

**CHECKLIST OF ISSUES ON ENFORCEMENT<sup>1</sup>**

Responses from Georgia

**Civil and Administrative Procedures and Remedies**

*(a) Civil judicial procedures and remedies*

**1. Specify the courts which have jurisdiction over IPR infringement cases.**

Intellectual property right infringement cases are subject to the jurisdiction of the Regional Courts as courts of first instance. The judgement of the Regional Courts may be appealed to the Supreme Court. The legislative acts regulating industrial property provide for the possibility of appeal against the decision of the examination to the Sakpatenti Chamber of Appeals, whereas, if the parties come to an agreement, the dispute may be considered at the arbitration organized under the Law of Georgia on Private Arbitration.

**2. Which persons have standing to assert IPRs? How may they be represented? Are there requirements for mandatory personal appearances before the court by the right holder?**

All right holders may, in conformity with the rule under the Civil Procedure Code, assert intellectual property rights in court. Before the court a right holder may appear either in person or may be represented by an agent. Personal appearance of the right holder before the court is not mandatory.

**3. What authority do the judicial authorities have to order, at the request of an opposing party, a party to a proceeding to produce evidence that lies within its control?**

The Third Chapter of the Civil Procedure Code regulates the production of evidence. According to Article 103 of the Code under the request of a party concerned the court is authorized to order production of evidence no matter in whose possession they are (among them in the possession of the opponent).

**4. What means exist to identify and protect confidential information brought forward as evidence?**

Under Article 9 of the Civil Procedure Code the court may, in order to protect confidential information, declare a session closed on the basis of a motivated application made by the party concerned.

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<sup>1</sup> Document IP/C/5.

**5. Describe the remedies that may be ordered by the judicial authorities and criteria, legislative or jurisprudential, for their use;**

- **injunctions;**
- **damages, including recovery of profits, and expenses, including attorney's fees;**
- **destruction or other disposal of infringing goods and materials/implements for their production;**
- **any other remedies.**

Injunctions

The court may secure an action upon request of a party, if the execution of the judgement would otherwise be obstructed or made impossible. The court shall review the application of securing an action on the day of application. For the purpose of securing an action the court may, *inter alia*, order a party to desist from performing certain transactions or proceedings, seize the moveable property of the defendant, etc.

Damages, including recovery of profits, and expenses, including attorney's fees

The court is competent to order the infringer to compensate the right holder damages adequate to the injury the right holder has suffered because of an infringement of that person's intellectual property right by an infringer who culpably engaged in an activity that caused the injury (damage). The damages include lost profits.

Upon request of the party in whose favor a judgement was rendered, the court shall order the other party to disburse to the aforesaid party the necessary and justifiable litigation expenses, the attorney's fees being understood thereunder.

Destruction or other disposal of infringing goods and materials/implements for their production

The Code of Civil Procedure does not regulate the disposal, or destruction, of goods and materials/implements for their production. The relevant measures are available within the specific laws regulating intellectual property relations and the Code of Administrative Violations.

Any other remedies

Apart from the requirements set forth in the acts regulating intellectual property, the party concerned may seek compensation for any damage suffered by him due to the defendant's actions only if he brings supporting evidences of the damage.

**6. In what circumstances, if any, do judicial authorities have the authority to order the infringer to inform the right holder of the identity of third persons involved in the production and distribution of the goods of services found to be infringing and of their channels of distribution?**

The Code of Civil Procedure does not authorise the judicial authorities to order the infringer to inform the right holder of the identity of third persons involved in the production and distribution of the goods or services found to be infringing and of their channels of distribution.

**7. Describe provisions relating to the indemnification of defendants wrongfully enjoined. To what extent are public authorities and/or officials liable in such a situation and what "remedial measures" are applicable to them?**

Defendants wrongfully enjoined may rely upon the general legal grounds of indemnification. In case the defendant has suffered damages as a result of illegal activities of public authorities and/or officials in the course of their official duties, the damages will generally also be compensated according to the general regulations on indemnification and the Administrative Code.

**8. Describe provisions governing the length and cost of proceedings. Provide any available data on the actual duration of proceedings and their cost.**

According to Article 59 of the Civil Procedure Code, the courts dispose of the legal proceedings within two months after their receipt; if the case is especially difficult, within five months.

According to the Civil Procedure Code the expenses of the proceedings involve the expenses of the proceedings and the expenses not related to the court.

The expenses of the proceedings include the State duty (that shall not exceed 5000 Lari) and fees payable to witnesses, specialists, experts, interpreters, as well as the expenses carried by the State Treasury for examination on the spot, for search of the defendant, for judgment enforcement.

The expenses not related to the court are the fees payable to the lawyer, expenses made for production of evidences and other expenses.

*(b) Administrative procedures and remedies*

**9. Reply to the above questions in relation to any administrative procedures on the merits and remedies that may result from these procedures.**

**9.1 Specify the courts which have jurisdiction over IPR infringement cases.**

The court system shall consist of:

- district (city) courts;
- regional courts;
- the Supreme Court.

**9.2 Which persons have standing to assert IPRs? How may they be represented? Are there requirements for mandatory personal appearances before the court by the right holder?**

See the reply to question 2 above.

**9.3 What authority do the judicial authorities have to order, at the request of an opposing party, a party to a proceeding to produce evidence which lies within its control?**

See the reply to question 3 above.

**9.4 What means exist to identify and protect confidential information brought forward as evidence?**

See the reply to question 4 above.

**9.5 Describe the remedies that may be ordered by the judicial authorities and criteria, legislative or jurisprudential, for their use:**

- **injunctions;**
- **damages, including recovery of profits, and expenses, including attorney's fees;**
- **destruction or other disposal of infringing goods and materials/implements for their production;**
- **any other remedies.**

See the reply to question 5 above.

**9.6 In what circumstances, if any, do judicial authorities have the authority to order the infringer to inform the right holder of the identity of third persons involved in the production and distribution of the goods or services found to be infringing and of their channels of distribution?**

See the reply to question 6 above.

**9.7 Describe provisions relating to the indemnification of defendants wrongfully enjoined. To what extent are public authorities and/or officials liable in such a situation and what "remedial measures" are applicable to them?**

See the reply to question 7 above.

**9.8 Describe provisions governing the length and cost of proceedings. Provide any available data on the actual duration of proceedings and their cost.**

See the reply to question 8 above.

### **Provisional Measures**

*(a) Judicial measures*

**10. Describe the types of provisional measures that judicial authorities may order, and the legal basis for such authority.**

Under Chapter XIV (Production of Evidences) of the Civil Procedural Code of Georgia: "The person which has reasonable grounds to think that further submission of evidence necessary for him shall become impossible or difficult may request the court to produce these evidences. Production of evidences is permitted before bringing an action before court" (Article 109).

Production of evidence before bringing the action before the court is conducted by a judge of that district or region, under the jurisdiction of which the procedural action for production of evidence must be taken (Article 110).

Appeal against the judgement of the court on production of evidences is not allowed. The negative judgement on production of evidence may be appealed against (Article 119).

According to the provisions of Chapter XXIII (Securing Evidence): "An applicant may apply to the court with a request on provisional measures. The request must contain the circumstances due to which the provisional measures not taken may make difficult or impossible the enforcement of the

judgement, as well as the indication of the provisional measures considered by the applicant as necessary” (Article 191).

Under Article 192: “In the case which must not be delayed, the request on provision of suit may be submitted before bringing the action at the court”. In such a case, on the basis of a request by the defendant, the court shall determine a reasonable period during which, if the applicant does not initiate the suit, the court shall revoke the adopted provisional measures on the basis of the defendant's request. The period mentioned under the Law of Georgia on Border Measures Relating to Intellectual Property is 14 calendar days.

The application of provisional measures shall be considered by the court on the day of the submission of the application without notification to the defendant, i.e. respecting the principle *inaudita altera parte* (Article 193). Article 194 ensures the defendant's right to appeal against the adopted provisional measures within 5 days after the receipt of the notice. Article 198 provides for provisional measures, among them arrest of defendant's property, securities and money resources; prohibition of certain actions to the defendant.

Under the Article 199 “The court is authorised to order the applicant to provide the defendant appropriate compensation for any expected injury”. As court practice shows, such provision may be the deposit by the applicant of money or other securities to the third party payment account, loan, bank or financial guarantees, etc.

**11. In what circumstances may such measures be ordered *inaudita altera parte*?**

Both the measure of production of evidences and the measure of securing evidence can be ordered *inaudita altera parte*. The defendant and other parties to the litigation shall not be notified of the review of an application of securing an action.

**12. Describe the main procedures for the initiation, ordering and maintenance in force of provisional measures, in particular relevant time-limits and safeguards to protect the legitimate interests of the defendant.**

Under Article 199 of the Civil Procedural Code of Georgia “The court is authorised to order the applicant to provide the defendant appropriate compensation for any expected injury”. As court practice shows, such provision may be the deposit by the applicant of money or other securities to the third party payment account, loan, bank or financial guarantees, etc. Article 194 ensures the defendant's right to appeal against the adopted provisional measures within 5 days after the receipt of the notice.

In such a case on the basis of a request by the defendant, the court shall determine a reasonable period during which, if the applicant does not initiate the suit, the court shall revoke the adopted provisional measures on the basis of the defendant's request. The period mentioned under the Law of Georgia on Border Measures Relating to Intellectual Property is 14 calendar days.

**13. Describe provisions governing the length and cost of proceedings. Provide any available data on the actual duration of proceedings and their cost.**

The court shall review the application of securing an evidence on the day of application.

There are no specific data available concerning the actual duration of proceedings and cost of the enforcement of provisional measures.

(b) *Administrative procedures*

**14. Reply to the above questions in relation to any administrative provisional measures.**

**14.1 Describe the types of provisional measures that judicial authorities may order, and the legal basis for such authority.**

See the reply to question 10 above.

**14.2 In what circumstances may such measures be ordered *inaudita altera parte*?**

See the reply to question 11 above.

**14.3 Describe the main procedures for the initiation, ordering and maintenance in force of provisional measures, in particular relevant time-limits and safeguards to protect the legitimate interests of the defendant.**

See the reply to question 12 above.

**14.4 Describe provisions governing the length and cost of proceedings. Provide any available data on the actual duration of proceedings and their cost.**

See the reply to question 13 above.

#### **Special Requirements Related to Border Measures**

**15. Indicate for which goods it is possible to apply for the suspension by the customs authorities of the release into free circulation, in particular whether these procedures are available also in respect of goods which involve infringements of intellectual property rights other than counterfeit trademark or pirated copyright goods as defined in the TRIPS Agreement (footnote to Article 51). Specify, together with relevant criteria, any imports excluded from the application of such procedures (such as goods from another member of a customs union, goods in transit or *de minimis* imports). Do the procedures apply to imports of goods put on the market in another country by or with the consent of the right holder and to goods destined for exportation?**

It is possible to apply for suspension of goods which infringe the right holder's rights in trademark, in appellation of origin, in geographical indication and copyright (pirated goods).

The procedures involve importation and exportation. The border measures shall not apply to small quantities of goods of a non-commercial nature contained in traveller's luggage or sent in small containers (*de minimis* imports). The procedures do not apply to imports of goods put on the market in another country by or with the consent of the right holder.

- 16. Provide a description of the main elements of the procedures relating to the suspension of the release of goods by customs authorities, in particular the competent authorities (Article 51), the requirements for an application (Article 52) and various requirements related to the duration of suspension (Article 55). How have Articles 53 (security or equivalent assurance), 56 (indemnification of the importer and of the owner of the goods) and 57 (right of inspection and information) been implemented?**

Special requirements of the Agreement on Trade-Related Aspects of Intellectual Property Rights related to border measures are set forth in the Law on Intellectual Property Related Border Measures.

To enable a right holder to protect his/her rights at the border of Georgia on the basis of the Law of Georgia on Border Measures Related to Intellectual Property, he/she must follow the following procedures:

- In the case of existence of valid grounds, he/she may lodge an application with the court and demand the suspension of import or export of the infringing goods. The application must comply with the requirements of Article 4 of the Law of Georgia on Border Measures Related to the Intellectual Property.
- Within three days from lodging the application the parties concerned shall be furnished with the copies of the court judgement on the suspension of the counterfeit goods or on taking relevant measures in respect thereof, defining the terms for such measures. The court judgement shall be presented to the customs authorities for enforcement.
- If within 14 days from taking the judgement by the Court the right holder fails to sue at the Court, the suspended goods shall be released.
- If after inspection of the goods it is revealed that the goods are counterfeit, which was supported by the court at considering the case, the customs authorities shall inform the right holder of the names and addresses of the consignor, importer, exporter and the consignee, and the quantity of the goods in question; on the basis of which the right holder may by means of the court demand the mentioned persons compensation of damages, whereas, by procedure legislation of Georgia at such process the fact of counterfeit goods importation (export) does not need any justification, as this shall be determined by earlier decision of the court.

Proceeding from the above mentioned we can conclude that in respect to the legislation of Georgia the authorised body taking the judgement is the court and customs authorities enforce its judgement.

- 17. Describe provisions governing the length and cost of proceedings. Provide any available data on the actual duration of proceedings and their cost. How long is the validity of decisions by the competent authorities for the suspension of the release of goods into free circulation?**

If within 14 days from taking the judgement by the Court the right holder fails to sue at the Court, the suspended goods shall be released. If the action is brought in time before the court, the legal proceedings shall be held within general time limits prescribed under the Civil Procedure Code. The right holder shall cover the expenses related to the suspension of the goods.

- 18. Are competent authorities required to act upon their own initiative and, if so, in what circumstances? Are there any special provisions applicable to *ex officio* action?**

Legislation of Georgia does not provide for *ex officio* action of the customs authorities.

- 19. Describe the remedies that the competent authorities have the authority to order and any criteria regulating their use.**

If the court takes a decision in favour of the right holder, the Customs Department shall take a decision on the destruction or disposal of the suspended goods.

### **Criminal Procedures**

- 20. Specify the courts which have jurisdiction over criminal acts of infringement of IPRs.**

The protection of intellectual property rights is subject to the ordinary jurisdiction. The court system shall consist of:

- district (city) courts;
- regional courts;
- the Supreme Courts.

- 21. In respect of which infringements of which intellectual property rights are criminal procedures and penalties available?**

Articles 189 and 196 of the Criminal Code of Georgia state that:

#### **"Article 189**

1. Misappropriation of authorship on copyright or neighbouring rights form, on invention, utility model, industrial design, selection achievement, topography of integrated circuit - shall be punishable by penalties or correction labour for two years term.

2. Unlawful use of other person's copyright or neighbouring rights form, invention, utility model, industrial design, selection achievement, topography of integrated circuit for the commercial purpose or forcing on co-authorship – shall be punishable by penalties or detention for two years.

3. The action defined in paragraphs 1 and 2 of this Article:

- a) committed repeatedly;
- b) that caused significant damage, - shall be punishable by detention for three years or imprisonment for the same term."

#### **"Article 196**

1. Unlawful use of other persons' trade (service) mark, appellation of origin or geographical indication or trade name, which caused significant damage, - shall be punishable by penalties or correction labour for two years term.

2. False indication of warning notice together with unregistered trade (service) mark, appellation of origin or geographical indication of goods,- is punished with penalties of the



works useful for public from one hundred and twenty to one hundred and eighty hours and/or correction labour for a one year term.

3. The actions defined in paragraphs 1 and 2 of this Article committed repeatedly, - shall be punishable by detention for three years, or imprisonment for four months, or confinement for three years term and/or penalties."

Here it must be remarked that right holders participate in the criminal procedure as injured persons and have the procedural ability to determine the amount of damages suffered by the infringement and present the infringer property claims.

Thus, the court defined the amount of fines by taking into consideration concrete circumstances, among them suffered damages.

**22. Which public authorities are responsible for initiating criminal proceedings? Are they required to do this on their own initiative and/or in response to complaints?**

Criminal proceedings may be initiated on the basis of the application lodged by the right holder (or his representative).

**23. Do private persons have standing to initiate criminal proceedings and, if so, who?**

Yes they do. Private persons (or their representatives) may apply to the enforcement agencies in the written form.

**24. Specify, by category of IPR and type of infringement where necessary, the penalties and other remedies that may be imposed:**

- **imprisonment;**
- **monetary fines;**
- **seizure, forfeiture and destruction of infringing goods and materials and implements for their production;**
- **other.**

See the reply to question 21 above.

**25. Describe provisions governing the length and any cost of proceedings. Provide any available data on the actual duration of proceedings and their cost, if any.**

The Criminal Procedure Code prescribes terms for certain proceedings, such as pre-trial investigation (9 months), trial investigation (12 months for first instance). In the case where an accused does not appear, the court must suspend the hearing. The costs of proceedings involve: (1) fees for witnesses, victims, experts, specialists, interpreters; (2) lawyers' fees for compulsory defence; and (4) other costs.

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