

Summary of Information Received on the Proposed Enforcement Measures

Border Protection Measures

Submitter	Comment
Extending the existing measures concerning copyright and trade marks infringement to goods infringing other types IPRs, such as patents and industrial designs.	
International Trademark Association	Supports the original intention of ACTA to encompass trade mark counterfeiting and copyright piracy.
New Zealand Institute of Patent Attorneys, Inc	Border measures should not be extended to other types of IPRs. It would be difficult for Customs to investigate patent infringements.
Customs detaining shipments of goods suspected of infringing IPRs without having received notification from a right holder.	
British American Tobacco (NZ) Ltd	Supports Customs being provided with powers to detain shipments of goods suspected of infringing IPRs, without having received notification from the right holder, as a further deterrent to those supplying infringing goods.
Creative Freedom Foundation	Customs are unlikely to be trained in IP law and therefore their knowledge of what is infringement or not is likely to be uninformed, leading to unfair detainment and confiscation of items from innocent citizens. In the arena of digital technology, Customs may be incentivised to target particular digital technologies, such as laptops, and this may take some considerable time to copy and screen data in a realistic amount of time. This is a massive concern for the privacy of citizens.
International Trademark Association	Support this element being included in ACTA and being extended to encompass free trade zones.
NZFA©T	Support the introduction of this measure to address a major impediment to enforcement.
New Zealand Institute of Patent Attorneys, Inc	OK in principal, resourcing may be an issue for Customs.
Customs targeting shipments being exported from New Zealand for goods infringing IPRs.	
International Trademark Association	Support this element being included in ACTA and being extended to encompass free trade zones.
RIANZ	Support Customs having the power to inspect, detain and seize all suspected shipments of infringing goods, including goods in transit and those marked for export.
New Zealand Institute of Patent Attorneys, Inc	In principal this would be OK, but significant risk could apply to disrupting exporting businesses, especially if it led to delays in shipments. There is a need to ensure exporting businesses are protected from the potential for competitors to make mischief. A high threshold would need to be applied before Customs detentions occur. Resources for Customs may be an issue.

Civil Enforcement

Submitter	Comment
Incorporation of system of pre-established or statutory damages as part of the remedies available to right holders for infringement of IPRs.	
Andrew Miller	Oppose. It would remove the courts' ability to determine the most just

	<p>level of damages to award taking into account the full circumstances of the case. Because questions arising from intellectual property infringement are very often complex and unclear, courts should be provided with the jurisdiction to award damages if they see fit.</p> <p>Statutory damages regime could result in a situation where only large companies are prepared to do anything, because everyone else is afraid they could be sued and asked to pay an unreasonably large sum in statutory damages.</p>
British American Tobacco (NZ) Ltd	<p>Supports the incorporation of pre-established or statutory damages as part of the remedies available for infringements of IPRs. Since counterfeiters do not keep records, it is difficult for right holders to prove damages or quantify profits made by counterfeiters.</p> <p>Problems associated with assessing damage would be alleviated by the introduction of a system of additional damages (i.e. exemplary damages). The courts would not be restricted to awarding damages only with reference to the number of counterfeit products that the trade mark owner could prove were in the possession of, or had been offered for sale, or sold by, the counterfeiter. A system of additional damages has already been introduced for both copyright and patent infringement in Australia.</p>
InternetNZ	<p>New Zealand does not have a statutory damages system and implementation of one would be a radical approach. If one was to be implemented, any formula for calculation of damages must relate to the value of the IPR infringed and be subject to the usual qualifications and counter claims. It is unlikely that any such system would be appropriate for New Zealand if a right holder can be awarded US\$1.9 million for infringement with respect to 24 songs.</p>
Tim McKenzie	<p>Overseas experience of statutory damages has demonstrated its absurdity when applied to copyright infringement – referring to Jammie Thomas-Rasset being ordered to pay USD\$1,920,000 in damages for file sharing 24 songs.</p>
International Trademark Association	<p>The government should be encouraged to develop calculation methods that lead to fines against counterfeiters and pirates commensurate to the harms caused in order to increase the deterrent impact of fines and impose sanctions, such as contempt of court, for failure to pay such fines. Calculation methods can be based on information provided by right holders. Right holders should be allowed to elect award of either actual damages suffered or pre-established damages.</p>
NZFA©T	<p>There is a need to establish a statutory damages regime that effectively compensates copyright owners and deters piracy. Such a regime should be able to be elected by the infringed party to assist in the calculations of damages.</p>
Google Australia Pty Ltd	<p>The courts should maintain their existing discretion, including with respect to the assessment of damages appropriate to the particular case of infringement. The underlying principals of New Zealand's legal system must be persevered such as the requirement to prove the occurrence of loss or damage before legal remedies are awarded. Copyright owners should be required to prove loss, in order to recover damages, just as any other litigant must do, or appropriately establish remedies such as an account of profits.</p>
New Zealand Institute of Patent Attorneys, Inc	<p>A statutory damages regime is clearly punitive. This may be a constitutional issue in New Zealand. Need to be mindful that in the adding up of minor penalties, an excessively large total penalty may result (proportionality of the final penalty to the infringement could be an issue).</p>
<p>Incorporation of a statutory formula or presumptions for use by the courts in calculating of damages arising from infringement of IPRs.</p>	

Tim McKenzie	While it might be presumed that trade mark infringement always has a commercial motive or that every sale of a falsely marked product represents a lost sale for the trade mark owner, these presumptions are absurd in the context of copyright infringement.
International Trademark Association	The government should be encouraged to develop calculation methods that lead to fines against counterfeiters and pirates commensurate to the harms caused, in order to increase the deterrent impact of fines and impose sanctions, such as contempt of court, for failure to pay such fines. Calculation methods can be based on information provided by right holders. Right holders should be allowed to elect award of either actual damages suffered or pre-established damages.
RIANZ	Rules should be established giving the courts rules on the calculation of damages and the power to order monetary relief that results in the indemnification of the right holder, would allow the right holder to recover all profits gained from the infringement and provide an effective deterrent.
New Zealand Institute of Patent Attorneys, Inc	There is no local problem with how the courts determine damages that this measure would address. This could be an issue for non-commercial infringement. Statutory formulae or presumptions could lead to the infringer making judgements about the level of infringing activity they could undertake before being faced with legal action.
Incorporation of a statutory formula for use by the courts in taking account of profits arising from infringement of IPRs.	
International Trademark Association	Supports the inclusion of provisions that will establish a formula for courts to use in taking account of profits arising from counterfeiting and piracy activities.
RIANZ	Rules should be established giving the courts rules on the calculation of damages and the power to order monetary relief that results in the indemnification of the right holder, this would allow the right holder to recover all profits gained from the infringement and provide an effective deterrent.
New Zealand Institute of Patent Attorneys, Inc	There is no local problem about how the courts determine damages that this measure would address. This could be an issue for non-commercial infringement. Statutory formulae or presumptions could lead to the infringer making judgements about the level of infringing activity they could undertake before being faced with legal action.
The courts being given the authority to order the delivery up and disposal of those material and implements used in creation or manufacture of infringing goods.	
Tim McKenzie	While it might be considered appropriate for trade mark infringement, it is inappropriate to apply to copyright infringement because a general-purpose computer is the only implement necessary to infringe copyright. General-purpose computers are used to store data, most of which is irrelevant to any copyright infringement the owner might commit. The disposal of a general-purpose computer represents an irrelevant and disproportionate punishment for copyright infringement. Disposal of a general-purpose computer will fail to prevent further copyright infringement.
International Trademark Association	Counterfeit goods and pirated works should be destroyed and definitively removed from channels of commerce, or disposed of with the right holder's consent where there is no health or safety risk. Destruction (<i>sic</i>) of materials and implements used to manufacture them should be conducted in a manner that minimizes risks of further infringements.
RIANZ	Courts should have the authority to order destruction of infringing copies and equipment used for infringing production.
New Zealand Institute of Patent Attorneys, Inc	Inappropriate to apply to plain goods because such goods have non-infringing uses. Implements should only be seized where there has been predominate use of them to manufacture infringing goods.
The courts being given the authority to order an infringer to provide to the right holder, for the purpose of collecting evidence, any information that the infringer	

possesses or controls, such as information on the origin and distribution networks of the infringing goods.	
Andrew Miller	This would be a violation of the human right that no one should be forced to self-incriminate.
International Trademark Association	Supports this element being included in ACTA.
RIANZ	Courts should have the authority to order the defendant and third parties, including intermediaries that hold information, to disclose information relating to the infringement or other persons involved in the infringement.

Criminal Enforcement

Submitter	Comment
Criminal measures being applied to copyright infringement and in particular substantial copying and/or large scale distribution of infringing works that has no direct or indirect motivation for financial gain.	
Andrew Miller	Criminal penalties should be limited to deliberate and straight forward commercial infringement. Large scale, non-commercial activities are, by definition, a form of social or cultural development. When social or cultural development is occurring the government should review the laws and adapt them to the new societal norm.
InternetNZ	There is no justification for criminalising non-commercial digital infringement because nobody has satisfactorily established that harm caused is of a sufficient nature to be dealt with by criminal sanctions. It would be a response out of all proportion to the action.
Tim McKenzie	Distribution technologies have greatly advanced so that it is becoming common for people to provide purely non-commercial distribution of copyright works. Punishing non-commercial distribution will turn copyright law on its head, as it will be punishing distribution of cultural works instead of encouraging it as copyright law intended. Modern copyright law no longer needs to encourage distribution of cultural works in order to encourage creation of them in the first place if these works are already being widely distributed.
Creative Freedom Foundation	Non-commercial infringement is not a criminal matter. Paving the way for disproportionate sanction harms public respect for copyright and will serve to harm artists.
International Trademark Association	Supports this element being included in ACTA.
NZFA©T	Commercial scale test for damages should include harm to the infringed party rather than profit-motives or commercial purpose of the infringer. Right holders are also harmed when content is posted to the internet without charge to the downloader.
RIANZ	Criminal liability should apply whenever protected works are distributed on a non-commercial basis in substantial quantities or value or to the extent that causes substantial commercial harm to the right holder.
The courts having the authority to order the seizure of proceeds of crime from IPRs offences.	
InternetNZ	Such authority could not apply to non-commercial infringement because there would be no proceeds to seize.
International Trademark Association	Supports this element being included in ACTA. The laundering of the proceeds from counterfeiting and piracy should be criminalised to ensure that counterfeiters and pirates do not profit from their crimes.
RIANZ	Courts should have the authority or order the forfeiture of proceeds made by the defendant from infringing activities.
Criminal measures being applied to the unauthorised copying, such as camcording,	

of a motion picture or other audiovisual work being exhibited in a facility open to the public.	
Andrew Miller	Such an offence should be limited to where there has been substantial copying of the work, and exclude incidental recording of works protected by copyright.
Tim McKenzie	If there is no evidence that such an infringement reduces incentives for creativity, it would be inappropriate to criminalise this infringement.
International Trademark Association	Under a broad agreement like ACTA, it will not be sufficient to list a type of method of infringement since an all inclusive list is not possible given the creative abilities of counterfeiters and pirates.
NZFA©T	Criminalisation of unauthorised camcording of motion pictures in theatres is imperative to curbing motion picture source piracy.
New Zealand Institute of Patent Attorneys, Inc	Not an issue in New Zealand.
Trafficking of counterfeit labels, packaging and documents designed to be affixed to, enclose, or accompany counterfeit goods or pirated works.	
Andrew Miller	Support. Any restrictions should not extend to any items which could have a legitimate, non-infringing use.
International Trademark Association	Welcomes criminal procedures and penalties applying for trafficking of counterfeit labels.