

CHECKLIST OF ISSUES ON ENFORCEMENT¹

I. REPLIES BY VENEZUELA

Civil and administrative procedures and remedies

(a) Civil judicial procedures and remedies

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

Copyright

Pursuant to Article 139² of the Law on Copyright, first instance civil courts have jurisdiction in legal matters relating to copyright and other rights protected by the Law. The competence given to first instance courts does not depend on the amount involved.

This Law also gives jurisdiction to municipal courts; the provisions in Article 112³ of the Law, for example, state that, when the urgency of the matter so dictates, municipal courts are empowered to order judicial inspections or expert studies, as well as the sequestration of anything that constitutes infringement of the right of exploitation, and may also order the seizure of revenue.

Industrial property

In industrial property matters, ordinary civil courts have jurisdiction. Depending on the amount involved, a municipal court or a first instance civil court will be competent.

¹ Document IP/C/5.

² Article 139 of the Law on Copyright: "Legal matters relating to copyright and other rights protected by this Law shall be within the jurisdiction of the first instance civil courts and the first instance criminal courts, as the case may be, except in cases where this Law places them under the jurisdiction of parish or municipal courts".

³ Article 112 of the Law on Copyright: "In the event of a dispute between the parties, the proof and measures provided for in the foregoing Article shall be ordered by the court hearing the case. However, should the urgency of the matter so dictate, they may be ordered by the parish or municipal court of the place in which they are to be carried out, regardless of the amounts involved. In such a case the party proceeded against may protest against the said amount to the court hearing the case, without the production of the proof or the application of the measure being thereby prevented.

If there is no dispute between the parties, the proof and the measures shall be decreed by the parish or municipal court of the place in which they are to be implemented if the urgency thereof dictates, without the owner, possessor, person in charge, administrator or occupant of the place in which they are to be implemented being able to oppose such production or implementation. The same court shall lift the measures at the request of the party proceeded against on the expiration of 30 consecutive days after they were ordered if he has not been served notice of the initiation of the main proceedings."

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

The owners or their heirs have standing to assert intellectual property rights, in criminal, civil or administrative proceedings.

Venezuela's legislation has provision for representation before the Republic's courts whereby a person (the principal) authorizes another person (the agent) to carry out legal acts on his behalf.

Such powers of attorney may be officially recorded or granted to an attorney during the proceedings (*apud acta*) by the owner of the right claimed. There is also an assistance regime whereby the owner himself acts before the court, assisted by an attorney. An owner cannot act directly on his own behalf to make a claim before the courts without going through an attorney; he must always be represented or assisted by an attorney.

There are no provisions in Venezuelan legislation on mandatory appearance by the owner of the right before the court.

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?

In Venezuela's legal system there is a means of proof called "presentation of documents", which is based on Article 436⁴ of the Code of Civil Procedure and allows a party to proceedings to request the court to require the other party to present or hand over a document that lies within its control. After the request has been approved and evidence has been provided to show that there is at least a serious presumption that the document in question lies within the control of the other party, the court shall require him to present the document within a certain period and, if he fails to produce or hand over the document, the copy furnished by the requesting party or the data he has provided shall be deemed to be accurate.

This means of proof can be used in both criminal and civil proceedings in Venezuela, where the principle of freedom of evidence exists, allowing the use of any evidential means provided in any legislative text.

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

In criminal proceedings, all investigative acts are restricted as far as third parties are concerned so only parties directly involved in the case, together with the judicial authorities and the Public Prosecutor's Office, have access to the records of the proceedings and consequently to the evidence furnished. Officials involved in the investigation and persons who, for any reason, have knowledge of

⁴ Article 436 of the Code of Civil Procedure: "A party seeking to utilize a document that, according to its declaration, lies within the control of the other party, may request its presentation.

The request for presentation shall be accompanied by a copy of the document or, failing that, by a statement of the facts known to the requesting party concerning the content of the document and evidence showing that there is at least a serious presumption that the document is or has been within the control of the other party.

The court shall require the other party to present or hand over the document within the period it indicates or be subject to a penalty.

If the document is not presented within the time-limit fixed and no evidence is provided to show that it does not lie within the control of the other party, the text of the document as it appears in the copy presented by the requesting party shall be presumed to be accurate, or in its absence, the data provided by the requesting party concerning the content of the document shall be deemed to be correct (...)"

the action taken, thus have a duty of confidentiality (Article 313 of the Basic Code of Criminal Procedure).

The principle of publicity governs civil proceedings so all the records of proceedings are public. The sole exception to this principle is where the court determines otherwise for reasons of public morality, depending on the nature of the proceedings (Article 24 of the Code of Civil Procedure).

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

- Copyright

Part VI, Article 109, of the Venezuelan Law on Copyright provides that the owner of any exploitation rights in any work protected by copyright who has reason to fear infringement of his rights or the continuation or recurrence of an infringement may request a judge to declare his rights and prohibit the other person from infringing them. In order to give effect to the prohibition, the judge shall impose a fine if an infringement should occur.

Part VI, Article 110, of the Venezuelan Law on Copyright allows the owner of any exploitation rights in any work, product or production protected by copyright to request a judge to order the destruction or withdrawal of the originals or copies unlawfully reproduced and of the equipment used for the reproduction.

For the purposes of the exercise of the actions mentioned in the preceding paragraphs, Article 111 of the Law on Copyright states that a judge may order judicial inspections and expert studies, as well as any other means of proof provided in the Code of Civil Procedure.

At the request of the party concerned, the court may order that the text of the ruling be published, at the expense of the losing party, in one or more newspapers specified by the judge, as provided in Article 113 of the Law on Copyright.

The competent national authority (the court) may order the permanent removal from distribution channels of the copies constituting the infringement of rights (subparagraph (c) of Article 57 of Decision 351 of the Commission of the Cartagena Agreement “Common Copyright Provisions and Neighbouring Rights”).

In criminal proceedings, the competent courts may order a term of imprisonment of six (06) months to four (04) years for any person who commits any of the offences defined in the Law on Copyright (Part VII of the Law).

- Industrial property

The competent court may cancel a patent if it was issued when a third party had a better right to it (subparagraph (a) of Article 17 and Article 66 of the Industrial Property Law).

The competent court may cancel the registration of a trademark if it was registered when a third party had a better right to it or where, after doubts have been raised concerning the trademark's validity, a ruling has declared that it should not have been granted (subparagraph (c) of Article 36 and Article 84 of the Industrial Property Law).

At the request of the person affected, the competent national authority (the court) may order the transfer of a pending application or a right granted in a patent or in the registration of an industrial design or it may order recognition as co-applicant or co-owner of a right where a patent or the registration of an industrial design has been requested or obtained by a person who has no right to it. Likewise, where an application for a trademark registration has been filed or a trademark has been obtained to the detriment of another party possessing the same right, the parties affected may claim such rights before the competent national authority by requesting their recognition as co-applicants or co-owners of the rights in question (Article 237 of Decision 486 of the Commission of the Andean Community "Common Industrial Property Regime").

In criminal matters, the competent courts may order a term of imprisonment of one (01) to twelve (12 months) for any person who commits any of the offences specified in Section II, Chapter XII, of the Industrial Property Law.

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

Venezuela's ordinary law lays down the principle that "Any person who intentionally, or by negligence or imprudence, causes damage to another person shall be obliged to compensate for it" (Article 1185 of the Civil Code). This includes situations where damage is proved and the competent court issues a ruling ordering the payment of a sum of money for damages, irrespective of the subject matter of the case. The owner of an intellectual property right is also covered by this principle.

Venezuela's judicial system contains several provisions on the costs of proceedings and attorney's fees, which Venezuelan legislation terms "court costs". These include the costs incurred by each party in bringing the case to court and the fees paid to attorneys, experts and other professionals involved in the proceedings. According to these provisions, as a general principle, the court will order the losing party to pay the court costs (Articles 274 to 287 of the Code of Civil Procedure).

There are nevertheless some special provisions:

- Copyright

The competent national authority may order payment of adequate compensation to the owner of infringed rights for the damages sustained as a result of the infringement and order the offender to bear the cost of the proceedings that he has caused the owner of the infringed right to institute (subparagraphs (a) and (b) of Article 57 of Decision 351 of the Commission of the Cartagena Agreement "Common Provisions on Copyright and Neighbouring Rights").

- Industrial property

The competent national authority may order compensation for damages (subparagraph b) of Article 241 of Decision 486 of the Commission of the Cartagena Agreement “Common Industrial Property Regime”). For the purpose of calculating the compensation for damages, the following criteria laid down in Article 243 of the “Common Industrial Property Regime” must be used: the consequential damage and lost profits suffered by the right holder as a result of the infringement; the amount of profit obtained by the infringer as a result of the acts of infringement; or, based on the commercial value of the infringed right and such contractual licences as may have already been granted, the price the infringer would have paid for a contractual licence.

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

- Copyright

The measure referred to here is covered by Article 110 of the Law on Copyright and Article 56 of Decision 351 of the Commission of the Cartagena Agreement “Common Provisions on Copyright and Neighbouring Rights”.

- Industrial property

The measure referred to here is covered by Article 241 of Decision 486 of the Commission of the Cartagena Agreement “Common Industrial Property Regime”.

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?

There is no provision empowering the judicial authorities to order the infringer to inform the right holder of the circumstances referred to in the question. Nevertheless, Venezuela’s legal regime states that, where a person who has knowledge of the facts fails to inform the judicial authorities of an offence committed by a third person, he may be found guilty of abetting the offence (Article 255 of the Criminal Code) or be accused of complicity in the commission of a punishable offence.

In Venezuela’s opinion, the only circumstance in which an infringer could be indirectly ordered to inform the authorities of the acts referred to in the question would be in cases of sworn replies to interrogatories (Article 403 of the Code of Civil Procedure, reply to interrogatories), which would in any event depend on the questions and how they were formulated.

Another way in which the infringer could be made to inform the authorities of the circumstances referred to in the question, although it does not involve an order imposed by a judicial authority, is where criminal proceedings have been suspended because the offences are the result of organized crime and the accused, in this case the infringer of any intellectual property right, fully collaborates in the investigation, furnishing essential information so that the offence does not continue or other offences are not committed (Article 33 of the Basic Code of Criminal Procedure).

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?

The same actions and/or measures available to the holder of an intellectual property right as those described under the preceding questions can also apply.

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

There is no specific provision on the duration of ordinary civil proceedings involving claims for damages in intellectual property cases. Taking into account the provisions on the procedural time-limits at each stage of the proceedings, however (answer, period for the gathering, submission and consideration of evidence, reports and the ruling), it can be stated that ordinary proceedings without any extra procedures (prior issues, appeals, etc.) could last for around nine months.

There are no specific provisions on the duration of criminal proceedings either. However, taking into account the provisions on the procedural time-limits at each stage of the proceedings (preparatory phase, intermediate phase, trial and enforcement), it can be stated that proceedings could last for around six months.

Regarding the cost of proceedings, we should point out that, pursuant to the Constitution of the Bolivarian Republic of Venezuela, justice is free (Article 26) so a plaintiff should not incur costs when claiming his rights before a court other than the professional fees payable to attorneys. The plaintiff must, however, cover the travel costs of officials for the application of preventive measures or any other procedural acts which require travel by the court.

The actual duration of civil proceedings, without any extra procedures, is around two years up to the final ruling. The courts usually take fairly rapid action, however, where preventive or provisional measures requested by the plaintiff are ordered.

The procedural time-limits are being respected in criminal proceedings so a criminal case usually concludes within the expected time-frame, which is around six months.

(a) 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 Administrative procedures relating to intellectual property are conducted by the *Servicio Autónomo de la Propiedad Intelectual* (Autonomous Intellectual Property Service) (SAPI).

9.2 The holders of rights, their licensees and/or any person with a legitimate interest taking into account the exact circumstances in each case (opposition, cancellation, forfeiture, renewal, *inter alia*) have the authority to claim intellectual property rights before the administrative body.

9.3 The “principle of freedom of evidence” applies in administrative procedures and allows the use of any of the means of proof laid down in any legislative text (Article 58 of the Basic Law on Administrative Procedures). Consequently, one of the options open to judicial authorities is to order a party to proceedings to furnish the evidence within its control, at the request of the opposing party, by means of the “presentation of documents”, which is explained elsewhere in this document.

9.4 In an administrative procedure, subject to substantiation, some or all of the documents in the administrative file may be declared confidential (Article 59 of the Basic Law on Administrative Procedures).

9.5 Venezuela's legislation does not have any provisions allowing the administrative authorities to order measures such as the destruction of the infringing goods or the temporary or definitive closure of a business.

9.6 The duration of administrative proceedings resulting from the filing of administrative appeals is around four (04) months. It may be longer or shorter depending on the administrative procedures involved.

Provisional measures

(a) Judicial measures

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

Copyright

Article 111 of the Law on Copyright provides that a judge may order the sequestration of everything that constitutes infringement of the right of exploitation and the seizure of the revenue accruing to the right holder provided that proof constituting a serious presumption of the right claimed is furnished.

Subparagraphs (a), (b) and (c) of Article 56 of Decision 351 – Common Provisions on Copyright and Neighbouring Rights – provide that the competent national authority may, as a precautionary measure, order the immediate cessation of the unlawful activities; the attachment, sequestration, confiscation or preventive seizure, as appropriate, of the copies produced in violation of rights and the attachment, seizure confiscation or sequestration of the apparatus or materials used for the commission of the unlawful act.

Industrial property

Subparagraphs (a), (b) (c) (d) and (e) of Article 246 of Decision 486 – Common Industrial Property Regime – provide that the following provisional measures may be ordered: immediate cessation of all acts constituting the alleged infringement; withdrawal from commercial channels of all products resulting from the alleged infringement; suspension of the importation or exportation of the goods; establishment by the alleged infringer of an adequate guarantee; and temporary closure of the business belonging to the defendant or the accused, if necessary, to prevent continuation or repetition of the alleged infringement.

Suspension of the effects of the administrative act of registering a patent or trademark whose annulment has been sought may be requested when permitted by the law or if suspension is necessary to prevent irreparable injury or injury which it would be difficult to repair definitively, and the court may require appropriate security for this purpose (Article 136 of the Basic Law of the Supreme Court of Justice).

As a provisional measure, suspension of the effects of the administrative act of registering a patent or trademark may be requested before the competent court, under the constitutional guarantee for the protection of rights, on the grounds of unconstitutionality and provided that the requirements applicable to provisional measures are met, those of colour of title and risk in delay (Article 5 of the Basic Law on the Protection of Constitutional Rights and Guarantees).

In both cases, copyright and industrial property, any type of provisional measure or “innominate measure” may be requested provided that the requirements laid down in the law are met (First Paragraph of Article 588 of the Code of Civil Procedure).

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

Under Venezuela’s legislation, provisional measures are always adopted *inaudita altera parte* because of their very nature and, if this were not the case, the provisional measures would no longer serve the purpose for which they were designed.

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.

In intellectual property cases, provisional or preventive measures may be requested before proceedings are brought, at the same time as the proceedings or after they have commenced. Consequently, main proceedings *ab initio* on which a provisional or preventive measure depends are not necessary.

Article 585 of the Code of Civil Procedure provides that preventive measures may only be ordered by a judge if there is obviously a risk that the court’s ruling will not be carried out and evidence must be provided to show that there is a serious presumption that this is the case and attesting to the right claimed.

As to the maintenance of such measures, Article 589 of the Code of Civil Procedure states that provisional measures shall be maintained until the end of the proceedings, unless the defendant requests the court to suspend the measure against the deposit of sufficient security or guarantee. The decision rests with the court.

Pursuant to Article 588, Second Paragraph, of the Code of Civil Procedure, the defendant has the right to oppose the preventive measure ordered. The opposition must be substantiated and a decision is taken in accordance with Articles 602, 603 and 604, which provide that, by the third day following the imposition of the preventive measure, the defendant may oppose it, giving the reasons and grounds for his opposition. Subsequently, the interested parties are given eight days in which to bring their case and furnish the evidence they deem relevant; after the time-limit for furnishing evidence has expired, the court gives its ruling, against which an appeal may be lodged.

Copyright

Pursuant to Article 111 of the Law on Copyright, provisional measures can only be ordered if evidence is provided to show that there is a serious presumption of the right claimed.

In accordance with this Article, if there is a dispute between the parties, the proof and measures shall be ordered by the judge hearing the case. If the urgency of the case so requires, they may be ordered by a parish or municipal judge in the place where they are to be carried out regardless of the amounts involved. In such cases, the party proceeded against may protest against the said amount to the judge hearing the case, without the production of the proof or the application of the measure being thereby prevented.

Where there is no dispute between the parties, the proof and the measures shall be ordered by the parish or municipal judge of the place where they are to be implemented if the urgency thereof so dictates, without the owner, possessor, person in charge, administrator or occupant of the place in which they are to be implemented being able to oppose such production or implementation.

The same judge shall lift the measures at the request of the party proceeded against on the expiry of thirty (30) consecutive days after they were implemented if he has not served notice of the initiation of the main proceedings.

Industrial property

Article 245 of Decision 486 provides that any party initiating or about to initiate action for infringement may request the competent national authority to order provisional measures immediately for the purpose of preventing an infringement from occurring, avoiding its consequences, obtaining or preserving evidence, or ensuring the effectiveness of the action or compensation for damages.

Pursuant to Article 247 of Decision 486 – Common Industrial Property Regime – a provisional measure shall only be ordered where the persons requesting it accredit their lawful right to act, the existence of the infringed right, and provide evidence allowing for a reasonable presumption of infringement or that infringement is imminent. This Article provides that the competent national authority may require persons requesting the measure to deposit security or a sufficient guarantee before ordering such a measure.

This Article also determines that any person requesting a provisional measure in respect of particular goods must supply the necessary information and a sufficiently detailed and precise description to allow the allegedly infringing goods to be identified.

Similarly, Article 248 of Decision 486 – the Common Industrial Property Regime – provides that, where a provisional measure has been adopted *inaudita altera parte*, it is notified to the party affected immediately after its application. The party affected may appeal to the competent national authority to review the measure applied.

Consequently, any provisional measure applied *inaudita altera parte* shall automatically cease to have effect if infringement proceedings are not commenced within the ten days following application of the measure.

Lastly, Article 249 of Decision 486 states that provisional measures shall be applied to the goods resulting from the alleged infringement and to the materials or implements used principally to commit it.

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

Usually, the time-limit for ordering preventive measures is relatively short in practice, although this is not the case for the court's ruling on opposition to the order to impose the measure. An order for a preventive measure can be obtained in approximately ten days.

The amount of security, where this is required, is high, as is the cost of travel for the court.

(b) Administrative measures

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

In Venezuela's administrative procedure, provisional or preventive measures consist of suspending the effects of the administrative act against which an appeal has been lodged if its implementation could cause serious injury to the interested party or if the opposition is based on the

nullity of the act, for which the competent body shall require the prior deposit of the security it deems sufficient (Article 87, first paragraph, of the Basic Law on Administrative Procedures).

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?

The legal authority of the customs is the right given to the competent authority to act in respect of the goods referred to in Article 7, to authorize or prevent their customs clearance, to exercise tax prerogatives, to determine the duty payable, to apply sanctions where necessary and, in general, to carry out the controls provided in the national customs legislation (Article 6 of the Basic Customs Law) and this right is subject to the legal authority of the customs, (Article 7). As regards possible infringement of intellectual rights, pursuant to Article 250 of Decision 486 of the Commission of the Andean Community, the owner of a trademark may only request suspension of customs clearance in respect of the following:

- Any goods to be imported into or exported from Venezuelan territory;
- goods that are part of the personal effects of passengers and crew;
- vehicles and means of transport, including their equipment, spare parts, on-board provisions, tools for navigation and the movement of freight or persons, which are the subject of international traffic or which transport goods; as well as the goods which the said vehicles or means contain, irrespective of their form;
- goods, means of transport and other effects which are the subject of domestic traffic in territorial or internal waters, national air space and customs zones, special control areas, general warehouses, customs or duty-free warehouses.

Single paragraph: military vehicles and transport and vehicles and transport specifically identified by the Ministry of Finance are not subject to the legal authority of the customs unless they are involved in international or national movement of goods and persons.

Consequently, when goods have been withdrawn from the customs zone but all the requirements specified in the Law or the criteria governing their import or export have not been met or the applicable taxes have not been paid, the National Tax Authority may seize the goods (Article 11 of the Basic Customs Law). Authority is also given to enter warehouses, freight yards, offices, vehicles and other private or public places subject to the legal authority of the customs without the need for any special authorization (Article 10 of the Basic Customs Law).

In addition to the aforementioned goods, at the request of the competent intellectual property authority, the customs authorities shall prevent the customs clearance of goods which allegedly infringe intellectual property rights granted in Venezuela or derived from international agreements to which Venezuela is party.

The competent intellectual property body may request the customs authority to clear the goods at any time, giving the grounds therefor and subject to deposit of adequate security to protect the owner of the right if there is infringement, the amount being fixed by the competent body.

The customs authorities shall notify the owner, importer or consignee that the goods have been withheld (Article 87 of the Basic Customs Law).

Articles 250 to 255 of Chapter III (On Border Measures), of Title XV (On Actions for Infringement of Rights) of the Community text Decision 486 – Common Industrial Property Regime – also provide for such a procedure.

Pursuant to Article 256 of Decision 486, this regime does not apply to small quantities of goods of a non-commercial nature contained in travellers' luggage or sent in small consignments.

It should also be noted that the owner of a registered trademark may not prevent third parties from engaging in trade in a product protected by the registration after the owner or a third party, with the latter's consent or with economic ties to the owner, has introduced the product into trade in any country, even if the products, packaging or wrapping in direct contact with the product have not undergone any change, alteration or deterioration (Article 158 of Decision 486 of the Andean Community).

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 5 (right of inspection and information) been implemented?

Regulations and procedures in this respect have to be complemented by domestic legislation. Nevertheless, Articles 250 to 255 of Title XV, Chapter III (On Border Measures), of Decision 486 lay down procedural regulations in this respect. The owner of a registered trademark who has valid grounds for suspecting that products infringing the trademark are to be imported or exported may request the competent national authority to suspend customs clearance. He must supply the authority with the necessary information and a sufficiently detailed and precise description of the allegedly infringing goods to allow them to be identified (Article 250 of Decision 486).

In order to substantiate his claims, the owner of the trademark may be allowed to participate in the inspection of the goods withheld. The importer or exporter of the goods shall enjoy the same right.

When carrying out the inspection, the competent national authority shall take the necessary steps to protect the confidentiality of information, where applicable (Article 251 of Decision 486).

After the applicable criteria have been met and the security deposited, the competent national authority shall order or refuse the suspension of customs clearance and shall notify the applicant accordingly.

If the authority orders suspension, the notification shall include the name and address of the consigner, importer, exporter and consignee of the goods, as well as the quantity of the goods suspended. The suspension shall also be notified to the importer or exporter of the goods (Article 252 of Decision 486).

If the plaintiff has not initiated an action for infringement within ten working days of the date of notification of suspension of customs clearance or the competent national authority has not extended the suspension, the measure shall be lifted and the goods withheld shall be released (Article 253 of

Decision 486). Where the existence of infringement has been determined, the goods bearing counterfeit trademarks that have been seized may not be re-exported nor made subject to any other customs procedure, except in duly specified cases or with the express authorization of the owner of the trademark (Article 255 of Decision 486).

Article 254: after infringement proceedings have been initiated, the defendant may appeal against the measure and the competent judge shall decide whether to modify, revoke or confirm the suspension.

Without prejudice to any other action open to the owner of the right and subject to the defendant's right to appeal to the judicial authorities, the competent national authority may order the destruction or seizure of the infringing goods.

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?

The regulatory texts do not give any precise indication of the duration of ordinary proceedings before a definitive ruling is given. Articles 338 to 567 of the Code of Civil Procedure, however, regulate the procedure and some of these Articles specify a mandatory time-limit for certain phases of the procedure, including responding to the claim; the period for the gathering, submission and consideration of evidence; enforcement of the ruling; appeal. The approximate duration is two (2) years, depending on the level of jurisdiction.

The cost varies and depends on the urgency and the distance.

Where the infringement concerns trademarks, if the plaintiff has not initiated action for infringement or if the competent national authority has not extended the suspension within ten (10) working days of the date of notification of the suspension of customs clearance, the measure shall be lifted and the clearance of the goods withheld shall proceed.

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?

In principle, in Venezuela there are no *ex officio* measures by civil courts; such measures must be requested in the context of judicial proceedings. They may be enforced *ex officio* if they are requested by the Public Prosecutor's Office in the course of criminal proceedings, in which case the goods must be withheld until it is determined whether or not a punishable offence has been committed. In cases of smuggling, the goods may be destroyed. These measures can be carried out by the frontier customs guard, i.e. the National Guard in the course of anti-smuggling operations, for narcotics offences or complaints made under the Criminal Code or as a result of the commission of an offence.

It should be noted that Article 87 of the Basic Customs Law empowers the customs authorities to impose border measures, but as these must be requested in judicial proceedings resulting from an investigation based on a complaint or petition, it is in fact the judicial authorities that have the competence to order them.

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

Industrial property

Pursuant to Article 241 of Decision 486 of the Andean Community, any of the following measures can be requested:

- Cessation of acts that constitute the infringement;
- compensation for damages;
- withdrawal from commercial channels;
- prohibition of import or export;
- adjudication of the ownership of the products;
- destruction of the products;
- temporary or definitive closure of the defendant's business;
- publication of the ruling and its notification to interested parties at the expense of the infringer.

Copyright

Pursuant to Article 111 of the Law on Copyright and the provisions in Article 56 of Decision 351 of the Commission of the Cartagena Agreement, the following measures may be granted:

- Sequestration of anything that constitutes infringement of the right of exploitation;
- seizure of the revenue accruing to the owner of the disputed right of exploitation;
- immediate cessation of the unlawful activities; attachment, sequestration, confiscation, or preventive seizure, as appropriate, of the infringing copies produced;
- attachment, seizure, confiscation or sequestration of the apparatus or materials used for the commission of the offence.

In addition, the Code of Civil Procedure allows requests for innominate measures provided that the allegations specified in Article 588 are substantiated.

As provided both in Article 247 of Decision 486 with regard to industrial property and Article 111, last part, of the Law on Copyright, any person requesting such measures must accredit their lawful right to act, the existence of the infringed right, and furnish evidence allowing for a reasonable presumption of infringement or that infringement is imminent.

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

For criminal cases, in accordance with the Basic Code of Criminal Procedure (COPP), competence is determined on a territorial basis according to the place where the offence or misdemeanour was committed (Article 53 of the COPP). There are criminal courts at two levels in each judicial district: first instance, comprising courts where a judge sits alone (*tribunales unipersonales*), mixed courts (*tribunales mixtos*), and courts with juries (*tribunales jurados*); the other level is appeals courts, composed of benches where professional judges sit (*tribunales colegiados de jueces profesionales*). The supervision of the investigation and the intermediate stage are the responsibility of courts where a judge sits alone called supervisory courts (*tribunales de control*) and the judgement stage is the responsibility of the law courts (*tribunales de juicio*) (Article 103 of the COPP) in the sense that when the Basic Code of Criminal Procedure refers to the supervisory court or judge (*tribunal o juez de control*), the law court or judge (*tribunal o juez de juicio*) and the enforcement court or judge (*tribunal or juez de ejecución*), this always means the judge of first instance with supervisory, legal or enforcement responsibilities, respectively (Article 104 of the COPP).

In this particular case, courts with a single judge, whether supervisory or enforcement courts, hear industrial property cases covered by the Criminal Code, the Industrial Property Law and the Law on Copyright.

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

The Criminal Code provides penalties for the infringement of industrial property rights and copyright. Article 338 of the Criminal Code, for example, specifies a term of imprisonment of one to 12 months for any person who has counterfeited or altered names, trademarks or distinctive signs belonging to intellectual works or to the products of any industry, and for any person who has made use of legally registered names, trademarks or signs that have been so counterfeited or altered, even if the act was carried out by a third person. The same penalty applies to any person who has counterfeited or altered industrial designs or models or has made use of them, even if the act was carried out by a third person.

Article 339 of the Criminal Code imposes a term of imprisonment of one to 12 months on any person who, for the purpose of trade, has imported into Venezuela and put on sale or in any way circulated intellectual works or products of any industry bearing counterfeited or altered names, trademarks or distinctive signs likely to mislead the consumer as to their origin or quality, if the ownership of the works, trademarks or signs has been legally registered in Venezuela.

Article 340 of the Code imposes a term of imprisonment of 15 days to three months on any person who has disclosed information concerning an invention, scientific discovery or industrial secret that should have been kept secret and who has become aware of it because of their position or employment or as a result of their profession, art or industry, as well as a term of imprisonment of 15 days to six months if the disclosure was made to a foreigner not resident in Venezuela or the latter's agent.

Likewise, the Industrial Property Law imposes a term of imprisonment of one to 12 months on any person who infringes the rights of the legitimate owner or holder of a patent, by manufacturing, making, transmitting or using for industrial purposes and for profit unlawful or fraudulent copies of the subject matter of the patent, without the express or tacit consent of the owner, as well as any person who, in order to prejudice the rights or interests of the legitimate owner, uses,

manufactures or makes registered trademarks, models or designs or others likely to be confused with them (Articles 98 and 99).

Any person who designates a business as a branch of another business which has a registered trade name and who maliciously takes advantage of an industrial or commercial reputation earned by the efforts of the other whose property is protected under the Industrial Property Law (Articles 100 and 101 respectively) shall be liable to a term of imprisonment of one to 12 months.

As regards copyright, use of the title of a work, communication in the original or a developed form, in their entirety or in part, of intellectual works, editions of the works of others, or of texts or photographs or products obtained by a process equivalent to photography or images recorded on cinematographic film, being equivalent to photography, or the distribution of intellectual works including copies of phonograms and unauthorized broadcasting or retransmission by broadcasting organizations, without the consent of the owner of the rights concerned, are punishable by a term of imprisonment of six to 18 months (Article 119 of the Law on Copyright).

A term of imprisonment of one to four years is imposed on any person who intentionally reproduces in the original or a developed form, in their entirety or in part, intellectual works, editions of the works of others or texts or photographs or products obtained by a process equivalent to photography or who imports into Venezuela, stocks, distributes, sells, or circulates unlawful reproductions thereof (Article 120 of the Law on Copyright). The same penalty applies to any person who copies, by any means, the performance of an actor or performer, a phonogram or a broadcast in its entirety or in part, or who imports into Venezuela, stocks, distributes, sells or circulates such reproductions or copies (Article 121 of the Law on Copyright).

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?

In Venezuela, the competent public authority for initiating criminal proceedings is the Public Prosecutor's Office, whose responsibilities in criminal proceedings, pursuant to Article 105 of the Basic Code of Criminal Procedure, are the following:

1. To direct the investigation of punishable offences and the activities of the police investigation authorities in order to determine the identity of the perpetrators and participants;
2. to order and supervise the activities of the police investigation authorities as regards the obtaining and conservation of items of evidence;
3. to prepare the charge and amplify it where necessary and to request imposition of the corresponding penalty;
4. to order the filing of supporting documents relating to the case, subject to a substantiated decision, where there are not sufficient elements to pursue the investigation;
5. in the cases permitted by the Law, to dispense with criminal action;
6. where applicable, to request dismissal of the case and acquittal of the accused;
7. to put forward objections against judicial officials and members of the jury;

8. to initiate civil proceedings resulting from the offence, where this is provided by the Code;
9. to request the competent court to impose the necessary preventive measures;
10. to participate in all activities during the proceedings which, pursuant to the Law, require its presence;
11. to lodge appeals against decisions taken in cases in which it is involved;
12. to safeguard the interests of victims during proceedings;
13. to request the competent court not to allow the plaintiff to appear in court when his intervention repeatedly obstructs the prosecution's action;
14. any other functions attributed to it under the Code or other legislation.

The Public Prosecutor's Office may initiate proceedings *ex officio* or at the request of the injured party. As far as the actions in Articles 338 and 339 of the Criminal Code are concerned, these are public actions so the Public Prosecutor's Office is responsible for initiating the proceedings *ex officio*, although this does not prevent a private person from lodging a complaint with the Public Prosecutor's Office or with a public official in accordance with Article 92 of the Criminal Code.

Action in the cases referred to in Article 340 of the Criminal Code and Articles 98 to 101 of the Industrial Property Law can only be initiated by the injured party.

The offences defined in Articles 119 to 122 of Part VII (Criminal Sanctions) of the Law on Copyright can only be initiated on a complaint by the injured party (Article 123 of the Law on Copyright).

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

Owners of industrial property rights, licensees and their attorneys.

In the case of copyright, any owner of one of the rights of exploitation recognized in the legal text, whether the original owner, the associated owner or the owner by operation of the law, or the owner of copyright, a neighbouring or related right, may bring an action. This means that the owners include the author and his successors in title (either as a result of transfer following the author's death or through an act *inter vivos*), in accordance with Articles 5, 29 and 50 of the Law on Copyright, the producer of an audiovisual work (Article 15 of the Law on Copyright), the author of a broadcast work (Article 16 of the Law on Copyright), or a computer programme (Article 17 of the Law on Copyright), as well as the employer or person commissioning a work when it has been made in the course of employment relations or on commission (Article 59 of the Law on Copyright), by virtue of the presumption of transfer of economic rights laid down in the relevant provisions, the publisher or the person who has disclosed an anonymous work, as the legal representative of the author (Article 8 of the Law on Copyright), the photographer (Article 38 of the Law on Copyright), the publisher of a work that is the result of scientific work (Article 36 of the Law on Copyright) and the discloser of a posthumous work (Article 37 of the Law on Copyright), the latter three as owners of related rights; and the owners of neighbouring rights, namely, performers (Article 92 of the Law on Copyright), phonogram producers (Articles 95 and 96 of the Law on Copyright) and broadcasting organizations (Article 101 of the Law on Copyright), or their respective successors in title.

Partners, shareholders or members in the case of offences affecting a legal person committed by persons who direct, manage or control them and associations, foundations and other bodies, in the case of offences affecting collective or separate interests, provided that the purpose of the group is directly linked to such interests and that it was established prior to the commission of the offence (Nos. 3 and 4 of Article 116 of the Basic Code of Criminal Procedure).

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.**

Imprisonment

The Industrial Property Law, the Criminal Code, and the Law on Copyright provide for terms of imprisonment which, depending on the case defined in the texts, may range from one month to four years as punishment for offences which infringe intellectual property rights.

Monetary fines

In addition to the term of imprisonment provided in the Criminal Code and the Industrial Property Law, a fine of 50 to 1,000 Bolivars applies to persons who:

- Without having obtained a patent or enjoying the privileges it gives, take advantage of it as though they had obtained it;
- use a trademark, industrial design or model without being in possession of the corresponding certificate of registration and indicate that the trademark, model or design has been registered;
- obtain a trademark for a particular category of product and use it as a registered trademark on products belonging to another category; and
- maliciously assert that a registration is still valid even though, according to a public declaration by the competent authority, it no longer has effect,. In cases of recidivism, the penalty indicated in this Article shall be in the form of a proportionate term of imprisonment (Article 102 of the Industrial Property Law).

As regards copyright, a monetary fine, independently of the fine applicable at the criminal level, may accompany the judicial decision imposing the cessation of the infringing activity.

A fine is of course independent of any conviction relating to compensation for damages.

Seizure, forfeiture and destruction of infringing goods and materials and implements for their production

Article 105 of the Industrial Property Law provides that any conviction in an industrial property offence shall order the destruction of the elements used to commit the offence or prepared therefor, as well as the objects resulting from the offence.

In the Law on Copyright, Article 97 allows action or claims for the purpose of obtaining the destruction or withdrawal of the originals or copies unlawfully reproduced and of the equipment used for the unlawful reproduction.

The judicial ruling must endorse or refuse the withdrawal or destruction, but the equipment used for the reproduction may not be destroyed if it can be used for the reproduction or communication of other material, in accordance with Article 110 of the Law on Copyright.

In exceptional cases, the unauthorized copy of a work, performance or production, or the equipment used for the offence may have special artistic or scientific merit and if this is the case the judge will not order its destruction and is empowered to order *ex officio* that it be handed over to a public museum. Action for removal and destruction always leaves open the possibility of action for damages.

Other

In civil cases, Article 113 of the Law on Copyright provides that, at the request of the party concerned, the court may order that the text of the ruling given in any of the actions covered by the Law be published at the expense of the losing party in one or more newspapers specified by the judge.

In criminal cases, Article 124 of the Law on Copyright gives the judge the authority to order the publication in the press of the adverse or favourable judgement at the expense of the defendant or of the plaintiff, depending on the case.

Likewise, Article 338 of the Criminal Code allows the judge to decide that the conviction should be published in a newspaper specified by him, at the expense of the defendant.

Other punitive measures that may also be requested pursuant to Article 111 of the Law on Copyright include seizure of the revenue accruing to the owner of the disputed right of exploitation and the sequestration of anything that constitutes infringement of the right of exploitation. These measures may only be ordered under this Article if there is proof of a serious presumption of the right claimed or if the presumption emerges from the production of any of the evidence. In addition to the special rules relating to copyright, the provisions in the Code of Civil Procedure also apply so the measures indicated do not prevent the imposition of others such as a ban on disposing of or encumbering property or measures taken on the basis of the first paragraph of Article 588 of the Code. Appropriate measures (innominate measures) also apply to industrial property rights if there is a justified fear that one of the parties might cause serious injury or injury that it would be difficult to repair to the rights of another party.

In addition to the foregoing, the Code of Civil Procedure allows the application of measures other than those determined in the legislation, provided that certain specific requirements are met (innominate measures) (Article 588).

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 revision of the former Code of Criminal Procedure and its replacement by the new Basic Code of Criminal Procedure has led *inter alia* to the elaboration of a new criminal procedure that guarantees the principles of duality, a hearing, equality, rapidity, official procedures, adequacy and legality, among others, and moreover these are constitutional principles.

The principle of duality means that there are two parties to proceedings which hold opposing positions: accuser and accused, with the judge acting as an impartial third party.

The principle of a hearing (“*audiatur et altera pars*”) means that no one can be convicted without being heard, but this does not only apply to the accused; the accuser must also be heard both when he makes his accusation and when he requests a court ruling. This is the case for the prior examination of unrepeatable evidence (Article 316), the decision on commencement of hearing (Article 334) and the discussion in oral proceedings (Article 347 *et seq*), all of which are in the Basic Code of Criminal Procedure.

The principle of equality means that the parties have the same rights, opportunities and responsibilities for the defence of their interests.

The principle of official procedures means that, in accordance with the public interest, criminal prosecution is supervised by quite different State bodies which deal with the prosecution and the procedure.

The principles of adequacy and legality: adequacy is the counterpoint to legality, according to which the Public Prosecutor’s Office is obliged to bring a prosecution in any case which constitutes an offence, provided that the investigation carried out yields sufficient evidence to proceed with the accusation.

The principle of adequacy can be seen as an exception to legality. It means that it can be decided not to prosecute certain criminal acts or to suspend proceedings already initiated, with or without conditions. In Anglo-Saxon law, this is called “plea of guilty”, a confession designed to avoid a trial, and “plea bargaining”, when negotiations between the prosecutor and the accused regarding the scope of the accusation lead to agreement and thus, where applicable, reduce or attenuate the criminal offence considered as such.

In accordance with these principles, the reform of criminal procedure in Venezuela is aimed at the flexibility and modernization of proceedings, although it is not possible to indicate their precise duration or specify the exact costs because these depend to a large extent on the amount of the claims disputed and the damage caused through loss of profits or consequential damage, which are specific in each case. In some cases, during the preparatory and investigation phases when the facts have been identified, the Public Prosecutor’s Office may postpone the case for six months and request an extension in order to obtain the elements required before sending the case for trial.

In addition, depending on the speed of the proceedings and the efficacy of the courts, it is possible for the injured party to bring a civil action for damages caused by the offence, which may also be examined and decided by the judge in criminal proceedings. This is an option open to owners and it helps to speed up proceedings and uphold their rights. This is the spirit underlying the action for damages provided in Article 1185 of the Venezuelan Civil Code and Articles 241, subparagraph (b) and 243 of the new Decision 486 of the Andean Community, as well as in Venezuelan legislation already covered in other parts of this questionnaire.
