

Policy Department C
Citizens' Rights and Constitutional Affairs

TRANSPOSITION OF THE 'RIGHT OF INFORMATION', AS ESTABLISHED IN ARTICLE EIGHT OF DIRECTIVE 2004/48/EC, INTO SPANISH LAW

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TRANSPOSITION OF THE ‘RIGHT OF INFORMATION’, AS ESTABLISHED IN ARTICLE EIGHT OF DIRECTIVE 2004/48/EC, INTO SPANISH LAW

The aim of this report is to analyse how Article 8 of Directive 2004/48/EC, known as the ‘RIGHT OF INFORMATION’, was transposed into Spanish law.

GENERAL INTRODUCTION

Law 19/2006 of 5 June complied with the obligation to transpose Directive 2004/48/EC of 29 April 2004 into Spanish law.

The objective of this Community regulation was to approximate the legislative systems of the European Union’s Member States in order to ensure a high and homogeneous level of protection of intellectual property rights.

For this purpose, in line with the Directive’s recitals, intellectual property rights are understood as being the following: copyright and rights related to copyright; *sui generis* right of a database maker; right of the creator of the topographies of a semiconductor product; trademark rights, design rights; patent rights; geographical indications; utility model rights; plant variety rights; trade names, insofar as these are protected as exclusive property rights in the national law concerned.

The Community Directive was the result of a consultation process launched by the Commission through its 1998 Green Paper on piracy and counterfeiting and was one of the measures anticipated in the Communication from the Commission dated 30 November 2000 on combating both scourges.

The Directive supplemented the regulations contained in Articles 42 to 50 of the TRIPS Agreement, broadening the content of this international instrument to include best practices encountered in Member States’ legislation.

Specifically, the so-called right of information can be found in Article 47 of the TRIPS Agreement, which states as follows: *‘Right of information: Members may provide that the judicial authorities shall have the authority, unless this would be out of proportion to the seriousness of the infringement, to order the infringer to inform the right holder of the identity of third persons involved in the production and distribution of the infringing goods or services and of their channels of distribution.’* This agreement does not specify the consequences of an infringer’s refusal to provide such information, nor does it establish the point in the proceedings at which this information can be ordered or whether this right of information forms the object of a specific civil action.

The European Directive has included the possibility of ordering and obtaining information on the infringement of an intellectual property right in Article 8 of its text.

‘Article 8. Right of information

1. Member States shall ensure that, in the context of proceedings concerning an infringement of an intellectual property right and in response to a justified and proportionate request of the claimant, the competent judicial authorities may order that information on the origin and distribution networks of the goods or services which infringe an intellectual property right be provided by the infringer and/or any other person who:

(a) was found in possession of the infringing goods on a commercial scale;

(b) was found to be using the infringing services on a commercial scale;

(c) was found to be providing on a commercial scale services used in infringing activities;

or

(d) was indicated by the person referred to in point (a), (b) or (c) as being involved in the production, manufacture or distribution of the goods or the provision of the services.

2. The information referred to in paragraph 1 shall, as appropriate, comprise:

(a) the names and addresses of the producers, manufacturers, distributors, suppliers and other previous holders of the goods or services, as well as the intended wholesalers and retailers;

(b) information on the quantities produced, manufactured, delivered, received or ordered, as well as the price obtained for the goods or services in question.

3. Paragraphs 1 and 2 shall apply without prejudice to other statutory provisions which:

(a) grant the rightholder rights to receive fuller information;

(b) govern the use in civil or criminal proceedings of the information communicated pursuant to this Article;

(c) govern responsibility for misuse of the right of information;

or

(d) afford an opportunity for refusing to provide information which would force the person referred to in paragraph 1 to admit to his/her own participation or that of his/her close relatives in an infringement of an intellectual property right;

or

(e) govern the protection of confidentiality of information sources or the processing of personal data.

In Europe, both the legislation of the Federal Republic of Germany and that of Benelux (understood as being the customs and economic union of Belgium, the Netherlands and Luxembourg and also the former region comprising the countries that made up the Kingdom of the Netherlands) already expressed this Right of Information prior to the entry into force of Directive 20004/48/EC. The former established it in Paragraph 101a) of its Law on Copyright and the latter in Articles 13a, 5 of the Law on Trademarks and 14a, 5 of the Uniform Law on Industrial Designs and Utility Models.

Previous European legislation dealing with the Right of Information formed the basis for the Directive that is now transposed into Spanish law.

Transposition of the Right of Information into Spanish law

Spanish law has established the possibility of requesting an injunction from the competent judicial authorities ordering the communication of information relating to an infringement of intellectual property rights by introducing new preliminary proceedings in the provisions of [Article 256](#) of [Law 1/2000 dated 7 January on Civil Procedure](#). Within the terms of the Directive, the possibilities for using this procedure are limited to preparing a case relating to an infringement of an intellectual or industrial property right, as stated in the Directive, that is committed on a commercial scale, i.e., carried out for direct or indirect economic or commercial advantage.

As well as including this new preliminary procedure, and along the same legal lines, Law 19/2004 transposing the Directive also laid down rules governing the right to access banking, commercial or financial documents held by the alleged infringer. This also relates to infringements of intellectual and industrial property rights committed for commercial aims.

We are giving this legal procedure as an example because of the proximity of both hypothetical cases in the Spanish law, as will later be seen.

WHY CHOOSE THIS PROCEDURE

The Spanish civil process does not generally envisage a preparatory action prior to the declaratory one.

However, in certain particular hypotheses, legislation offers the claimant the possibility of an initial judicial procedure to prepare the main court case.

The aim of this preparation is to obtain information significant to the case. Use of this preparatory procedure is limited to a series of concrete cases listed in paragraphs 1 to 6 of Article 256 of the Law of Civil Procedure.

The 2004 Directive has obliged the Spanish State to transpose the two new procedures previously stated.

Both have two factors in common: they relate to preparing a court case for infringement of an intellectual property right committed on a commercial scale, understood as one that obtains a direct or indirect economic advantage. They are also both aimed at obtaining information.

WHAT ARE THESE PROCEEDINGS

The first is aimed at obtaining information on the origin and distribution network of goods or services that are infringing intellectual property rights.

In particular, the objective is to obtain information on the following:

- a) the names and addresses of the producers, manufacturers, distributors and suppliers of goods or services, along with anyone in possession of the goods.
- b) the names and addresses of the wholesalers and retailers who have distributed the goods.
- c) the quantities produced, manufactured, distributed, the amounts paid and the technical characteristics.

The proceedings are based on an interrogation of:

- a) whoever is considered the author of the infringement.
- b) whoever has provided or used services, or been in possession of goods that have infringed intellectual property rights on a commercial scale
- c) whoever has been involved in the processes of production, manufacture, distribution or provision of goods or services.

This procedure, under the terms envisaged in Spanish law, also has a specific feature not present in the Directive in that an injunction can be issued ordering the communication of documents that prove the information and certification of the documents communicated may also be sought.

With regard to legal standing to sue (*'legitimación activa'*), it must be noted that this is measured in the same way as the action being brought in the principal legal proceedings: those procedures that are going to bring about an action for infringement of an intellectual property right may, in short, be demanded.

With regard to legal standing to be sued (*'legitimación pasiva'*), it is important to note that the action does not have to be directed only at the author of the infringement but can be directed at anyone involved in the process of committing it.

To cite a popular example, civil declaratory proceedings against those owing money for 'private use copying' these days tend to be preceded by

preliminary proceedings consisting of gaining access to information on distributed merchandise in the hands of retail distributors, despite the fact that, on the basis of this information, the action may be brought against the manufacturer.

Functional jurisdiction will fall to the Commercial Courts, given that they have jurisdiction for issues of intellectual property, while territorial jurisdiction is ascribed to the legal body competent to hear the principal action.

Consequences of a refusal to carry out the procedural steps.

The law has also regulated the consequences of a refusal on the part of the defendant to comply with the procedure; the Court may agree the necessary intervention measures (Art. 261), including that of entry and search to find the necessary documents or data.

We understand that the consequence provided in Article 261.4 is also applicable, namely that when the presentation of financial documents has been requested, the figures and data provided by the petitioner can be believed. This is on the assumption that the claimant will use his right to demand the provision of documents proving the infringement.

Similarities between the right of information via interrogation and the preliminary proceedings for communication of financial documents: Articles 8 and 6 of the Directive.

As previously explained, the second preliminary procedure introduced by Law 19/2006 transposing the Directive is aimed at obtaining the communication of banking, financial, commercial or customs documents, produced over a certain period of time and which are assumed to be in the hands of whoever is likely to be sued for responsibility.

As required by the Directive, this measure must be accompanied by prima facie evidence demonstrating that an infringement has been committed through the presentation of a sample bearing witness to this infringement. The person calling for the measure may request certification of the exhibited documents from the Clerk of the Court.

Given that the Spanish preliminary procedure transposing the right of information envisages that the claimant may request the provision of documentation proving the information to which the interrogation relates,

it is possible that this measure may overlap with that specifically anticipated for the provision of financial documents.

There are, however, two legal differences between the two: the first lies in the fact that the usual procedure (Article 6 of the Directive and paragraph 8 of Article 256.1) for accessing commercial information requires the provision of prima facie evidence, something that is not necessary in the right of information procedure. The second stems from the legal standing to be sued, as Article 6 limits this to the defendant (documents that are in the hands of the opposing party), as does Article 156.1.8 of the Spanish law; legal standing, however, can be used far more broadly in the context of the right of information procedure.

We shall later give an example of the use of the right of information to access documentation through the Spanish courts.

Nature of the preliminary procedure and content

The preliminary procedure through which the right of information stipulated in Article 8 of Directive 2004/48 has been transposed is not a measure for producing evidence before the trial (*'anticipación de pruebas'*) or taking possession of evidence (*'aseguramiento de pruebas'*).

These concepts are intended to ensure that evidence can be examined in the context of legal proceedings. In the first case, the actual situation that would advocate early implementation of evidentiary measures (for example, a statement taken before the usual procedural moment) is that of a real risk that this evidence may not be executed within the timeframe that the procedure provides for this (witness whose appearance at the trial is foreseen as being impossible). In the second case, the situation justifying measures to take possession of evidence would be that of a risk of its destruction or disappearance.¹

Since the measure is aimed at obtaining concrete information enabling the claimant to clarify his action (to know with greater certainty either against whom to direct his action or the reasons for his request and/or the amount of compensation to request), it has no probative value and, should

¹ Javier López Sánchez in *'Las nuevas diligencias preliminares en materia de propiedad intelectual y propiedad industrial: el denominado 'derecho de información' y la exhibición de documentos comercial en La Ley'*, No 6429, 24 February 2006, indicates that, for this reason, in order to adopt the measure, the judge implements 'adaptation proceedings' in which 'affirmation of the reality of an action by the actor with regard to which, in relation to the claim that will be or has been exercised, the relevance of the means of proof will need to be judged, and whose source it is intended to secure, takes on noteworthy interest', p. 3.

it be necessary to prove certain points of the defendant's personal knowledge, he will need to be interrogated again during the main trial.

The fact that it is a measure aimed at obtaining information also means that it will not need to be examined in the presence of both parties (Art. 289 of the Law on Civil Procedure), as the measure is simply the implementation of a legal decision that has already been taken.

Silence or a refusal to provide the information may be considered a crime of disobedience, in accordance with the provisions of Article 556 of the Criminal Code.

The preliminary proceedings, if carried out urgently, do not need the petition to be supported by a lawyer, although a lawyer's presence will be necessary for the remainder of the proceedings.

CONFIDENTIALITY OF INFORMATION

The preliminary procedure is only intended to obtain information relating to an infringement of intellectual property rights conducted on a commercial scale, and cannot be used in other regards.

In the draft law transposing the Directive, a series of questions was listed as an example of what could form the object of a defendant's interrogation with the clear aim of ascertaining what can be asked by means of this procedure.

Various cases have been considered in Spanish jurisprudence with regard to the duty of confidentiality that falls to the claimant in terms of the use of information obtained by this means, and this focuses on the principle of proportionality between the use of the information and the aim of the measure. Some of these cases will be presented in the oral exposition.

The preliminary procedure for accessing accounts

The second preliminary procedure that has been incorporated as a consequence of the transposition of the Directive is aimed at obtaining access to banking, commercial, financial or customs documents from the defendant against whom an action for infringement of rights is to be brought.

This procedure has a number of specific features:

1.- It limits the sphere of possible defendants to the infringers, with the obvious possibility that the information may be in the hands of third parties.

It is clear that Article 330 of the Spanish Law anticipates the possibility of ordering the presentation of documents from third parties when, following the request of one of the parties, the Court considers that knowledge of such will be important for the purposes of passing judgment. Moreover, in this context, the provision of prima facie evidence of the infringement is not even required.²

It is surprising, however, that given that the Spanish law has also envisaged the opportunity of obtaining this information in advance of the trial by means of new preliminary proceedings, it has not also made it possible to order third parties to present documents by means of this procedure.

Given that the aim of these proceedings will be closely linked to the compensatory request that a claimant may make, examination of this evidence in the proceedings may be at conflict with procedural restrictions relating to uncertainty as to the amount of compensation.

In fact, the Spanish law (Art. 219 and 399) requires the amount forming the object of the ruling to be clearly specified, preventing such decision from being referred to executory proceedings. This of course highlights the importance of the new investigatory proceedings that facilitate access to information on the amount of the damages but it also underlines the failure to broaden liability for the same to third parties that may be in possession of the information necessary to quantify the damages.

It is therefore important that Spanish regulations enable access to documents through the right of information. This access should be permitted without limitation in terms of the legal standing to be sued (i.e. that which can be demanded from third parties) and without the burden of providing prima facie evidence.

² 'It is not prohibited in this regard to order the presentation of documents or the transmission of proof without offering prima facie evidence of the reality of the infringement in advance, but rather said infringement or transmission is required to be permitted provided that prima facie evidence is offered', J. López Sánchez, sic, p. 10.

CASE LAW PERTAINING TO THE RIGHT OF INFORMATION

There is currently little reference in case law to Article 8 of Directive 2004/48/EC on the Right of Information. Reference case law in this regard is the judgment of the European Court of Justice in the Case of *Promusicae v. Telefónica de España*, which will now be considered.

The judgment of the European Court of Justice dated 29 January 2008 in Case C-275/06 between *Productores de Música de España (Promusicae)* and *Telefónica de España* ruled on the existence or not of an obligation on the part of Internet access providers to disclose information identifying those of its customers whose IP addresses are found to be using P2P networks. In addition, the ECJ responded to the question of whether the action of operators, in not providing data identifying their customers in such a context, did or did not imply a violation of intellectual property rights and due process. The ruling mentions the right of information in its international legal context, quoting Article 47 of the TRIPS Agreement, which establishes this in its fifth paragraph. Paragraph 15 transcribes Article 8 of Directive 2004/48/EC and paragraph 58 confirms that Article 8(1) of the Directive does not require Member States to impose an obligation to communicate personal data in the context of civil proceedings aimed at guaranteeing effective copyright protection.

‘Article 8(1) of Directive 2004/48 admittedly requires Member States to ensure that, in the context of proceedings concerning an infringement of an intellectual property right and in response to a justified and proportionate request of the claimant, the competent judicial authorities may order that information on the origin and distribution networks of the goods or services which infringe an intellectual property right be provided. However, it does not follow from those provisions, which must be read in conjunction with those of paragraph 3(e) of that article, that they require the Member States to lay down, in order to ensure effective protection of copyright, an obligation to communicate personal data in the context of civil proceedings.’

Lastly, the request for a preliminary ruling made by *Oberster Gerichtshof (Austria)* on 14 December 2007 — *LSG-Gesellschaft zur Wahrnehmung von Leistungsschutzrechten GmbH v. Tele2 Telecommunication GmbH*, (Case C-557/07) – should also be recalled.