

United States of America

Q169

Criminal law sanctions with regard to the infringement of intellectual property rights

1. Introduction

Violators of intellectual property rights have long been subject to criminal prosecution in the United States. The State of New York enacted penal sanctions against trademark counterfeiting in 1847, and 39 other states followed suit by 1899. Copyright infringement has been a federal crime since 1909.

Today, most criminal prosecutions in the intellectual property field are based on the Trademark Counterfeiting Act of 1984, the Copyright Act of 1976, The Piracy and Counterfeiting Amendments Act of 1982 and the Economic Espionage Act of 1996. The U.S. Congress, the judiciary and federal prosecutors appreciate that the proliferation of counterfeit goods and services is not merely a threat to private interests. Counterfeiting threatens public health, welfare and safety, and has a negative impact on the national economy as a whole.

2. Substantive Law

The groups are invited to present the legal system currently in force in their countries from the point of view of the implementation of the penal sanctions of the intellectual property rights.

2.1 *More particularly, the groups are invited to indicate if the provisions of article 61 of the TRIPS Treaty were introduced into their national legislation with regard to the trademarks and to the copyright.*

U.S. legislation is in compliance with the requirements of TRIPS Article 61. These laws were mostly in place when the United States became a party to the treaty, and include, among others, the Trademark Counterfeiting Act of 1984, the Copyright Act of 1976, The Piracy and Counterfeiting Amendments Act of 1982 and the Economic Espionage Act of 1996. These statutes are discussed in detail below.⁽¹⁾

Do the national laws provide penal sanctions in case of the violation of other rights of intellectual property such as patents, models, unfair competition and so on?

The Trademark Counterfeiting Act of 1984, 18 U.S.C. § 2320, penalizes the counterfeiting of registered trademarks and symbols of the United States Olympic Association. 18 U.S.C. §2320(e)(1)(B); 36 U.S.C. § 220706. Colors, scents, sounds, product configurations, packaging, labels and other forms of trade dress fall within the ambit of the Act if registered as trademarks. U.S. law is permissive regarding the registration of non-traditional marks. *Qualitex Co. v. Jacobson Products Co.*, 115 S.Ct. 1300 (1995) (color of dry cleaning press pads); *In re Clarke*, 17 U.S.P.Q.2d 1238 (T.T.A.B. 1990) (scent of sewing thread and embroidery yarn); *In re General Electric Broadcasting Co.*, 199 U.S.P.Q. 560 (T.T.A.B. 1978), (series of bell rings for radio broadcasting services); *In re Morton-Norwich Products, Inc.*, 671 F.2d 1332 (C.C.P.A. 1982) (configuration of container for spray starch, soil and stain removers); *In re City of Anaheim*, 185 U.S.P.Q. 244 (T.T.A.B. 1974) (design of architectural structure for convention and trade show services).

Under the Piracy and Counterfeiting Act, 18 U.S.C. § 2318, it is a crime to traffic in counterfeit labels affixed to or enclosing copyrighted computer programs, motion pictures or other audiovisual works, or copyrighted sound recordings.

Economic espionage and trade secret misappropriation are criminal acts under the Economic

