.L.), which allow interventions during the arbitration procedure (Art. 35.2 D.L.), which extend the possibilities of appealing against the arbitrator's award (Art. 35.3 D.L.), and which allow the party to request precautionary measures – even in the case of extraordinary arbitration (Art. 35.5 D.L.).
- IV) The complaint (Art. 23.5 D.L.) against a precautionary measure, even when it has not been taken by a specialized section, must be lodged before the competent specialized section. The complaint is subject to the application of the norms of company procedure as per Title III of the decree, according to which the urgent measures and other precautionary measures able to anticipate the effects of the decision on the merits of

the case do not lose their effectiveness if the case is not started (Art. 23.1 D.L.).

- V) From 19 March 2006, the norms of Art. 136 of the Code (Procedure before the Board of Appeal) will apply in the case of procedures before the Board of Appeal.

Legal Basis

There are many national legal instruments that refer to industrial property and can be used for procedural protection. They are:

- Legislative Decree No. 168/2003, which instituted the specialized sections for matters relating to industrial and intellectual property;
- the Code, which in Arts. 120 (Jurisdiction and competence) and 134 (Norms of procedure) has modified the discipline of the specialized sections both in relation to subject competence and also by introducing company procedure;
- the Code, which dictates norms in the field of procedure that follow what was already established by the previous Law on Trademarks (Arts. 52–67) and the Law on Inventions (Arts. 70–89), renewing and updating them;
- Legislative Decree No. 5/2003 (D.L.) applicable to procedures in matters of industrial property that have been assigned to the specialized sections, on the basis of Art. 134.1 of the Code. As no changes have been made to the Legislative Decree No. 168/2003 (Institution of the Specialized Sections), there is reason to believe that difficulties will occur in the application;
- the Code of Civil Procedure, which applies for everything that is not regulated by the legislative decree as provided by Art. 134 of the Code (Norms of procedure). For matters relating to precautionary measures: Art. 128 (Description), with the restrictions contained therein, Art. 129 (Levy) and Art. 131 (Prohibition) of the Code refer to the Code of Civil Procedure;
- the Civil Code, Arts. 2599–2601 for the procedural provisions in matters of unfair competition;
- Article 33 of Law No. 481 of 14 November 1995, regarding “antitrust jurisdictional competence,” at least concerning the distribution of competencies between the administrative court and the ordinary court.

It is therefore obvious that the resulting situation diverges from one of the aims of the delegated act contained in Art. 15.1 of Law No. 273/2002: namely, the harmonization and simplification of the provisions, and also procedures, in the field of industrial property.

The Specialized Sections

The Code makes two interventions regarding the competence of the specialized sections per subject.

Articles 120.4 and 120.5 establish a general competence in all matters relating to industrial property, while Art. 134.1 indicates by analysis the subjects of competence.

At the moment, 12 specialized sections have been established at the Courts of Appeal of Trieste, Venice, Milan, Turin, Genoa, Bologna, Florence, Rome, Naples, Bari, Catania, and Palermo. A revision is under way, and will probably lead to the elimination of one or more of the said sections and perhaps to the opening of another.

The subjects indicated by Arts. 120 (Jurisdiction and competence) and 134 (Norms of procedure) of the Code are highly specialized, with important non-legal implications. The specialization of the court – and therefore of the judges assigned to the sections – will guarantee the rapidity and correctness of decisions. One reason is because the reports made by the technical consultant appointed by the court will be read and evaluated by highly competent judges, not merely acquired as they are in their conclusions.

This specialization of the judges, without specific preparatory courses, will depend on the number of disputes settled by every single judge and by the passion and interest that he/she has for the subject.

Company Procedure (I)

Regarding the subjects cited in Art. 1 of the Code, Art. 134.1 establishes that the norms of Chapters I and IV of Title II and those of Title III of Legislative Decree No. 5 of 17 January 2003 apply, and, for all that is not governed by said norms, the provisions of the Code of Civil Procedure apply insofar as compatible, except for Art. 121, Clause 5 which is always applicable.

This article integrates Art. 1 of the Code with the following subjects: unfair competition in cases of interference with subjects addressed in Art. 1 and antitrust crimes, both at the local and national level, when related to the subjects of Art. 1.

Article 134.3 implements the subjects delegated to the specialized sections cited in Art. 1 concerning inventions by employees and researchers (Arts. 64 and 65 of the Code), secret information and know-how (Arts. 98 and 99 of the Code), and expropriation payment (Art. 143 of the Code).

Article 134.2 states: “In arbitrations relating to the subjects mentioned in Clause 1, the norms of Arts. 35 and 36 of Title V of the Legislative Decree No. 5 of 17 January 2003 apply.” This means that all the subjects cited in Art. 134.1 may be subject to arbitration. It also establishes that Art. 35 (Non-deferrable rules of arbitration procedure) and Art. 36 (Decision according to law) of the Legislative Decree are applicable in these disputes.

It should be noted that, as provided by the Legislative Decree, the specialized sections are also competent in copyright cases.

Company Procedure (II)

In order to concentrate the procedure and reduce the time involved, the ordinary procedure is always assigned to a collegiate court, where it would be exceptional to have a single judge.

Company procedure establishes that, after the introductory summons, a reciprocal exchange of memorandums and documents takes place between the defending counsels. This gives the defending counsels themselves the responsibility of determining the dates of the trial until one of the contestants, or both together, decides to submit the matter under dispute to the judge.

In this way, the judge receives an already defined *thema decidendum* (i.e. the questions), and also the *thema probandum* (i.e. the matters under dispute). This definition does not include exceptions, preconstituted evidence, and evidence in the process of being gathered as requested by the parties.

The Phases of Company Procedure

The cognizance phase is determined by Chapter I of Title II of the Legislative Decree which, in Arts. 2–17, regulates its course.¹ This cognizance phase is divided substantially into three parts, the first of which is extrajudicial and takes place outside auspices of the court.

- I) The first phase, or preparatory phase, extends from the notification of the act of summons to the notification of the petition to fix the hearing, that is, the petition and the note containing the conclusions of one of the parties.

This phase takes place out of court and without the presence of a judge through an exchange of documents between the parties via their respective defending counsellors (Arts. 2–7 of the Legislative Decree), with the documents being filed at the clerk of the court's office. This phase is a novelty for Italian procedural legislation.

The introductory documents consist of the act of summons and the responding statement. It should be noted that the act of summons no longer foresees the summons to appear at a fixed hearing. Following the

¹ Art. 2 (Content of the act of summons); Art. 3 (Plaintiff's appearance before the court); Art. 4 (Responding statement); Art. 5 (Forms and terms of the defendants appearance before the court); Art. 6 (Plaintiff's objections); Art. 7 (Further objections); Art. 8 (Petition to fix the hearing); Art. 9 (Content of the petition to fix the hearing and deadline for filing at the clerk of the court's office); Art. 10 (Effects of the notification of the petition to fix the hearing); Art. 11 (Joint petition to fix the hearing); Art. 12 (Appointment of the judge who relates the facts of the preliminary investigation and decree establishing the date of trial); Art. 13 (Contumacy of the plaintiff and of the defendant; determination of the inadmissibility of allegations, petitions, preliminary investigations and documents produced); Art. 14 (Autonomous interventions); Art. 15 (Supporting dependant intervention); Art. 16 (Discussion of the case); Art. 17 (Notifications and communications during the course of the procedure).

introductory documents, there may be an objection from the plaintiff and a defensive memorandum from the defendant. There may also be counter-objections and possible further memorandums.

There is reason to believe that, considering the method introduced, costs will increase and that this phase may sometimes degenerate. It is also possible that delays in the conclusion of some trials may occur.

- II) The second phase begins when the petition to establish the date of trial is filed (Art. 8 of the Legislative Decree), which determines the appointment of the judge who relates the facts of the preliminary investigation. This phase ends when said judge files the decree establishing the date of trial. The petition to establish the date of trial may be lodged by one party or by both jointly. When the petition has been lodged by only one party, that party must notify the other.

When the petition to establish the date of trial is filed, the exchange of memorandums is interrupted and neither the *thema decidendum* nor the *thema probandum* may be increased.

This phase (Art. 12.1 of the Legislative Decree) anticipates that the clerk of the court must transmit the official file to the chairman of the court.

With the decree establishing the date of trial, the judge determines the programme of the hearing and the subsequent activities. Pronouncement is also made on the admissibility of the evidence requested by the parties and the questions that can be raised by the court are indicated, as well as whether they concern procedure or the merits of the case.

These questions are related to the public discussion, the possible renewal of the deed of summons if this was declared null and void, the standardization of evidence, the admission of preliminary investigation instruments, the possible appearance of the parties, the attempt to conciliate, and the establishment of the deadline for filing conclusions.

In this phase, the judge who relates the facts of the preliminary investigation decides whether to allow an official technical consultancy (ctu), the possible appointment by the court of the technical consultant (CTU), the questions to which the technical consultant must provide an answer, and the duration of the consultancy. In certain circumstances, he can accept a prorogation for handing in the technical consultant's report.

- III) The third phase includes the discussion before the court, the phase of negotiation of possible judicial inquiry, and the decision of the dispute.

If the notification of the act of summons is declared null and the defendant does not appear before the court, the decree must be limited to establish a final deadline of 60 days for the plaintiff to renew the notification so that a regular preparatory phase may follow.

It should be pointed out that Art. 122.1 of the Code, by derogating Art. 70 of the Code of Civil Procedure (Intervention in the trial of the Public Prosecutor), has abolished the compulsory nature of the intervention of the Public Prosecutor who, in any case, retains the right to initiate legal proceedings.

Competence

Article 120 of the Code establishes that actions relating to industrial property which have been granted, or are in the process of being granted, must be started before the judicial authority of the Italian State, regardless of the citizenship, domicile and/or residence of the parties.

Article 120.1 clarifies that if the action for annulment is started when the right has not yet been granted, “the ruling can be pronounced only after the Italian Patent and Trademark Office has taken a decision on the application, examining it with precedence over matters submitted at an earlier date.”

Actions relating to industrial property are started before the judicial authority of the place in which the defendant is resident or domiciled. If this place is unknown, the judicial authority of the place in which the defendant resides becomes competent, except for cases in which there is a patented or registered right. When the defendant has no residence, domicile or home within the State, the actions must be started before the judicial authority of the place where the plaintiff resides or is domiciled. If neither the plaintiff nor the defendant have residence, domicile or a home within the State, the judicial authority in Rome is competent.

It should be pointed out that the indication of domicile on the registration or patent application, as recorded in the register held by the U.I.B.M. (Italian Patent and Trademark Office) is valid as the exclusive choice of domicile in determining competence as well as for all notification documentation relating to proceedings before ordinary or administrative judicial authorities. The domicile chosen this way can be changed only through a specific petition for substitution to be recorded on the register by the U.I.B.M.

In case of *forum commissi delicti*, that is, if one of the prohibited activities detrimental to the rights of the holder of the right is carried out in a third place, Art. 120.6 prescribes that: “Actions based on facts that are considered detrimental to the plaintiff’s rights may also be started before the judicial authority provided with a specialized section in the area of jurisdiction where the facts occurred.”

The Case – Typical Features

- 1) The procedure currently valid in Italy establishes that during a case on infringement, the judge in charge may entrust a technical consultant with examination of the technical aspects. This expert is an auxiliary of the judge and is called a CTU (official technical consultant – *Consulente Tecnico d’Ufficio*). The phase in which the technical consultant acts is called the Official Technical Consultancy (*consulenza tecnica d’ufficio* or “ctu”). In this phase, each party may appoint their own technical consultant who may interact with the official technical consultant appointed by the court.

Article 121.5 of the Code reasserts the principle of public discussion and states:

In matters governed by the present code, the technical consultant appointed by the court may receive documents relating to the questions asked by the judge even if not yet exhibited in the trial, making them known to all of the parties. Each party may appoint more than one technical consultant.

Normally, the technical consultancy includes the opening of expert operations, which can take place informally or with the convocation by the technical consultant appointed by the judge or the technical consultants appointed by the parties (CTP).

One or more inspections may be organized to verify the machinery or the plants, or to check certain aspects which are connected to what is considered as being detrimental to the plaintiff's or the defendant's rights.

The technical consultancy continues with two, three, or sometimes more technical memorandums that the parties' technical consultants prepare and transmit to the official technical consultant in order to have a simultaneous exchange.

The official technical consultant is not allowed to compensate for one of the parties' inactivity or to substitute for a party in the acquisition of evidence. During the technical consultancy, new documents may be submitted to prove one of the parties' arguments (Art. 121.5 of the Code). Sometimes, the official technical consultant, having prepared the draft of the final report, submits it to the parties' technical consultants in order to have their comments and observations taken into account in the final version of the technical consultancy report.

- II) Normally, the person who is sued starts an action for the annulment of the rights used against him, in order to at least delay the action for infringement.
- III) If the action for annulment is started before another specialized section or before the specialized section competent in the place where the granted right was filed, the result of said action has *erga omnes* effects (Art. 123, *Erga omnes* efficacy). The result is also valid *erga omnes* in the case of two specialized sections which coincide (when both the action for infringement and the action for annulment have been started). If instead, the action for annulment is started only before the specialized section which is discussing the infringement, but this specialized section is not the one of the place where the granted right was filed, the outcomes of the action for annulment will only have *inter partes* effects. If the specialized section that has been addressed for the action for infringement is the same as that of the place where the granted right was filed, then the two actions (for infringement and for annulment) are judged together. If instead, the two specialized sections are different, as the action for annulment is dominant, the case for infringement is suspended while

waiting for the definition of the validity of the granted right. Or it is ended if the parties agree or the judge decides to do so.

The action may also be ended if, when appearing before the specialized section where the contestant has asked for the annulment of the right, the holder of the right starts a new action for infringement.

Burden of Proof

Article 121.1 of the Code states:

The burden of proving that the right to the industrial property is null or forfeit rests in any case with the person who is contesting the right The proof of the trademark's forfeiture due to non-use can be provided with any means, including mere assumptions.

With respect to infringement, Art. 121.1 of the Code also states: "Except for the provision of Art. 67, the burden of proving infringement rests with the holder of the right."

Article 67 of the Code (Method Patent) establishes that, in the case of a method patent, every product which is identical to the one obtained by means of the patented method is presumed, unless otherwise proved, to have been obtained by means of said method, alternatively:

- a) if the product obtained through the method is new;
- b) if there appears to be a substantial probability that the identical product has been manufactured by means of the method and if the holder of the patent has not been able, after reasonable efforts, to determine the method actually used.

In defining the questions to be put to the official technical consultant and in giving the necessary directives, the judge must therefore take into account the legitimate interest of the defendant in the case for infringement regarding the protection of his manufacturing and commercial secrets.

Articles 121.2–4 of the Code establish that, if a party has provided significant evidence proving the legitimacy of his requests and has identified documents, elements or information held by the opposite party that confirm this evidence, he may request the judge order such information to be exhibited, or to ask the opposing party for such information. He may also have the judge order the opposing party to supply the elements identifying the subjects involved in the production and distribution of the products or services which represent an infringement of industrial property rights.

In adopting the measures for exhibition or identification, the judge must take the appropriate precautions to guarantee that confidential information is protected, having heard the opposing party.

From the answers given by the parties, and in the event of an unjustified refusal to obey the orders given, the judge may infer the elements of proof.

Precautionary Measures

- I) Description is regulated by Art. 128 of the Code, while Art. 130 sets forth the norms which also apply to seizure (Art. 129). Description is requested in order to obtain the proof of infringement and possibly to decide the competent court, and occasionally to obtain accounting documents.

Description *ante causam* is the measure normally ordered by means of a summary discussion (Art. 120.4, "the judge, having heard the parties and, when necessary, having taken the summary information ..."). In derogation of the principle of prior discussion, the judge may grant the description *inaudita altera parte*, that is, without hearing the other party, "when summoning the opposing party could compromise the execution of the measure."

If the description is not carried out within the 30 days of the declaration of the measure pursuant to Art. 675 of the Code of Civil Procedure, according to Art. 128.6 of the Code, it becomes ineffective.

If the description is granted *inaudita altera parte* pursuant to Art. 128.5, the judge fixes a peremptory time limit of not more than 30 days to start the case of merit.

It must be pointed out that Art. 128.7 of the Code clarifies that the order/decreed that allows description cannot be impugned pursuant to Art. 695 of the Code of Civil Procedure.

The Chairman of the specialized section is competent regarding the decision to grant the description. When the request for seizure or injunction and possibly, in a subordinate manner, for description is made, it is the designated judge, and not the Chairman, who is competent.

Pursuant to Art. 669 of the Code of Civil Procedure, in the course of a case of merit, the judge who relates the facts of the preliminary investigation is competent to grant a measure of description.

- II) Article 129 of the Code (Seizure) sets the rules for seizure, reproducing the norms already in force. It confirms (Art. 129.3) that:

Apart from the requirements of penal justice, the following cannot be seized but only described: objects in which the infringement is recognized as a right of industrial property, as long as they are within the bounds of an exhibition, official or officially recognized, and are held within the territory of the State, or are in transit from or to such exhibition.

- III) Article 131 of the Code (Injunction) regulates the provisional injunction during the course of the case. Here too, the norms already in force are reproduced, clarifying that: "By declaring the injunction, the judge can fix a sum due for every infringement or non-fulfillment subsequently ascertained and for every delay in carrying out the measure."
- IV) Articles 130 (Common dispositions) and 132 (Anticipation of precautionary protection) of the Code establish common dispositions for precautionary measures.

According to Art. 130.1: "Description and seizure are carried out by the judicial official with the assistance, where necessary, of one or more experts and also using technical, photographic or other means for ascertainment."

Article 130.2 states that those interested may be authorized to take part in the operations, except if this is in opposition to the disposition of Art. 121.3, "also by means of their representatives and to be assisted by experts nominated by them."

Article 130.3 clarifies that when the deadline laid down by Art. 675 of the Code of Civil Procedure has expired, only those operations of description and seizure that are already under way may be completed. No other operations may be started based on the same measure, but the possibility remains of requesting the judge to order other measures in the course of the case of merit.

Article 130.4 states that description and seizure may concern objects belonging to subjects who have not been identified in the appeal, provided that they are objects produced, offered, imported, exported, or put on sale by the party against whom the aforesaid measures have been granted and provided that said objects have not been allocated for personal use.

Article 130.5 of the Code states that the record of the operations of seizure and description, together with the appeal and the measure, must be made known to the third party to whom the objects belong and concerning which the seizure and description have been made within 15 days of the date when the operations were concluded; otherwise, the measure is ineffective.

Article 132 of the Code (Anticipation of precautionary protection) clarifies that the measures as per Arts. 128 (Description), 129 (Seizure) and 131 (Injunction) may be granted even during the patenting or registration process, provided that the application was made accessible to the public or to the persons to whom the application was notified. It should be noted that the notification is valid only if done by means of an officer of the court.

Article 23.1 of the Legislative Decree, in the case of procedures *ante causam*, excludes the application of Art. 669 *octies* of the Code of Civil Procedure which makes the appealing party responsible for starting the case of merit within a period of 30 days, otherwise it becomes ineffective. Consequently, an urgent or precautionary measure does not become ineffective if the case is not started.

- V) Article 133 of the Code (Precautionary protection of domain names) establishes that the judicial authority may order, as a precautionary measure, not only an injunction against using a company's domain name as illegally registered but also its provisional transfer. If it so decides, the judicial authority may make the transfer dependant on the payment of a suitable deposit by the party benefiting from the measure.

Sanctions

I) Article 124 of the Code (Civil sanctions) defines the norms relating to the definitive injunction. It establishes that the judge may fix a sum due for every infringement or non-fulfillment subsequently ascertained, and for every delay in carrying out the measure. Moreover, he may order all the items that constitute the infringement to be destroyed.

He may not order a thing to be destroyed if the destruction would impact the national economy. The person so entitled may then only receive compensation for damage.

In the event that trademark rights are infringed, the destruction concerns the trademark but can also include the packaging and, when the judicial authority thinks fit, also the products or the materials inherent to the services offered if this is necessary to eliminate the effects of the infringement of the right.

Furthermore, the judge may order that the objects produced, imported or sold in infringement of the right, and the specific means that univocally serve to produce them or to carry out the method or process protected, be assigned as the property of the right holder, while the right to have compensation for damages remains valid.

II) Article 125 of the Code (Compensation for damages) states that the compensation due to the injured party must be paid according to the provisions of Arts. 1223 (Compensation for damages), 1226 (Equitable evaluation of the damages) and 1227 (Creditor's concurrence in the culpable act) of the Civil Code.

These norms are expressly referred to in Art. 2056.1 of the Civil Code regarding extra-contractual responsibility.

It should be noted that Art. 125 of the Code establishes that:

The amount of loss deriving from a lack of earnings caused by the infringement is evaluated by the judge also taking into account the profits made in infringement of the right and the compensation which the perpetrator of the infringement would have had to pay if he had obtained a license from the right holder.

This is a reference to Art. 2056 (Evaluation of damages) of the Civil Code, which states that the compensation due must be evaluated by the judge with an equitable appreciation of the circumstances of the case.

III) Article 126 of the Code (Publication of the ruling) states that the judicial authority may order that the precautionary measure or the ruling ascertaining that rights of industrial property have been infringed be published in their entirety or as a summary, or only the part containing the dispositions, taking into account the seriousness of the facts, in one or more newspapers indicated by the authority, to be paid for by the losing party.

Penalties

Article 127 of the Code (Penal and administrative sanctions), while retaining the applicability of Arts. 473 of the Penal Code (Infringement, alteration or use of distinctive signs of works of the intellect or industrial products), 474 (Introduction into the State of and trading in products with counterfeit trademarks) and 517 (Sale of industrial products with misleading trademarks), establishes that whomsoever manufactures, sells, displays, uses industrially, or introduces into the State objects that infringe a right of industrial property valid according to the norms of the Code shall be punished with a fine of up to €1,032.91 upon an action from the injured party.

Article 127 also establishes that whomsoever affixes to an object words or indications that do not correspond to the truth, intending to make people believe that the object is protected by a patent, design or model or topography, or to make people believe that the trademark that distinguishes the object has been registered, shall be punished with the administrative sanction of from €51.65 to €516.46.

Whomsoever makes use of a registered trademark after the registration has been declared null and void, when the reason for the annulment entails the illicit use of the trademark, or suppresses the trademark of the producer or tradesman from whom he has received the products or the goods for commercial purposes, provided that the act does not constitute a crime, shall be punished with the administrative sanction of up to €2,065.83, even when no damage has been done to third parties.

Even though it still has some features which could be improved, and on which the legislature appears to be working, the reorganization of Italian industrial law, and the procedure which is applied to it, should allow greater speed in legal actions and a more certain recognition of the damage suffered when correctly proved.

Apart from these general considerations, which for full effectiveness require a change in the mentality of those working in this field, especially with regard to the recognition and charging of the damage proved, there is another passage which deserves attention.

While interim measures are characterized by their provisional nature, and for description (Art. 128 of the Code) and confiscation (Art. 129) it is necessary to start the subsequent case of merit since these measures are not able to anticipate the effects of the final judgment, the injunction (Art. 131) does not need this confirmation since it is a measure that is able to anticipate the effects of the case of merit.

The most important consequence is that, in this last case, it will not be the party who has requested the interim injunction measure who will have to start the ordinary trial; on the contrary, the party who has suffered the injunction will have to do so. If the latter party does not start the ordinary trial, the injunction measure becomes definitive.