20 Relationship between the Law Applicable to Infringements of Intellectual Property Rights and the Law Applicable to Torts (\(^*\))

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When an infringement of an intellectual property right is characterized as a tort, it shall be governed by the law applicable to torts. The Act on General Rules for Application of Laws of Japan determines the law applicable to torts flexibly, though characterization of legal relationships and flexible connecting factors. Thus, what should we take into consideration when applying such a rule on the choice of the law in tort under said Act? In particular, how should we deal with this issue in relation to the principle of territoriality, which is said to be dominant over intellectual property rights in general, as well as the influence of this principle on the rule of conflict of laws? From this standpoint, this study examines how the flexible choice of the law applicable to torts changes the treatment of infringements of intellectual property rights, while focusing on the developments in arguments in common law countries, especially in England.

I Introduction

This study report is structured as follows. Section II discusses the philosophical framework which apparently serves as the background for the international intellectual property law of England. Specifically, it examines what is meant by commentators when they say that the territoriality of intellectual property rights has an influence on conflict of laws in England, focusing on the status of intellectual property rights which provides the basis for their view, the exercise of jurisdiction by courts, and the significance of such a view in the context of choice of the applicable law.

Following this, Section III reviews how infringements of intellectual property rights have been dealt with under the English rule on the choice of law in tort. In England, what is called the "double actionability rule" has long been a dominant rule on the choice of law in tort. This rule is one of the models of the Japanese rule stipulated in Article 11, paragraphs (2) and (3) of the Act on General Rules for Application of Laws. Except for some provisions, the double actionability rule was abolished by the Private International Law (Miscellaneous Provisions) Act 1995 (the 1995 Act), which now provides for a different rule. Hence, the 1995 Act is the rule on the choice of law in tort that is currently in effect in England. However, as the United Kingdom participates in the Regulation on the law applicable to non-contractual obligations (Rome II), which was adopted in July 2007 and came into effect as of January 11, 2009, the 1995 Act does not apply within the coverage of Rome II Regulation (Articles 15A and 15B of the 1995 Act). Rome II Regulation contains another rule on the choice of law in tort that is different from the traditional English rule, thus in England, a problem arises concerning how one should think about the law applicable to infringements of intellectual property rights in light of the developments of the rule on the choice of law in tort in these three forms. In particular, due to the abovementioned influence of the territoriality of intellectual property rights on conflict of laws, to some extent special consideration is required on the occasion of choosing the applicable law in England. Section III discusses how such a point of view functions under the respective rules as the main issue.

Section IV briefly contemplates, presupposing the aforementioned basic point of view in England, what would happen in the case of infringements of intellectual property rights occurring via the Internet, and what can be done to respond to such a case, including some suggestions for the situation in Japan. Section V concludes this study report, presenting the challenges that remain to be tackled in the future.

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II Background: Influence of Territoriality of Intellectual Property Rights on Conflict of Laws

1 Significance of the fact that the law to be designated as the applicable law should be a statute

Under the English rule of conflict of laws, intellectual property rights appear to be regarded as being closely connected with statutes. Accordingly, it seems that the idea that intellectual property rights are inseparable with the scope of application of the relevant statutes is prevailing in this country.

Robinson v Bland in 1960 is a case concerning the law applicable to a contract that was irrelevant to intellectual property right infringement. In this case, Lord Mansfield differentiated local statutes and personal statutes and stated that "local ones regard such things as are really upon the spot in England." Supposing that intellectual property rights are regarded as the products of personal statutes, there may be some room to take this as a foothold and consider actions relating to intellectual property rights to be local actions that must be commenced at a specific place, as opposed to transitory actions that may be commenced at any place. Taking advantage of this classical local actions rule, in Tyburn Productions Ltd v Conan Doyle, the Chancery Division of the High Court clearly declared the limitation to the jurisdiction of English courts in actions relating to infringements of foreign intellectual property rights. However, as will soon be explained below, one should say that the local actions rule is now groundless and the theory of limitation to jurisdiction is in fact grounded on the exercise of sovereign power. The limitation to jurisdiction based on this sovereign theory is still deep-rooted in common law countries, but one can say that it has been overcome in a theoretical sense. Today, the restrictive attitude of English courts in actions relating to infringements of foreign intellectual property rights should be accounted for from the perspective of effectiveness. In connection with this, when revoking the Tyburn judgment in Lucasfilm Limited and others v Ainsworth and another on July 27, 2011, the Supreme Court of the United Kingdom held that, "…… in the case of a claim for infringement of copyright of the present kind, the claim is one over which the English court has jurisdiction, provided that there is a basis for in personam jurisdiction over the defendant, or, to put it differently, the claim is justiciable." Thus, English courts have been relaxing their restrictive attitude gradually through the exercise of their personal jurisdiction.

Although it may no longer be possible to find any contemporary meaning in drawing the local actions rule from the conception of intellectual property rights as the products of personal statutes and discussing the limitation to jurisdiction of English courts in actions relating to infringements of foreign intellectual property rights based on this rule, the proposition raised in the beginning of this report—intellectual property rights are closely connected with statutes—still survives. In the context of conflict of laws, this means that even when an international action relating to an infringement of an intellectual property right is filed with a court in England and it is under the jurisdiction of an English court, the applicable law to be designated by an English court according to its own choice-of-law rule is an English or foreign statute. As England is a common law country, the meaning of statutes in that country may be different from the meaning in Japan as a natural consequence, and presumably this could be the basis for the difference in terms of the views concerning the choice of the applicable law, which is discussed later. In this research, while reviewing the arguments concerning the international judicial jurisdiction and the applicable law relating to infringements of intellectual property rights in England and Australia, I think that it is necessary to take into account what influence the nature of intellectual property rights, which are thus connected with statutes, would have on conflict of laws. This point seems to be reflected most vividly in the stance of regarding intellectual property law as self-limiting substantive law on the occasion of choosing the applicable law. Such an understanding is deep-rooted in England even after the developments of the rule on the choice of law in tort, and it may be one of the reasons for the strict interpretation of the territoriality of intellectual property rights in England.

2 Actions relating to infringements of foreign intellectual property rights, categorized as local actions

Among the effects in conflict of laws which arise from the very fact that intellectual property
rights are statutory rights, this section first examines the one that denies jurisdiction of English courts on the grounds that actions relating to infringements of foreign intellectual property rights are local actions.

As mentioned above, the restrictive attitude of English courts toward exercising jurisdiction in actions relating to infringements of foreign intellectual property rights started from Tyburn Productions Ltd v Conan Doyle,8 decided in 1990 by the Chancery Division of the High Court.

This case can be outlined as an action relating to an infringement in the United States of a copyright registered in the United States, which was brought to a court in England.

Vinelott J. of the Chancery Division of the High Court held that such claim of a copyright infringement cannot be accepted. He considered that the concept that is the basis for the rule established in 1893 by the decision of the House of Lords—the distinction between local actions and transitory actions,—generally called the Mozambique rule, would apply not only to actions relating to land but also actions relating to validity or infringements of intellectual property rights including copyrights.10

The precedent case that Vinelott J. relied on when he categorized actions relating to infringements of foreign copyrights as local actions was Potter v Broken Hill,11 decided in 1906 by the High Court of Australia.

In this case, the plaintiff sought relief for an infringement in the State of New South Wales of his patent right registered in the State of New South Wales, by filing an action with a court in the State of Victoria.12

The High Court of Australia determined that the court does not have jurisdiction over the cause of action of this case. Griffith C.J. stated that although patent rights are incorporeal personal property, they share some features in common with the immovables.13

In response to the question about the mechanism of establishment of patent rights having such a nature, Griffith C.J. answered that they are established through the exercise of the sovereign power by the State.14 While citing Underhill v Hernandez,15 the judgment of the U.S. Supreme Court in 1897 which stated that "Every sovereign State is bound to respect the independence of every other sovereign State, and the Courts of one country will not sit in judgment on the acts of the government of another done within its own territory," he questioned whether the exercise of the sovereign power, involved in the grant of monopolies, is within the scope of this legal theory,16 and gave an affirmative answer to this question.17 Accordingly, he concluded that the defendant was deemed to be challenging the validity of an act that is related to the sovereignty of the State of New South Wales and such issue can be addressed by no court except an appropriate court of that state.18

The analysis of the High Court judgment on the Potter Case suggests that it is only as a matter of convenience that the limitation to jurisdiction of a court of one country in an action relating to an infringement of a patent right granted by another country (or more strictly, another state) has been drawn from the reference to the Mozambique rule, and in reality, such limitation to jurisdiction of a court is drawn based on the comprehension that the grant of patents is an act that has some connection with the sovereign power.19

3 Intellectual property law as self-limiting internal rule

Next, I present views arguing that the notion that "intellectual property rights are closely connected with statutes" brings about some limitation on the occasion of choosing the applicable law.

This point is emphasized by Kurt Lipstein and Richard Fentiman, although there seems to be some difference between their understandings of this notion, as explained later.

Lipstein states, "Private International Law can protect persons or property connected with the country of the forum or another country by applying the lex fori or the law of another country since these laws can be attached to the person or object or change as a result of a physical displacement."20 Then he continues, "However, the floating incorporeal character of intellectual property rights, which are without exception the creation of statute, makes it impossible to attach them to anything other than the statute to which they owe their origin. At the same time the exclusive nature of intellectual property legislation precludes the coexistence in the same country of more than one system of such rights."21 How did Lipstein arrive at such conclusion? His process of thinking was as follows. "It is true that intellectual property rights other than copyright require scrutiny and confirmation of what is in effect a limited property right. It is a statutory creation of a right of a proprietary character which is spiritual and not directly economic. As such it is dependent on the law which created it, not unlike corporate
status, but unlike corporate status it is confined to the geographical reach of the statute which created it.2223 Here, while citing Article 60(1) of the 1977 Patents Act and Article 16(1) of the 1988 Copyright Act, he states that in reality, similar rights can be created independently in any other countries under the laws of the respective countries or international agreements, so "the need arises to curtail the effects of the concession of intellectual property rights if a clash of identical intellectual property laws is to be avoided."24 He also states, "Hence the strictly territorial and exclusive substantial sphere of their operation which cuts down the application of intellectual property legislation to controversies in the country the law or legislation of which created the rights in question coupled with its substantive inapplicability elsewhere,"25 and in other words, "This legislative self-restraint attributes to intellectual property law, and therefore to intellectual property rights, a territorial sphere of operation incapable of extending or of being applied elsewhere."26 Thus, by taking into consideration the territoriality that is inherent in intellectual property rights, Lipstein concluded that a court of one country is unable to apply the intellectual property law of another country.2728

Fentiman's argument is similar to the above. According to Fentiman's view, completely ignoring the territoriality of intellectual property rights, which are national rights, would lead to rendering applicable a law that is actually not applicable, thereby misunderstanding the process of choice of law.29

Lipstein's and Fentiman's views shown above are consistent with each other in that they both regard intellectual property law as a sort of self-limiting internal rule and argue that the territorial scope of its application should be taken into consideration in the process of choice of law. However, while Fentiman suggests that depending on the intention to apply a foreign law that is designated under private international law, it is possible to apply such designated foreign law and grant protection,30 Lipstein seemingly considers that for all situations, no foreign intellectual property law can be effectively applied. This difference may be derived from the fact that Lipstein has developed his argument based on the assumption that the scope of effect of the rules of each country relating to an infringement of an intellectual property right should be limited to an infringement "in that country" of a right "created in that country."31

4 Classification of the types of infringements

Looking at the descriptions of the references on the international intellectual property law of England while taking into account the above discussions, one can see that it is common to classify the situations where an infringement of an intellectual property right becomes an issue, depending on whether the allegedly infringed right is a UK right or foreign right, and whether the infringement occurred in England or abroad. More specifically, these situations can be classified into the following four types: (i) where a UK right is infringed in England; (ii) a UK right is infringed abroad; (iii) a foreign right is infringed in England; and (iv) a foreign right is infringed in the relevant foreign country. This approach of classifying the types of infringements by the country in which the right is originated or by the country where the infringement occurred is not popular in Japan. It may be one of the characteristics of the arguments seen in England. Accordingly, in England, these different types of infringements lead to different types of consideration. The reason for making such classification may be that the territorial scope of application involved in intellectual property law is taken into account, as discussed earlier.

III Relationship between the law applicable to infringements of intellectual property rights and the law applicable to torts

1 Double actionability rule

(1) What is the double actionability rule?

Traditionally, in England, there had not been any special rule on the choice of law applicable to infringements of intellectual property rights, which therefore had been treated as a kind of tort.

As an English rule on the choice of law in tort, the approach of applying the lex loci delicti (law of the place of the tort) and the lex fori (law of the forum) in combination—generally called double actionability rule32—had long been dominant. This rule was established by Willes J. in 1870 in Phillips v. Eyre.33 About a century later, the decision of the House of Lords in 1969 in Boys v. Chaplin34 approved a flexible exception to this rule.

(2) Classification by type of infringement

(i) Where a UK right is infringed in England

There is a precedent ruling that in cases where a tort is committed in England, the double actionability rule shall not apply to the tort, at least
as a matter subject to English law.\footnote{as some common law rules that consisted of exceptions to the double actionability rule (Article 10).}Instead, this Act provides that the general rule is that the applicable law is the law of the country in which the events constituting the tort or delict in question occur (Article 11), with exception that if it appears, in all the circumstances, from a comparison of (a) the significance of the factors which connect a tort or delict with the country whose law would be the applicable law under the general rule; and (b) the significance of any factors connecting the tort or delict with another country, that it is substantially more appropriate for the applicable law for determining the issues arising in the case, or any of those issues, to be the law of the other country, the general rule is displaced and the applicable law for determining those issues or that issue (as the case may be) is the law of that other country (Article 12).

By type of infringement, the situations are classified as follows.

(i) Where a UK right is infringed in England

Article 9(6) of the 1995 Act clearly states that the rules in Part III of said Act apply in cases where events that constitute torts occur in the country of the forum, England.\footnote{By type of infringement, the situations are classified as follows.}

(ii) Where a UK right is infringed abroad

Pursuant to Article 11 of the 1995 Act, the law of the foreign country where the infringement occurred shall apply. In practice, such infringement is not considered to be actionable under the foreign law.\footnote{Pursuant to Article 11 of the 1995 Act, the law of the foreign country where the infringement occurred shall apply. In practice, such infringement is not considered to be actionable under the foreign law.}

(iii) Where a foreign right is infringed in England

Although English law is applicable under the double actionability rule, a claim for relief should be rejected because relief cannot be afforded with regard to a right of another country (the United Kingdom).\footnote{Some point out the possibility that if a foreign law applicable under Article 11 is to render a UK right actionable, an England court would avoid the application of the foreign law by applying Article 12 of the 1995 Act or invoking public policy, on the grounds that the foreign law would negate the internationally accepted view concerning the territorial scope of application of intellectual property rights by granting protection for a right of another country (the United Kingdom).}

(iv) Where a foreign right is infringed in the relevant foreign country

[1] As explained in (ii) above, an infringement done abroad is inactionable under English law. This was confirmed by the Outer House of the Court of Session of Scotland in \textit{James Burrough Distillers plc v Speymalt Whisky Distributors Ltd}\footnote{In \textit{Pearce v Ove Arup Partnership Ltd and Others} in 1999, which denied [1], the court took another step forward and held that in the case of an infringement of a foreign right in the relevant foreign country, it is permissible to apply the law of the foreign country in which the infringement occurred and the right was originated, provided that the defendant would be held liable for a tort under English law as well.} [2] As English law affords no relief with regard to any foreign right, the first requirement of the double actionability rule was considered not to be met.\footnote{Some are proactive about displacing the general rule in accordance with Article 12 and applying the foreign law as "the law of the country which governs the intellectual property right" in this situation, whereas others argue that such foreign law is unlikely to render}


The Private International Law (Miscellaneous Provision) Act 1995\footnote{The Private International Law (Miscellaneous Provision) Act 1995 (hereinafter referred to as the "1995 Act"), which is a UK statute, came into effect as of May 1, 1996. The 1995 Act abolished the conventional double actionability rule as well} (hereinafter referred to as the "1995 Act"), which is a UK statute, came into effect as of May 1, 1996. The 1995 Act abolished the conventional double actionability rule as well
actionable such infringement that occurred in England, so if the foreign law is to acknowledge actionability, an English court should avoid the application of the foreign law by invoking public policy, although this would not affect the consequence.50

(iv) Where a foreign right is infringed in the relevant foreign country
Pursuant to Article 11 of the 1995 Act, the law of the foreign country, the place where the infringement occurred, shall apply. Since the foreign law renders actionable such infringement of the right of the relevant foreign country that occurred in that country, in this situation it is possible to obtain the same consequence as that obtained through an exception to the double actionability rule.

3 Regulation on the law applicable to non-contractual obligations (Rome II)
Article 8(1) of Rome II Regulation adopts what is called principle of the law of the protecting country.51 Rome II Regulation exclusively applies the law of the protecting country as the law applicable to infringements of intellectual property rights, and the application of any other law as an exception to this is considered to be impermissible. Rome II Regulation explicitly precludes freedom of choice of the applicable law by the parties.

IV Contemplation

1 Response to multi-State infringements and ubiquitous infringements, and consideration of the territorial scope of application
When the principle of the law of the protecting country is adopted, a multi-State infringement or a ubiquitous infringement which is a special case of the former will result in the distributive application of the laws of the respective counties of protection. In this connection, some rules have been proposed depending on the definition of the law of the protecting country, such as the de minimis rule which limits the subject infringements to those that had a substantial impact on the domestic markets,52 and the rule elaborated for the case of a ubiquitous infringement, which states that if it is impossible to distinguish the major infringement from minor infringements, only one law of the country that is most closely connected with the infringement should be chosen as the applicable law.53 The latter rule will form an exception to the principle of the law of the protecting country which is provided for in Rome II Regulation, but at the same time, it implies that it is not always appropriate to apply this principle to an infringement that involves multiple countries.

However, when it comes to the exception to the principle of the law of the protecting country, difficult problems might arise, given the arguments that take into consideration the territorial scope of application involved in English intellectual property law, which have been discussed earlier in this study. Specifically, in the case of an infringement that involves multiple countries, if only one law that is different from the laws of the respective protecting countries is chosen as the applicable law in order to avoid difficult problems that may arise from the distributive application of the laws of the protecting countries, this would cause the situations described above in relation to England as type (ii) or type (iii) infringement. In other words, as the law of a country that is different from the law of the country where the allegedly infringed right was created is chosen as the law applicable to the infringement, the country that created the right would have to judge whether or not relief can be afforded for the right under the applicable law of a foreign country.

On this point, in the context of the interpretation of the 1995 Act, some scholars suggest the possibility that in the case where a foreign right is infringed in England (type (iii) infringement), when relief cannot be afforded if the territorial scope of application of English law, which is the law of the place of the tort, is taken into consideration, an English court would displace the law of the place of the tort in accordance with the displacement rule under Article 12 and apply the "law of the country which governs the intellectual property right" instead.54 Others criticize this view, arguing that in that case, relief will never be afforded unless the law of a foreign country regards an infringement in England of the right of that country as actionable (even if relief is to be afforded, they seem to consider that such application of the foreign law is contrary to public policy of England).55 If one adheres to the understanding of the latter view, relief would not be afforded at all with regard to an infringement of an intellectual property right for which the country where the right was created was different from the country where the infringement occurred. Nevertheless, such a view that strictly interprets the territorial scope of application also suggests the possibility that in the case where a UK right is
infringed abroad (type (ii) infringement), an English court would avoid applying the law of the foreign country where the infringement occurred, pursuant to Article 12 of the 1995 Act (although it is more desirable to invoke public policy). In other words, with regard to the latter type of infringement, even those who support the view that strictly interprets the territorial scope of application draw a conclusion that English law shall apply, obviously for the purpose of ignoring the territorial scope of application of the applicable foreign law.

The view that advocates the application of the "law of the country which governs the intellectual property right" to type (iii) infringement pursuant to Article 12 of the 1995 Act should rather be understood as assuming that relief be afforded, or that is, considering the "law of the country which governs the intellectual property right" should be applied by ignoring the territorial scope of application to an infringement that occurred "in England." Based on this understanding, Article 12 could be interpreted as a provision that allows precluding the intention to apply a foreign law as the case may be, if it is "substantially more appropriate" to do so.

2 Suggestions for Japan

As well known, in Japan, there is a controversy concerning the characterization of infringements of intellectual property rights as torts under private international law and applying thereto the provisions of Article 17 and the following of the Act on General Rules for Application of Law. The essence of this issue seems to be the point of whether or not there is the necessity to exclude infringements of intellectual property rights from the influence of these provisions.

However, when we draw some suggestions for the situation in Japan from the arguments concerning England, we should take note of the following points. Under private international law accepted in Japan, there is no view that regards intellectual property law as self-limiting substantive law (which means that the intention to apply the applicable foreign law is in principle excluded from consideration). Accordingly, it is inappropriate to bring the classification by type of infringement discussed in III.1 and 2 into the discussions concerning the relationship between the law applicable to infringements of intellectual property rights and the law applicable to torts in Japan, without making modifications.

In Japan, if the law applicable to the intellectual property right in dispute, that is, the law of the protecting country, is different from the law applicable to the tort or the infringement of the right, the relationship between these laws is likely to raise an issue in terms of the distinction between the matters to be governed by the law applicable to the previous question and those to be governed by the law applicable to the main question. In such situation, when the law of the place where the harmful act was done is to be applied pursuant to the proviso to Article 17 of the Act on General Rules for Application of Law, it is suggested that the law of the country that is obviously more closely connected with the infringement be chosen as the law of the protecting country, as an exception to the exception pertaining to Article 20 of said Act. On the other hand, if the infringement is of ubiquitous or pervasive nature, the first possible approach would be to apply the law of the place of the act (lex loci actus) pursuant to the proviso to Article 17, but if necessary, it is possible to apply a law other than the law of the place of the act. Thus, when applying Article 20 of the Act on General Rules for Application of Law to infringements of intellectual property rights, different interpretations would be admitted on a case-by-case basis, such as adhering to the principle of the law of the protecting country in some cases, while allowing an exception to this principle in other cases.

V Conclusion

The last section concludes this research by pointing out the challenges for which the necessity of tackling in the future became apparent to the author the course of carrying out this study.

One point that is considered to have acquired importance in recent years in relation to flexibility in the choice of law in tort is an agreement by the parties on the law applicable to torts. The rule on the choice of law in tort under the UK 1995 Act does not allow such agreement by the parties on the law applicable to torts, and as briefly mentioned in this study, Rome II Regulation also precludes freedom of choice of the applicable law in the course of determining the law applicable to an infringement of an intellectual property right. However, by joining Rome II Regulation, the United Kingdom will allow freedom of choice of the law applicable to general torts, so how such freedom of choice of the applicable law is accepted in this country in relation to the conventional arguments, including the impact thereof, is an
interesting issue.

In connection with the discussions shown above, also in cases where the rule concerning the choice of law in tort under the Act on General Rules for Application of Law of Japan is to be applied to an infringement of an intellectual property right, the change of the applicable law by agreement by the parties (Article 21 of said Act) could become an issue. Some legislative proposals acknowledge the principle of party autonomy with regard to the choice of the law applicable to an infringement of an intellectual property right, but even among them, there is a conflict in opinions concerning to what extent party autonomy should be permitted. An action relating to an infringement of an intellectual property right is the type of dispute that has an influence only on the parties concerned, and what is more, if the application of the proviso to Article 21 of the Act on General Rules for Application of Law of Japan would lead to harming the rights of any third party, the parties in dispute cannot duly assert the change of the applicable law against the third party. In view of these points, I consider that at this moment, there is no need to set any particular restriction on such change. However, due to time constraints, I have not been able to inquire into this issue in detail. In the future, with these matters in mind, I will continue study while considering the possibility to research the influence occurring after an agreement by the parties on the choice of the law applicable to torts has been permitted in England.

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1 (1760) 1 W Bl 234, 96 ER 129.
2 Id 246.
4 [1991] Ch 75.
7 Id 36 ([105]).
8 Tyburn v Conan Doyle (n 4). To understand the outline of this case, the author also made reference to the following: Christopher Wadlow, Enforcement of Intellectual Property in European and International Law (Sweet & Maxwell 1998) 345-346 ([6-50]); Akira Saito, "Kokusaiuka shakai ni okeru chitekizaisan to kokusai shihō; Jissentekei tsai no hōkōsei" (Intellectual property and private international law in the globalized society: Direction of practical response), Institute of Intellectual Property (IIP), Chitekizaisan wo meguru kokusaiteki na funsō ni kansuru chōsa kenkyū hōkōsho (heisei 12 nendo tsūshō hōki funsō kenren chōsa kenkyū) (Research report on international disputes over intellectual property (FY2000 research on commercial law disputes), at 98-100 (2001).
9 British South Africa Co v Companhia de Moçambique [1893] AC 602 (HL).
10 Tyburn v Conan Doyle (n 4) 80-85. Vinlott J. did not mention that intellectual property rights are "the immovables" in a strict meaning under the Mozambique rule. He addressed this issue only briefly, but he rejected, though implicitly, the assertion that Article 30 of the Civil Jurisdiction and Judgments Act 1982, which partially abolished the Mozambique rule, was applicable to anything other than land. Id 82. See also Wadlow (n 8) 349, 356-358 ([6-56], [6-68]-[6-70]).
11 (1906) 3 CLR 479. To understand the outline of this case, the author also made reference to Wadlow (n 8) 384 ([6-118]). Here, the author mentions this judgment only in relation to the Mozambique rule. For the relevance between this judgment and the double actionability rule, refer to Section III. 1.
12 Prior to the establishment of the Commonwealth of Australia and the enactment of the Patent Act 1903 (Commonwealth), in accordance with the Constitution of Australia, patent rights in general had been granted under the colonial laws of individual states, which corresponded to the England law. See Staniforth Ricketson, The Law of Intellectual Property (1st edn, The Law Book Company Limited 1984) 867-868 ([46.23]).
13 Potter v Broken Hill (n 11) 493-494 per Griffith CJ.
14 'The grant of monopolies was originally regarded as an exercise of the Royal Prerogative. In England this exercise of the sovereign power is now in effect (whether it is or is not in form) exclusively regulated by Statute. And in New South Wales, whether the Royal Prerogative could or could not have been exercised without legislation, the power of creating monopolies is now, and has been since 1852, regulated by Statute.' Ibid. 168 US 250 (1897) 252 per Fuller CJ.
15 Potter v Broken Hill (n 11) 495 per Griffith CJ.
16 I apprehend that any exercise by a de facto repository of any power of sovereignty, which results in the creation of a any power of sovereignty, which results in the creation of a right of property that can only be created by such an exercise, must be regarded as an act of the State itself.)' Id 496.
17 Id 500.
18 See Wadlow (n 8) 385-386 ([6-119]-[6-121]).
20 Id 297.
21 Id 296.
22 Lipstein also suggests that "no registration or any other procedure exists to establish a previous right of protection," so these arguments may be valid to the "protection of copyrights, and not of industrial property right." See Id 299.
23 Id 297.
24 Ibid.
25 Ibid.
26 Ibid.
28 In view of the fact that the UK statute relating to intellectual property territorially limits the scope of its application "by only providing redress in respect of UK
rights and normally only when these have been infringed in England," some argues that the UK rules concerning infringement are intended to be applied as the mandatory rules of the country of the forum, regardless of the law that governs tort of infringement (see Jack Beatson, Intellectual Property and Part III of the Private International Law (Miscellaneous Provisions) Bill’ in House of Lords, Proceedings of Special Public Bill Committee (HL Paper 36, 1995) 61, 63 (([11])). Such mandatory rules, which are to be applied regardless of the applicable law, form an exception to the ordinary application of the rule on the choice of law. For details on this point, see James J Fawcett and Paul Torremans, Intellectual Property and Private International Law (2nd edn, OUP 2011) 822-828 ([15.57]-[15.86]). However, as discussed soon below, Lipstein does not seem to be based on the understanding that the UK intellectual property law is applicable as a mandatory rule, regardless of which country’s law is applicable.

Lipstein argues this in the context of regarding the UK statutory rules concerning infringement as mandatory rules of the country of the forum that are to be applied regardless of the applicable law ordinarily designated under the choice-of-law rule. For details on this point, see Fawcett and Torremans (n 28) 824 ([15.66]). See also Möhlycke AB v Procter & Gamble Ltd [1992] 1 WLR 1112, 1118 per Dillon LJ.

"As a general rule, in order to found a suit in England for a wrong alleged to have been committed abroad, two conditions must be fulfilled. First, the wrong must be of such a character that it would have been actionable if committed in England...... Secondly, the act must not have been justifiable by the law of the place where it was done." Id 28-29 per Willes J.

(1870) LR 6 QB 1.

[1971] A.C. 356. This judgment has already been addressed in many prior studies in Japan. The representative studies include: Akitaka Kaku, "Dōro kōtsū jiko no junkyohō: Bōizu hanketsu wo chūshin ni shite" (Law applicable to road traffic accidents: Focusing on the Boys judgment), Fukuoaka Daigaku Hogaku Ronso (Fukuoka University law journal) Vol. 19, No. 2 and 3, at 485 et seq. (1974); Yutaka Orimo, Shūgai fuhikōhō ron (Theory of international tort law), at 197 et seq. (Yuhikaku, 1976); and Sboichho Honnami, Ebei kokusai shihō hanrei no kenkyū, Kokusai saiken no dōkō (Study on private international law cases in the UK and the US, Trends of international law of obligations), at 125 et seq. (Kansai University Press, 1994)

Szalatnay-Stacho v Fink [1947] KB 1.

Def Lepp Music v Stuart-Brown [1986] RPC 273, 276 per Sir Nicholas Browne-Wilkinson V-C.

Norbert Steinhardt and Son Ltd v Meth (1960) 105 CLR 440, 443 per Fullagar J. See also Fawcett and Torremans (n 28) 831 ([15.96]).

See Axel Metzger, Applicable Law under CLIP Principles: A Pragmatic Revaluation of Territoriality, translated by Toshiyuki Kono and Ai Murakami, Toshiyuki Kono, ed., Chitekizaisanken to shōgai minji sosho (Intellectual property rights and international civil litigation), at 151-155 (Kobundo, 2010). See also CLIP Final Text, Article 3:603, the American Law Institute (ALI), "Intellectual Property: Principles Governing Jurisdiction, Choice of Law, and Judgments in Transnational Dispute" (Kono, id., at 26; hereinafter referred to as the "ALI Principles"), Article 321, and Waseda University Global COE Program, "Principles of Private International Law on Intellectual Property Rights (Joint Proposal Drafted by Members of the Private International Law Association of Korea and Japan)," dated October 14, 2010, (Kikun Kigyo to Ho Sozo (Quarterly Review of Corporation Law and Society) Vol. 7, No. 3, at 306 (2011); hereinafter referred to as the "Korea-Japan Joint Proposal"), Article 306. Project Managing Group of "Transparency of Japanese Law Project" (2004-2009), Transparency Proposal on Jurisdiction, Choice of Law, Recognition and Enforcement of Foreign Judgments in Intellectual Property (Kono, id., at 6; hereinafter referred to as the "Transparency Project Proposal"), Article 302 , provides that a ubiquitous infringement of an intellectual property right shall be governed by the "law of the place where the results of the exploitation of intellectual property are or to be maximized." For details on this point, see also Ryu Kojima, "Intellectual Property: 1) Chitekizaisanken shingai no junkyohō (Applicable law: 1) Law applicable to infringement of intellectual property rights). Kono, id., at 302-303.

Collins and Others (n 49) 1909 (35-030). For details on this point, see IIL2.4.(ii)(b).

Fawcett and Torremans (n 28) 843 ([15.150]). For details on this point, see IIL2.4.(ii)(b).

Id 843 ([15.149]). For details on this point, see IIL2.4.(ii)(b).

For details on the controversy concerning this point, see Shoichi Kidana, Kosakai chitekizaisanbo (International intellectual property law), at 248-249 (Nippon Hyoron Sha, 2009). For claims for damages based on copyright infringements, see Yusuke Tanemura, "Hanrei Hihyo" (Law review), Jurist No. 1422, at 154 (2011), and other references cited therein.

See Hidefumi Egawa, Kosusai shihō (Private international law), at 7-8 and 67 (Yuhikaku, revised edition, 1970), Jun Yokoyama, "Chitekizaisen shōgen no kaikaku to jisshitsu hōki no tekiyō" (Application of the spatially conditioned internal rules of foreign countries), Dokkyo Hogaku No. 14, at 1 (1980).


Kidana, supra note 57, at 249.

Kidana, id., at 251.

Kidana, id., at 251.

For the arguments under the former version of the Act on General Rules for Application of Law, see Shunichiro Nakano, "Fuhojō ni kansuru junkyohō sentaku no goi" (Agreement on the choice of the law applicable to torts), Minsho Honshii Zasshi (Civil and commercial law journal), Vol. 102, No. 6, at 770, et seq. (1990), Nakano, "Fuhojō junkyohō to tōjisha no ishi" (Law applicable to torts and intention of the parties), Takao Sawaki and Junichi Akiba, eds., Kosusai shihō no sōten (Points at issue on private international law), at 140 (Yuhikaku, new edition, 1996). For ex post agreement, see Zenpachi Okamoto, "Kosusai shihō ni okeru hōtei saikin" (Statutory claims under private international law), Doshisha Hogaku (Doshisha University law journal), Vol. 42, No. 1, at 65 (1990).

CLIP Final Text, Article 3:606, provides for freedom of choice of the applicable law for remedies for infringements of intellectual property rights. ALI Principles, Article 302, literally does not limit freedom of choice to methods of relief but admits freedom of choice of the applicable law more broadly to the extent not prejudicial to the interest of a third party (Kono, supra note 53, at 23). The Transparency Project Proposal, Article 304, provides that the parties to an intellectual property infringement may "change the law governing the formation and effect of claims arising therefrom," to the extent not prejudicial to the rights of a third party. This provision can be understood as allowing an ex post facto change to be made in relation to relief claimable, such as an injunctive order and compensation for damage, except for a determination on the existence, original ownership, and effect of the intellectual property right (Kojima, supra note 53, at 309). Korea-Japan Joint Proposal, Article 302, broadly defines the scope of choice of the applicable law by the parties, and in connection with this, Article 304 allows freedom of choice of the applicable law, which covers the "matters of an intellectual property right as such, including its existence, validity, revocation and transferability," on condition that the choice be effective only between the parties (for details on this point, see "Commentary on Principles of Private International Law on Intellectual Property Rights (Joint Proposal Drafted by Members of the Private International Law Association of Korea and Japan) as of October 14, 2010," Kikun Kigyo to Ho Sozo (Quarterly Review of Corporation Law and Society) Vol. 7, No. 3, at 93.
65 Kidana, supra note 57, at 249.
66 Article 304 of the Korea-Japan Joint Proposal seems to be based on the same view.