

Enforcement Policy in Bosnia and Herzegovina

**Committee on Economic Cooperation and Integration
International Conference on “Intellectual Property Rights Protection and
Transforming Research and Development Outputs into Intangible Assets in
Economies in Transition”**

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Legislation bases of Intellectual Property System

The intellectual property system of BIH has been set up in 1992 with the acceptance legislation regarding industrial property protection, copyright and related rights and implementing procedure from former Yugoslavia as well as the conventions and treaties which had been ratified also by former Yugoslavia.

In this process BIH has accepted nine international conventions ratified by former Yugoslavia as follows:

- ✓ Convention Establishing the World Intellectual Property Organization
- ✓ Paris Convention for the Protection of Industrial Property
- ✓ Madrid Agreement Concerning the International Registration of Marks
- ✓ Nice Agreement Concerning the International Classification of Goods and Services for the Purpose of the Registration of the Marks
- ✓ Locarno Agreement Establishing an International Classification for Industrial Designs
- ✓ Berne Convention for the Protection of Literary and Artistic Works

Legislation bases of Intellectual Property System

- ✓ Convention Relating to the Distribution of Programme-Carrying Signals Transmitted by Satellite
- ✓ Universal Copyright Convention

BIH has been a party to the aforesaid international conventions since March 1, 1992.

✓ In 1996 Bosnia and Herzegovina ratified Patent Cooperation Treaty (PCT) which applied since September 7, 1996

✓ On December 1, 2003 signed Agreement between the Council of Ministers of Bosnia and Herzegovina and the European Patent Organization in the field of Patents (Cooperation and Extension Agreement). On the base of this Agreement BIH is extension state of the EPO and gets the observer status in Administrative Council of EPO accordingly.

Legislation bases of Intellectual Property System

✓ In 1993 Government of BIH has accepted the Law on Patents and Distinctive Signs of BIH.

✓ Legislation regarding the copyright and related rights, accepted from former Yugoslavia, has been applied until 2002.

During the 2002 Parliament of BIH has adopted following Laws:

❖ **Industrial Property Law of Bosnia and Herzegovina** (which entered into force February 27, 2002 and applied since 27 August, 2002)

❖ **Law on Copyright and Related Rights in Bosnia and Herzegovina** (which entered into force as from April 14, 2002)

Legislation bases of Intellectual Property System

Besides these Laws, there are also some legislation regarding the intellectual property enforcement in:

- ✓ **Law on Customs Policy of BIH**
- ✓ **Law on Foreign Trade Policy in BIH**
- ✓ **Law on Customers Protection in BIH**
- ✓ **Law on Competition**

and Laws which are under the responsibility of the Entities:

- ✓ **Law on Trade, referring to repression of unfair competition**
- ✓ **Criminal Law**
- ✓ **Law on Economic Societies**
- ✓ **Law on Market Inspection Agency**

Responsible Institutions for Intellectual Property Protection and Enforcement Policy

- ✓ Institute for Intellectual Property of Bosnia and Herzegovina
- ✓ Indirect Taxation Authority (Customs)
- ✓ Courts (Principals and Cantonal)
- ✓ Court of Bosnia and Herzegovina
- ✓ Market Inspection Agencies
- ✓ Police
- ✓ Ministry of Agriculture, Water Management and Forestry of FBiH/RS

Intellectual Property Rights Protection and Enforcement

According to the intellectual property protection and enforcement, both Industrial Property Law of BIH and Law on Copyright and Related Rights of BIH provide for:

- ✓ administrative protection
- ✓ judicial protection
- ✓ provisional measures
- ✓ measures taken by the customs authorities
- ✓ penal protection for misdemeanors and offenses

Administrative protection

- ✓ Institute for Intellectual Property of Bosnia and Herzegovina is empowered for conducting administrative procedure relating to the acquisition and protection of the IP rights (patent, trademark, industrial design, geographical indication, topography of integrated circuits), tasks relating to copyright and related rights, transferring and maintaining the industrial property rights as well as for conducting the IPR licensee register.
- ✓ Administrative procedures for protection of industrial property rights are realized on the request of the applicants.
- ✓ **Ex officio** procedure could be conducted by the Institute in the null and void /cancellation - invalidation/ procedures.
- ✓ According to the IPR Law administrative decisions made by the Institute should be subject to appeal before the Appellation Commission of the Institute, as a second instance body.

Industrial Property Right Infringement

❖ **Court authorities** are empowered, in case of **industrial property right infringement**, to order the following:

- ✓ Prohibition of the infringement of rights
- ✓ Removes the consequences arising from the infringement
- ✓ Destroyed infringement means and objects
- ✓ Publication judgment at the expense of the infringer in media
- ✓ Indemnification for the damages

Copyright and Related Rights Infringement

- ✓ Court authorities are empowered, in case of **copyright and related rights infringement**, to order the following:
- ✓ Prohibition of engaging in certain preparatory acts, from the infringement itself and from the future infringement
- ✓ Rectifying the situation caused by the infringement and restore the situation existing prior to infringement
- ✓ Destroyed or altered the unlawfully made copies of the work and their packaging, of a performance or of other subject matter protected by the law
- ✓ Destroyed or altered the matrixes, negatives, plates, modules or other material that has been instrumental in the infringement
- ✓ Publication judgment at the expense of the infringer in media

Provisional Measures

- ✓ **Court authorities** may order provisional measures in the cases :
- ✓ when the authorized person who shows justifiable grounds for the belief that his/her exclusive rights are being infringed or
- ✓ if the infringement is intended or
- ✓ to prevent the entry into the market of goods, including imported goods immediately after the customs clearance

- ✓ Court may order provisional measures *inaudita altera parte* where appropriate, in particular where any delay is likely to cause irreparable damage to the owners right, or where is a risk of evidence being destroyed

- ✓ Court authorities may require from the requesting party the deposit, as the caution.

Customs Measures

❖ In the cases if the owner of the IP rights proves that is likely that his/her exclusive rights would be infringed through the importation of goods into the country, Customs authorities may order:

- ✓ that the owner of the rights or his representative may **inspect the goods**
- ✓ that the goods be **seized, excluded from trade or destroyed**

Both Laws do not stipulated detailed provision on the proceeding before the customs authorities. It is defined in the special regulations.

Misdemeanors and Offenses

❖ The mentioned Laws provide penal provisions for misdemeanors and offenses, as well.

✓ A fine amounting from 100 KM (c/a 50 EUR) to 100.000 KM (c/a 50.000 EUR) for legal persons, for misdemeanors

✓ A fine or sentenced to up to three years in prison, for offenses

Industrial Property Right Enforcement (Case Law)

**Case: COCA-COLA COMPANY, US v “OAZA-SOK” DUBRAVE, Brcko District, BA
(2002) - P-38/02-I**

The case has been handled by The Principal Court Brcko District

Plaintiff: COCA-COLA COMPANY, Atlanta, US

is the owner of trademarks in Bosnia and Herzegovina, as follows:

✓ **SPRITE**

✓ **FANTA**

✓ **COCA-COLA**

Defendant: “OAZA-SOK” DUBRAVE, Brcko District, BA

was producing and putting into the channels of commerce beverages
with designs as follows:

Industrial Property Right Enforcement (Case Law)

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Industrial Property Right Enforcement (Case Law)

Case: COCA-COLA COMPANY, US v “OAZA-SOK” DUBRAVE, Brcko District, BA
(2002) - P-38/02-I

In this case Plaintiff has pointed out that:

- ✓ He intended to solve the problems in a quiet manner;
- ✓ He proposed to Defendant the conclusion of an agreement in respect of the production, selling goods, creating new labels etc.;
- ✓ They signed the Agreement in 1999. However, Defendant has been continuing manufacturing producing mentioned beverages.

Plaintiff has claimed:

- ✓ Fortifying the infringement rights based on imitation of trademarks;
- ✓ Stopping production and putting into the course of trade beverages with the above mentioned names and other names which are similar with items;
- ✓ Compensation for damage in the amount of 100.000 KM (cca 50 000 EUR) with the interest included;
- ✓ Publishing the judgment through media.

Industrial Property Right Enforcement (Case Law)

**Case: COCA-COLA COMPANY, US v "OAZA-SOK" DUBRAVE, Brcko District, BA
(2002) - P-38/02-I**

The Principal Court has decided that Defendant:

- ✓ Has infringed Plaintiff's exclusive right;
- ✓ Has prohibited producing and putting into the channels of commerce beverages "SPRITE OAZA", "FANNTA OAZA" and "COLA-COLA OAZA" and other similar signs;
- ✓ Has obliged to pay compensation for the immaterial damage in the amount of 20.000 KM (cca 10.000 EUR) with the interest included;
- ✓ has obliged to publish the judgment through media,
- ✓ has obliged to pay court fees in the amount of 3.500 KM (cca 1.800 EUR)
- ✓ Defendant has submitted the Appeal before the Court of Appeal Brcko District

**The Court of Appeal has ratified the Judgement of the Principal Court
This judgment is published in "Official Gazette BIH", No. 13/03**

This case has been conducted from February, 2002 to October, 2002

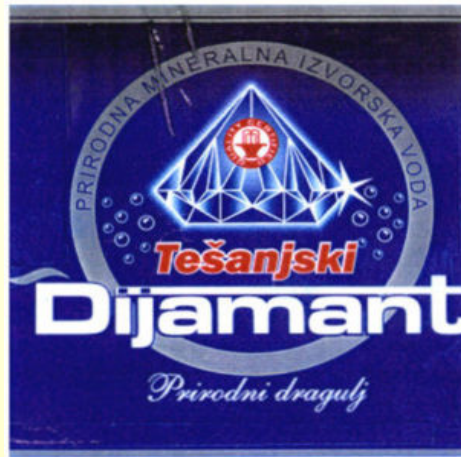
Industrial Property Right Enforcement (Case Law)

Case: *“ILIDZANSKI DIAMANT”, SARAJEVO, BA v “TESANJSKA VRELA”, TESANJ, BA - P-1/02*

The case has been handled by The Cantonal Court in Zenica

BACKGROUND

Defendant: *“TESANJSKA VRELA”, Tesanj, BA filed trademark application to The Institute on 11 February, 2002 with design as follows:*



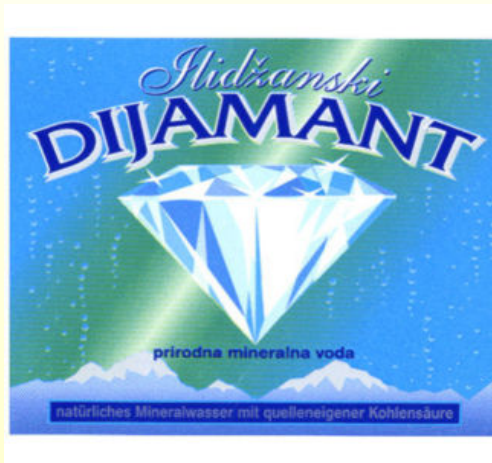
For goods in class 32: mineral water.

The Institute has issued the Decision on the grant of a trademark on 5 March, 2002.

Industrial Property Right Enforcement (Case Law)

Case: “ILIDZANSKI DIAMANT”, SARAJEVO, BA v “TESANJSKA VRELA”, TESANJ,
BA - P-1/02

Plaintiff: “ILIDZANSKI DIAMANT”, Sarajevo, BA filed trademark application to The Institute of IP BIH on **20 February, 2002** with design as follows:



For goods in class 32: mineral water.

This trademark application **was pending with the Institute.**

Industrial Property Right Enforcement (Case Law)

Case: ***“ILIDZANSKI DIAMANT”, SARAJEVO, BA v “TESANJSKA VRELA”, TESANJ, BA - P-1/02***

BEFORE THE COURT

15 March, 2002 Plaintiff “ILIDZANSKI DIAMANT”, Sarajevo, BA filed action before The Cantonal Court in Zenica versus Defendant “TESANJSKA VRELA”, Tesanj, for infringing his trademark right (not for contesting – author’s remark)

In this case the Plaintiff has pointed out that:

- ✓ He has been using this sign for a long period;
- ✓ Despite that fact, Defendant has made the same bottle and used similar label on the bottle;
- ✓ Because of too much similarities between the items, it resulted a likelihood of confusion among the average consumers;

Plaintiff has claimed the following:

- ✓ To stop using the trademark “TESANJSKI DIJAMANT” for mineral water;
- ✓ To stop production, putting into the course of trade and destroying all stock;
- ✓ Compensation for immaterial and material damages in the amount of 20% of realized profits;
- ✓ publishing the judgment through media;
- ✓ to pay court fees.

Industrial Property Right Enforcement (Case Law)

Case: ***“ILIDZANSKI DIAMANT”, SARAJEVO, BA v “TESANJSKA VRELA”, TESANJ, BA - P-1/02***

Defendant **“TESANJSKA VRELA”** in the Counter claim has derogated plaintiff’s claims and requested ordering **Provisional Measures**.

The Cantonal Court has decided as follows:

- ✓ Plaintiff **“ILIDZANSKI DIJAMANT”** has infringed defendant’s trademark rights by imitation;
- ✓ Plaintiff is prohibited using the sign **“ILIDZANSKI DIJAMANT”** for mineral water in all kind of packaging;
- ✓ Plaintiff is obliged to publish the judgment in public media;
- ✓ Plaintiff is obliged to pay court fees.

and has ordered Provisional Measures:

- ✓ Plaintiff is prohibited advertising mineral water **“ILIDZANSKI DIJAMANT”** in public media;
- ✓ Plaintiff is obliged to immediately exclude mineral water in all packaging from the channels of commerce;
- ✓ In case of failure, Plaintiff is obliged to pay a fine in amount of 50.000 KM (cca 25.000 EUR).

Industrial Property Right Enforcement (Case Law)

Case: ***“ILIDZANSKI DIAMANT”, SARAJEVO, BA v “TESANJSKA VRELA”, TESANJ, BA - P-1/02***

Plaintiff has submitted Appeal before The Supreme Court of the Federation BIH.

29 May, 2003 The Supreme Court Federation BIH has rejected Appeal as ungrounded and verified The Cantonal Court decision and provisional measures.

EPILOGUE:

- ✓ Judgment and provisional measures have become valid on August 2003
- ✓ Plaintiff is continuing using the sign “ILIDZANSKI DIJAMANT” for mineral water and advertising in media;
- ✓ Provisional Measures have not been executed so far;
- ✓ 3 March 2003, Plaintiff acted 1. Institute for Intellectual Property of BIH and 2. “TESANJSKA VRELA” as the holder of “TESANJSKI DIJAMANT”, for infringement of his right, before The Cantonal Court in Sarajevo.
- ✓ Six months later, they signed an Agreement on coexisting both signs on the market in BIH.

Thank you for your attention