

Bugnion SpA

# Italian courts: drawing on expertise

**Italy is the ideal forum for the protection of IP rights in the European Union, thanks to judicial expertise, predictability of rulings and the short timeframe in which decisions are issued**

In recent years the Italian IP legislation has become increasingly effective in its protection of IP rights. As a member state of the European Union, Italy brought its laws into line with EU rules, and with the reform of August 2010 (Legislative Decree 131/2010), the Italian legislature bridged the gap which separated Italian IP law from the most effective legal systems within the European Union. The decree introduced new procedural rules with four specific aims:

- to increase the range of remedies which may be granted as injunctive relief;
- to simplify procedures;
- to discourage infringing activities and stimulate judicial action by improving the system of penalties and compensation; and
- to shorten the timeframes in which disputes are resolved.

## Forum shopping

Notwithstanding the existence of legislation which regulates the competence and jurisdiction of the national courts, it is possible for parties to engage in so-called 'forum shopping' in order to choose the country in which they wish to defend or enforce IP rights. Hypothetically, a plaintiff may sue an infringer:

- before the court of the place in which the infringer is based; or
- before the court of the place in which the infringement takes place.

Regarding the second case, an infringement is considered to happen where, for example, the infringing product is sold; hence, with the purpose of designating the competence of a national court, it is sufficient to buy an infringing product in the territory of that nation.

In this context, rights owners which are interested in protecting their trademarks,

designs, patents or trade secrets in the European Union can select the member state which offers the most favourable environment for their legal action.

## IP courts in Italy

The Italian Parliament designed an IP law system which is detached (physically and figuratively) from the other EU jurisdictions. Since 2003 12 specialised IP courts have been set up across Italy. They have exclusive competence in all IP matters, including trademarks, design and patent protection, unfair competition and copyright issues. The judges of these courts are well prepared and rule only on IP matters.

The limited number of specialised courts allows for homogeneous and predictable rulings, with only limited jurisprudential differences between the various IP courts. In a similar manner to the way in which parties can choose the EU member state in which to initiate legal action, under Italian law it is also possible to choose a particular court from the 12 specialised courts in which to initiate an IP action.

Parties may choose between the court of the place in which the defendant is located or the court of one of the places where the relevant infringement took place.

In Italy, in an ordinary proceeding the owner of an IP right can obtain:

- an order that the adverse party be prevented from continuing to perform infringing activities;
- the seizure of counterfeiting products;
- punitive damages in case of violation of a decision; and/or
- publication of the judgment in newspapers and magazines.

Moreover, with the recent amendments, the level of damages associated with infringements has been substantially

increased compared to previous rulings. Infringers can now be ordered to surrender all profits made as a result of the sale of infringing products, or to pay all royalties to the rights holder if the infringer has not yet realised profits with the infringing activities.

The time required for the courts to reach a judgment has also been drastically reduced. While the Italian courts are still not as efficient as those in certain other countries (eg, the United Kingdom, where both the first and second instance decisions are issued within around two-and-a-half years), in Italy parties can normally obtain a first instance judgment within three or four years, and such judgments are then enforceable immediately.

## Provisional remedies

According to the IP Code, it is possible to obtain – within a few days, in case of trademark or design infringements, and within one or two months in case of patent infringements – highly effective provisional remedies such as:

- an order preventing the infringing party from continuing with its infringing activities;
- a seizure order (without prior notice to the adverse party);
- punitive damages in case of the violation of a decision;
- publication of the provisional order(s) in newspapers and magazines;
- an immediate order (without prior notice to the adverse party) that permits the plaintiff to access the defendant's accounts, infringing objects and manufacturing or commercial facilities in order to collect evidence; and
- pre-trial access to technical expertise with the aim of reaching a quick settlement.

In order for such remedies to be available, the plaintiff must do no more than:

- provide evidence of the ownership of an IP right (this includes pending patent and/or trademark applications);
- prove the likelihood of the infringement by the third party; and
- prove that the third party's activities are likely to cause imminent and irreparable harm which must be prevented.

During the execution of provisional remedies such as seizure and description (ie, as the result of an order to inspect products, production plants, accounts, advertising or any associated documents in order to collect documentary evidence of the infringement and the extent thereof), it is also vital for rights owners to be aware of the possibility of additional third parties becoming involved in infringing activities.

Where a rights holder becomes aware of this, the scope of provisional orders can be extended to those third parties, thereby speeding up proceedings against them.

### Criminal action

The civil courts are the most common and usually the most appropriate forum for IP law disputes. However, under certain circumstances, it is also possible and convenient to resort to criminal action. Criminal action can be taken in relation to all matters covered by civil actions (eg, patent, trademark, domain name and copyright matters), and need not be limited to actions against criminal organisations; it may also be taken following infringement by individuals and small companies.

This course of action is particularly recommended when the infringer is not a well-known company. For example, for companies based in the Far East, where prosecution may be difficult, initiating criminal proceedings may be the most economical and quickest course of action, and allows for provisional remedies such as seizure of the counterfeited goods to be obtained quickly.

Seizure – a criminal provisional remedy which is enforceable at the defendant's premises, subsidiaries, warehouses and trade shows – may be:

- evidentiary (ie, in order to obtain *corpus delicti* (proof of the infringement));
- preventive (ie, in order to avoid exacerbation of the crime's consequences); or
- conservative (ie, in order to set aside the necessary warranties for the payment of damages).



**Nicoletta Colombo**

Partner

[colombo@bugnionlegal.it](mailto:colombo@bugnionlegal.it)

A partner of Caneva & Associates Law Firm – BUGNION LEGAL – since November 2009, Ms Colombo is an expert in general legal advice and assists clients in court litigation, extra-court litigation and arbitration. She has gained extensive experience in IP matters, focusing in particular on issues related to the Internet. She is a consultant on patents, designs, trademarks, the strengthening of industrial property rights, commercial contracts and infringement litigations.



**Donatella Prandin**

Partner

[prandin@bugnion.it](mailto:prandin@bugnion.it)

Donatella Prandin is a partner of Bugnion SpA and is the foreign department manager. She graduated in law from the University of Milan and joined the firm in 1991. She is a registered Italian trademark attorney and a Community trademark and design attorney. Ms Prandin has extensive IP experience. Her practice covers trademark, copyright, design and domain name issues.

Criminal action is an economical option and can have a spectacular impact. For example, infringing goods may be seized by customs authorities (*Guardia do Finanza*) at trade fairs which are open to the public.

However, as a drawback, once criminal proceedings have begun, subsequent legal action is managed by a public prosecutor, resulting in the IP rights holder losing a degree of control as the case progresses.

### Comment

Overall, given the uniformity of IP laws within the European Union, factors such as the judicial expertise, the predictability of rulings, the short timeframe in which decisions are issued, the amount of compensation that may be granted and the relatively low legal fees (lower than the European average) make Italy the ideal place for the protection of IP rights within the European Union. [WTR](#)