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STATUTORY INSTRUMENTS

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**2004 No. 1473**

**CUSTOMS AND EXCISE  
INTELLECTUAL PROPERTY**

**The Goods Infringing Intellectual Property  
Rights (Customs) Regulations 2004**

<i>Made</i>	- - - -	<i>4th June 2004</i>
<i>Laid before Parliament</i>		<i>7th June 2004</i>
<i>Coming into force</i>	- -	<i>1st July 2004</i>

The Commissioners of Customs and Excise, in exercise of the powers conferred on them by section 2(2) of the European Communities Act 1972<sup>(1)</sup>, being a Department designated<sup>(2)</sup> for the purposes of that subsection in relation to counterfeit and pirated goods, goods infringing a patent, goods infringing a supplementary protection certificate, goods infringing Community plant variety rights and goods infringing plant breeders' rights, designations of origin, geographical indications and geographical designations, hereby make the following Regulations:

**Citation and commencement**

1. These Regulations may be cited as the Goods Infringing Intellectual Property Rights (Customs) Regulations 2004 and shall come into force on 1st July 2004.

**Interpretation**

2.—(1) In these Regulations—

“the 1979 Act” means the Customs and Excise Management Act 1979<sup>(3)</sup>;

“application” means an application under Article 5 of the Council Regulation;

“the Commissioners” means the Commissioners of Customs and Excise;

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(1) 1972 c. 68.

(2) S.I. 1995/751 (in relation to counterfeit and pirated goods), S.I. 1999/654 (in relation to goods infringing a patent and goods infringing a supplementary protection certificate) and S.I. 2004/706 (in relation to goods infringing Community plant variety rights and goods infringing plant breeders' rights, designations of origin, geographical indications and geographical designations).

(3) 1979 c. 2.

“Community design” has the meaning given in Article 1(1) of Council Regulation (EC) No 6/2002 on Community designs(4);

“Community plant variety right” means a right of the kind provided for in Council Regulation (EC) No 2100/1994 on Community plant variety rights(5);

“the Council Regulation” means Council Regulation (EC) No 1383/2003 concerning customs action against goods suspected of infringing certain intellectual property rights and the measures to be taken against goods found to have infringed such rights(6);

“the customs and excise Acts” has the meaning given in section 1(1) of the 1979 Act;

“database rights” has the meaning given in regulation 13 of the Copyright and Rights in Databases Regulations 1997(7);

“decision” means a decision granting an application in accordance with Article 8 of the Council Regulation;

“declarant” has the meaning given in Article 4(18) of Council Regulation (EEC) No 2913/1992 establishing the Community Customs Code(8);

“design right” has the meaning given in section 213(1) of the Copyright, Designs and Patents Act 1988(9);

“designation of origin” has the same meaning as in Article 2(1)(c)(iv) of the Council Regulation;

“European patent (UK)” has the meaning given in section 130(1) of the Patents Act 1977(10);

“geographical designation” has the same meaning as in Article 2(1)(c)(v) of the Council Regulation;

“geographical indication” has the same meaning as in Article 2(1)(c)(iv) of the Council Regulation;

“goods infringing an intellectual property right” has the meaning given in Article 2(1) of the Council Regulation and related expressions shall be construed accordingly;

“patent” means a patent under the Patents Act 1977, or a European patent (UK) which is treated for the purposes of Parts 1 and 3 of the Patents Act 1977 as if it were a patent under that Act;

“plant breeders' right” means a right of the kind provided for in the Plant Varieties Act 1997(11);

“publication rights” has the meaning given in regulation 16 of the Copyright and Related Rights Regulations 1996(12);

“registered design” shall be construed in accordance with the Registered Designs Act 1949(13);

“right-holder” has the meaning given in Article 2(2) of the Council Regulation;

“supplementary protection certificate” has the same meaning as in Article 2(1)(c)(ii) of the Council Regulation;

(4) OJ No L 003, 5.1.02, p 1.

(5) OJ No L 227, 1.9.94, p 1.

(6) OJ No L 196, 2.8.03, p 7.

(7) S.I. 1997/3032.

(8) OJ No L 302, 19.10.92, p 1.

(9) 1988 c. 48.

(10) 1977 c. 37.

(11) 1997 c. 66.

(12) S.I. 1996/2967, amended by S.I. 2003/2498.

(13) 1949 c. 88.

“working days” has the meaning given in Article 3(1) of Council Regulation (EEC, Euratom) No 1182/1971 determining the rules applicable to periods, dates and time limits<sup>(14)</sup>.

(2) For the purposes of these Regulations, any reference in the Council Regulation to “copyright or related right” is to be construed as a reference to “copyright, rights in performances, publication rights or database rights”.

(3) These Regulations shall apply to goods which fall to be treated by virtue of Article 2(3) of the Council Regulation as being goods infringing an intellectual property right; but these Regulations shall not apply to any goods in relation to which the Council Regulation does not apply by virtue of Article 3(1) thereof.

### **Infringing goods liable to forfeiture**

3. Subject to paragraph (2) of regulation 4, goods infringing an intellectual property right which correspond to the description of goods contained in a decision shall, during the period specified in the decision, be liable to forfeiture in any of the situations mentioned in Article 1(1) of the Council Regulation.

### **Application for action**

4.—(1) If, in the course of checks carried out in relation to goods in one of the situations referred to in Article 1(1) of the Council Regulation, and before an application has been lodged by a right-holder or, if lodged, before it has been granted, the Commissioners have sufficient grounds for suspecting that goods infringe an intellectual property right, the Commissioners may, in accordance with Article 4 of the Council Regulation—

- (a) notify a right-holder of the nature of the items and of the actual or supposed number of items and ask a right-holder to provide any information they may need to confirm their suspicions;
- (b) notify a right-holder and a declarant of the possible infringement of the right;
- (c) suspend the release of, or detain, those goods; and
- (d) if they do so suspend or detain, invite the right-holder, in the absence of an existing application, to make an application within three working days of the notification of the suspension or detention.

(2) If at any time during the period of suspension or detention under paragraph (1) an application is granted covering the goods, the decision shall, for the purposes of regulation 3, be taken to have applied at the time the goods entered any of the situations mentioned in Article 1(1) of the Council Regulation.

### **Decision to cease to have effect**

5. A decision shall have no further effect where—

- (a) any change, following the making of the application, which takes place in the ownership or authorised use of the intellectual property right specified in the application, is not communicated in writing to the Commissioners; or
- (b) the intellectual property right specified in the application expires.

### **Samples of goods**

6. When examining goods in accordance with Article 9(3) of the Council Regulation the Commissioners may make samples of the goods available to the right-holder at his request for the

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(14) OJ No L 124, 8.6.71, p 1.

purposes of analysis and of facilitating subsequent procedures under the Council Regulation or these Regulations.

### **Detention, seizure, condemnation and forfeiture**

7.—(1) Subject to regulation 8, section 139(15) of, and Schedule 3 to, the 1979 Act (provisions as to detention, seizure and condemnation of goods, etc; forfeiture) shall apply in respect of any goods liable to forfeiture by virtue of regulation 3 as they apply in respect of goods liable to forfeiture under the customs and excise Acts; and, accordingly—

- (a) section 144 of the 1979 Act (protection of officers, etc in relation to seizure and detention of goods, etc) shall apply in respect of seizure or detention effected by virtue of this regulation; and
- (b) sections 145, 146 and 152 to 155 of the 1979 Act(16) (general provisions as to legal proceedings) shall apply in respect of condemnation proceedings brought by virtue of this regulation.

(2) Where in any condemnation proceedings brought by virtue of paragraph (1) any question arises as to whether or not any goods are or were liable to forfeiture under regulation 3, the burden of proof shall lie upon the party alleging that they are not, or were not, so liable.

### **Detention and seizure of goods infringing specified intellectual property rights**

8.—(1) Regulation 7 shall not apply in relation to goods as regards which the decision specifies as subsisting in those goods any one or more of the following intellectual property rights (whether or not they also appear to infringe any other intellectual property right)—

- (a) a patent;
- (b) a supplementary protection certificate;
- (c) a registered design;
- (d) a design right;
- (e) a Community design;
- (f) a plant breeders' right;
- (g) a Community plant variety right;
- (h) a designation of origin;
- (i) a geographical indication; or
- (j) a geographical designation.

(2) A right-holder may, within 10 working days of his having been notified by the Commissioners of the suspension of release of such goods, or of such goods being detained, give notice in writing to the Commissioners waiving, for the purpose of both the Council Regulation and these Regulations, any intellectual property right of his in the goods, being a right mentioned in sub-paragraphs (a) to (j) in paragraph (1).

(3) The period referred to in paragraph (2) shall be 3 working days in cases where the Commissioners have suspended the release of, or detained, perishable goods.

(4) Where notice has been given in accordance with paragraph (2)—

(15) Section 139(4)(c) was amended, in relation to Northern Ireland, by the Police (Northern Ireland) Act 1998 (c. 32), Schedule 4, paragraph 14.

(16) Section 153(4) was added by paragraph 9 of Part I of Schedule 8 to the Finance Act 1981 (c. 35); section 155(1) had been amended by paragraph 29(3) of Part 2 of Schedule 4 to the Criminal Justice and Public Order Act 1994 (c. 33) from a date to be appointed but, by virtue of section 44 of the Criminal Procedure and Investigations Act 1996 (c. 25), that amendment, inter alia, is treated as never having been enacted.

- (a) any right so waived shall be disregarded, as regards that right-holder, in determining whether the goods fall within paragraph (1); and
  - (b) the goods shall be treated for the purposes of these Regulations as if that person did not have the right concerned in those goods.
- (5) The following provisions of the 1979 Act shall apply to any goods falling within paragraph (1) as they apply in respect of goods liable to forfeiture under the customs and excise Acts—
- (a) section 139, except subsections (5) and (6) (things seized or detained to be dealt with or disposed of as Commissioners direct; Schedule 3 to have effect); and
  - (b) section 144.
- (6) Any thing seized or detained by virtue of this regulation shall be dealt with in such manner as the Commissioners may direct; but this paragraph shall apply subject to section 139(3) and (4) of the 1979 Act (detention or seizure by a constable; things retained in the custody of the police) in the cases there mentioned.

### **Initiation of proceedings**

9.—(1) In the case of goods falling within paragraph (1) of regulation 8, the commencement of the proceedings described in paragraph (2) below, and only such proceedings, shall constitute the initiation of proceedings to determine whether an intellectual property right has been infringed for the purposes of the Council Regulation.

(2) The proceedings mentioned in paragraph (1) above are proceedings commenced in the relevant court by a right-holder alleging that the goods infringe an intellectual property right of his and seeking relief which that court has the power to grant after a finding of such infringement.

(3) Without prejudice to any provision of the Council Regulation, the suspension of the release of the goods, or their detention, shall cease if at any time the Commissioners—

- (a) are not satisfied, or cease to be satisfied, that the proceedings described in paragraph (2) have been commenced; or
- (b) are satisfied that such proceedings have been withdrawn or otherwise terminated without other such proceedings having been commenced.

(4) For the purposes of this regulation proceedings shall not be taken to have been commenced before—

- (a) an originating process has been issued or, in the case of the Court of Session, signeted by the relevant court; and
- (b) that process has been served on the other party or, if more than one, all the other parties to the proceedings, in accordance with the rules of the court concerned.

(5) In paragraph (4), the reference to an originating process is a reference to—

- (a) in England and Wales, a claim form;
- (b) in Scotland, a summons; or
- (c) in Northern Ireland, a writ.

(6) For the purposes of this regulation the relevant court is—

- (a) in England and Wales, the High Court or any patents county court having jurisdiction by virtue of an order under section 287 of the Copyright, Designs and Patents Act 1988;
- (b) in Scotland, the Court of Session; or
- (c) in Northern Ireland, the High Court.

### Relationship with other powers

10. Nothing in these Regulations shall be taken to affect—

- (a) any power of the Commissioners conferred otherwise than by any provision of these Regulations to suspend the release of, or detain, any goods; or
- (b) the power of any court to grant any relief, including any power to make an order by way of interim relief.

### Misuse of information by a right-holder

11.—(1) Where the Commissioners have reasonable grounds for believing that there has been a misuse of information by a right-holder the Commissioners may suspend the decision in force at the time of the misuse of information, in relation to a relevant intellectual property right, for the remainder of its period of validity.

(2) Where the Commissioners have reasonable grounds for believing that there has been a further misuse of information within three years of a previous misuse of information by that right-holder the Commissioners may—

- (a) suspend the decision in force at the time of the further misuse of information, in relation to a relevant intellectual property right, for the remainder of its period of validity; and
  - (b) for a period of up to one year from its expiry, refuse to renew the decision in force at the time of the further misuse of information, or to accept a new application, in relation to a relevant intellectual property right.
- (3) In this regulation—
- (a) “misuse of information” means the use of information supplied to a right-holder pursuant to the first sub-paragraph of Article 9(3) of the Council Regulation other than for the purposes specified in Articles 10, 11 and 13(1) of the Council Regulation, or pursuant to an enactment or order of a court, and related expressions shall be construed accordingly;
  - (b) “relevant intellectual property right” means any intellectual property right in relation to a suspected infringement of which information was supplied to a right-holder pursuant to the first sub-paragraph of Article 9(3) of the Council Regulation, and in relation to which the Commissioners have reasonable grounds for believing that there has been a misuse of that information.

### Amendment of the Copyright, Designs and Patents Act 1988

12. For subsection (3B) of section 111 of the Copyright, Designs and Patents Act 1988<sup>(17)</sup> there shall be substituted—

“(3B) This section does not apply to goods placed in, or expected to be placed in, one of the situations referred to in Article 1(1), in respect of which an application may be made under Article 5(1), of Council Regulation (EC) No 1383/2003 concerning customs action against goods suspected of infringing certain intellectual property rights and the measures to be taken against goods found to have infringed such rights<sup>(18)</sup>”.

### Amendment of the Trade Marks Act 1994

13. For subsection (3) of section 89 of the Trade Marks Act 1994<sup>(19)</sup> there shall be substituted—

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<sup>(17)</sup> 1988 c. 48; subsection (3B) was inserted by S.I. 1995/1445.

<sup>(18)</sup> OJ No L 196, 2.8.03, p 7.

<sup>(19)</sup> 1994 c. 26; subsection (3) was substituted by S.I. 1995/1444.

“(3) This section does not apply to goods placed in, or expected to be placed in, one of the situations referred to in Article 1(1), in respect of which an application may be made under Article 5(1), of Council Regulation (EC) No 1383/2003 concerning customs action against goods suspected of infringing certain intellectual property rights and the measures to be taken against goods found to have infringed such rights<sup>(20)</sup>.”.

### **Revocations**

**14.** The Regulations listed in the Schedule are hereby revoked.

New King’s Beam House, 22 Upper Ground,  
London, SE1 9PJ  
4th June 2004

*M J Hanson*  
Commissioner of Customs and Excise

## SCHEDULE

Regulation 14

## Revocations

<i>Regulations revoked</i>	<i>References</i>
The Trade Marks (EC Measures Relating to Counterfeit Goods) Regulations 1995.	S.I.1995/1444
The Goods Infringing Intellectual Property Rights (Customs) Regulations 1999.	S.I. 1999/1601
The Goods Infringing Intellectual Property Rights (Consequential Provisions) Regulations 1999.	S.I. 1999/1618
The Goods Infringing Intellectual Property Rights (Customs) Regulations 2003.	S.I. 2003/2316

**EXPLANATORY NOTE***(This note is not part of the Regulations)*

These Regulations, which come into force on 1st July 2004, revoke and replace the Goods Infringing Intellectual Property Rights (Customs) Regulations 1999 (S.I. 1999/1601, amended by S.I. 2003/2316) and the Goods Infringing Intellectual Property Rights (Consequential Provisions) Regulations 1999 (S.I. 1999/1618). Those Regulations made provisions consequential upon Council Regulation (EC) No 3295/1994 (OJ No L 341, 30.12.94, p 8), as amended by Council Regulation (EC) No 241/1999 (OJ No L 27, 2.2.99, p 1), which laid down measures concerning the entry into the Community, and the export and re-export from the Community, of goods infringing certain intellectual property rights.

Council Regulation (EC) No 1383/2003 (OJ No L 196, 2.8.03, p 7), which replaces Regulation 3295/1994 with effect from 1st July 2004, introduces the following principal changes:

- (a) the use of a standard application form, containing a declaration by the right-holder;
- (b) the abolition of application fees;
- (c) the provision of additional information to the right-holder at an earlier stage;
- (d) the introduction of sanctions if a right-holder misuses information supplied to him; and
- (e) the extension to goods infringing a national plant variety right, a Community plant variety right, a designation of origin, a geographical indication, or a geographical designation.

These Regulations re-enact regulations 2 to 8 of S.I. 1999/1618 amended to reflect Regulation 1383/2003, make new provisions consequential upon Regulation 1383/2003 and re-enact paragraphs 8(b) and (c) of S.I. 1999/1601. The other provisions of S.I. 1999/1601, relating to the application form, the provision of security by the applicant and the application fee, are rendered otiose by the changes introduced by Regulation 1383/2003.

These Regulations revoke and replace the Trade Marks (EC Measures Relating to Counterfeit Goods) Regulations 1995 (S.I. 1995/1444) which excluded goods covered by Regulation 3295/1994 from the



operation of section 89 of the Trade Marks Act 1994. These Regulations also amend section 111(3B) of the Copyright, Designs and Patents Act 1988.

These Regulations revoke the Goods Infringing Intellectual Property Rights (Customs) Regulations 2003 (S.I. 2003/2316), which abolished fees for applications to the Commissioners with effect from 1<sup>st</sup> October 2003 and which are now otiose.

Regulations 2, 3, 7, 9 and 10 re-enact regulations 2, 3, 5, 7 and 8 of S.I. 1999/1618, amended to reflect the provisions of Regulation 1383/2003.

Regulation 4 re-enacts regulation 4 of S.I. 1999/1618, with the addition of paragraph (1)(a) and of the reference to the declarant in paragraph (1)(b).

Regulation 5 re-enacts paragraphs 8(b) and (c) of S.I. 1999/1601.

Regulation 6 is a new provision setting out circumstances in which samples of suspected infringing goods may be provided to the right-holder.

Regulation 8 re-enacts regulation 6 of S.I. 1999/1618, amended to reflect the extended scope of Regulation 1383/2003 and to provide for a 3 day period where perishable goods are involved.

Regulation 11 is a new provision setting out the sanctions which the Commissioners may impose if there has been a misuse of information by a right-holder. In all cases the Commissioners may suspend the decision in relation to a relevant intellectual property right for the remainder of its period of validity (the maximum period of validity is one year). If the right-holder has misused information within the previous three years the Commissioners may also refuse to renew the decision, or to accept an application, in relation to a relevant intellectual property right for a period of up to one year from the date of its expiry.

Regulations 12 and 13 amend section 111(3B) of the Copyright, Designs and Patents Act 1988 and section 89(3) of the Trade Marks Act 1994 to refer to Regulation 1383/2003.

Regulation 14 revokes the four Regulations referred to above and listed in the Schedule.

A full regulatory impact assessment has not been produced for this instrument as it has no impact on the costs of business, charities or voluntary bodies.