

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

Replies by Paraguay

**Civil and administrative procedures and remedies**

(a) Civil judicial procedures and remedies

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

Civil and criminal courts in each one of the judicial districts of the country.

**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?**

Firstly the right holders, and secondly licensees. Such persons may act on their own behalf, or may be assisted or represented by an attorney. There are no requirements for mandatory personal appearances of the right holder before the courts as a general rule, but under certain procedures this may be required during the evidential period (interrogatories).

**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?**

As a rule, the judicial authorities have the authority, subject at all times to the right of defence, to order any of the parties to submit documentation or any other type of evidence at their disposal that could be useful in clarifying the rights of the disputing parties, whether or not such evidence is held by the parties or by third persons. This authority may be exercised at the request of a party or ex officio.

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

Whatever the type of action or proceedings, the judicial authorities are under an obligation to prevent the wrongful publication of confidential information brought forward in court or obtained by the court in the course of the dispute.

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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.**

The judicial authorities are empowered by law to order, in a final judgement, any of the acts mentioned as examples in the above question. Since this authority is granted to the judge under our legislation in a general way, the references in our laws to the types of acts covered are merely illustrative. In addition to the examples contained in the question, the judicial authorities have the authority to order any other type of remedy with a view to ensuring the cessation of the acts identified as infringements in the judgement in question.

**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?**

In general, the judicial authorities have the power to order the defendant to supply such information provided they do so within the context of a judicial proceeding, and they may do so, as a rule, at any moment during the proceeding subject at all times to the right of defence of the parties.

**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?**

Both the litigants in a judicial process and the judicial authorities carry civil liability for any undue prejudice caused to a disputing party (not only the defendants) as a result of any wrongful act or action within the proceedings.

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

The provisions governing cost and duration are contained firstly in the individual intellectual property laws, and subsidiarily in the Code of Civil Procedure. In the field of trademarks, for example, lawsuits in civil courts are generally governed by the procedure laid down in the Code of Civil Procedure for ordinary proceedings. The actual duration of proceedings extends beyond the theoretical time-frame, and costs are determined in the first instance by private arrangements with professional lawyers, and subsidiarily by the law governing fees.

(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.**

With respect to administrative procedures, in principle the replies to question 2 apply as well, except that obviously the courts are different – question 1 (Directorate of Industrial Property). As regards questions 3 and 6, the administrative authorities do not have the authority to order any type of measure, contrary to the judicial authorities, who are in a position to ensure a favourable response to such requests. As regards question 4, the administrative authorities are also under obligation to identify and protect confidential information brought forward as evidence by all means available to them. It should be stressed that the administrative authorities do not have the authority to order prudential measures, nor do they have the authority to receive sworn testimonies (question 5). As regards question 7, the answer is the same. Moving on to question 8, the administrative procedure is governed, in principle, by the regime established in the individual intellectual property laws, and subsidiarily by the Code of Procedure. With respect to the actual duration of proceedings and their cost, the answer is the same as for the judicial authorities.

### **Provisional measures**

(a) Judicial measures

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

Prudential measures may be ordered to prevent the commission of the infringement, avoid the consequences thereof, obtain or preserve evidence or ensure the effectiveness of the action or compensation for damages, provided the credibility of the invoked right and the need for urgent action have been established, and a sufficient counter-security is offered at the request of the court. The prudential measures consist essentially in the immediate cessation of the infringing acts, attachment or seizure of the products, packaging, labelling and other materials displaying the infringing sign and the equipment and other means used to commit the infringement, suspension of their import, and suspension of the effects of registration and use of the intellectual property rights.

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

Prudential measures are generally ordered and applied without notice to the opposing party, either upon request of a party or *ex officio*. As a rule, intellectual property right infringements are publicly prosecutable penal actions.

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

Prudential measures may be ordered at the request of an interested party prior to the initiation of an action, upon initiation, or following initiation. When ordered prior to an action, such measures will necessarily cease to have effect if the action in question is not initiated within 15 working days following their imposition. The requirements for imposing such measures are those set forth in our reply to question 10, in other words, the legitimate interests of the defendant as the affected party are safeguarded by such counter-security as is stipulated, and by the right to appeal the ordered prudential measure.

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

Prudential measures, as a rule, are ordered or denied fairly expeditiously. Where they are appealed, their processing is not suspended. As regards the cost of the proceedings, the information provided in the previous replies is applicable.

(b) Administrative measures

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

As already mentioned, in administrative proceedings prudential measures are not possible.

**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?**

In principle, the new laws on trademarks and on copyright establish border measures designed to prevent the import or export of products which infringe such rights. Such measures may be ordered by the customs authorities themselves, without prior intervention of the judicial authority. The new draft law on patents also provides for such a procedure, although it is not mandatory under the TRIPS Agreement. Our country has extended its border measures to exports, but not to goods in transit. As a rule, our country having established the principle of international exhaustion of the rights, there is no possibility of blocking the 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?**

Generally speaking, the procedure is as follows:

The affected party submits an application to the customs authorities who, if they decide to grant the measure, immediately so notify the importer or exporter of the goods in question and the applicant upon implementation of the suspension. If within ten working days following notification of the applicant, the applicant has not initiated the corresponding infringement action, the border measures must be lifted. The customs authorities must examine each border measure application in accordance with the rules governing the granting of prudential measures, which include the possibility of requiring the applicant to provide a security or sufficient assurance according to the particular case. Each decision of the customs authority is subject to immediate judicial review. The above also applies to the responsibility for indemnification and the right of inspection and information originally provided for under the TRIPS Agreement. In practice, since our legislation is very recent, there is no known case history to show how the provisions mentioned in the question have actually been implemented.

**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?**

As a general rule, the provisions governing the length of proceedings are included in the different intellectual property laws, and subsidiarily in the Code of Civil Procedure. As regards the costs of proceedings and their actual duration, the replies to the previous questions on this issue also apply. In principle, as already mentioned, the validity of the original decision of the customs authorities is ten working days. If a judicial action is initiated, the judicial authorities have the authority to confirm or revoke the decision as appropriate.

**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?**

Given the characterization of intellectual property infringements in our laws, the customs authorities and judicial authorities have the authority to act on their own initiative. This is essentially based on the fact that intellectual property infringements are considered to be publicly prosecutable criminal offences.

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

As already mentioned, the remedies are limited to suspension of customs clearance of the imports.

**Criminal procedures**

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

The courts which have jurisdiction over criminal acts of infringement are the so-called Criminal Courts of First Instance, whose decisions may be appealed before the so-called Criminal Chambers of Appeal. These bodies are located in each of the judicial districts of the country.

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

The infringements of intellectual property rights that are subject to criminal procedures and penalties are those in which the falsification, forgery, passing off and sale of the resulting products is carried out with intent and in violation of duly registered intellectual property rights.

**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?**

The public authority responsible for initiating such proceedings is the *Institución de la Fiscalía* (Office of the Public Prosecutor), and our country has public prosecutors specialized in intellectual property. They may act either on their own initiative or in response to complaints.

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

The private persons having a standing to initiate criminal proceedings are the affected intellectual property right holders.

**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.**

In general, our law provides for penalties consisting of imprisonment, fines, and obviously, seizure, forfeiture and destruction of infringing goods and implements for their production, for all criminal infringements of intellectual property rights. There are no other measures, since criminal judges may only order such penalties as are expressly stipulated by law.

**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 length of criminal proceedings is governed by our new Code of Criminal Procedure. With respect to the cost and actual duration of proceedings, the relevant comments in the preceding replies are also applicable.

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