

# Some Reflexions Concerning Jurisdiction in Cases on Cross-border Trademark Infringements Through the Internet<sup>1</sup>

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<sup>1</sup> This essay is based upon research committed during the work with my forthcoming dissertation. To some extent this essay can be regarded as a continuation of previously published articles. The more specific question if domain names qualify as property for a choice of jurisdiction is dealt with in Maunsbach, U., *Kan domännamn utgöra domsrättsgrundande egendom?*, published in NIR 2002:4 p. 357 (Cit. Maunsbach 2002). General aspects on jurisdiction in cross-border cases are covered in Lundstedt, L., and Maunsbach, U., *Jurisdiction and Applicable Law: A Swedish Perspective on Cross-border Enforcement of Intellectual Property Rights* published in NIR 2003:3 p. 212. (Cit. Lundstedt/Maunsbach).

## 1 Introduction – Background

In the past few years infringements related to new technology have become more frequent. As regards trademarks the vast majority of cases in this field have concerned domain names. Nonetheless there are examples of other forms of trademark infringements as well. As technology develops, new expressions are emerging: metatags, keywords, linking and framing, pop-up ads and so forth. The vast number of potential infringing use is not the subject for this paper though. I have no intention to analyse and describe the different techniques that can be used to display a trademark on the Internet.<sup>2</sup> Instead my ambition is to highlight some of the questions that the new technology brings forward. There is a correlation between the evolution of new technology (among other things new forms of distance communication) and the fact that new (legal) questions are brought in to focus. Consequently the Information and Communication Technology (ICT) aspects on this area of law are the main subject of this paper.

The possibility to use a computer as a global marketplace, which is a reality due to the Internet, leads to an increasing number of cross-border transactions. Cross-border transactions tend, in their turn, to raise questions in the field of private international law. One example is the use of trademarks on the Internet and to what extent such use is infringing trademark rights in a specific territory. Another is whether a Swedish court can be competent to try a cross-border infringement of that kind, e.g. infringement where the infringing action is carried out in a country other than the county in which the infringed trademark is protected.

The problem and its related questions might be illustrated by the French case “*SG 2 v. Brokat*”.<sup>3</sup> The case involves an Internet-related cross-border infringement. A French company (SG 2) requested a French court to issue a preliminary injunction against a German company (Brokat) regarding the use of the trademark “payline”. The name “payline” was registered in Germany by Brokat as a trademark for its Internet payment system. SG 2 had previously registered the same name for similar services in France. The case was in other words concerning the use of a trademark on the Internet in a situation where both parties had registered rights to the disputed trademark in different countries. In the actual case it was shown that Brokat had not yet sold any products in France and they did not intend to do so in the future. The defendant (Brokat) contested the French court’s jurisdiction as regards the prohibition issued in the case. A prohibition on use with world wide effect in a situation like the one described could only be issued by a German court, Brokat argued.

Still the French court found itself competent to issue the requested prohibition. The defendant’s website could be accessed in France and therefore a

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<sup>2</sup> For a survey of issues regarding intellectual property on the Internet see the WIPO report *Intellectual Property on the Internet: A Survey of Issues*, Doc. No. WIPO/INT/02. Available at “<http://ecommece.wipo.int>”.

<sup>3</sup> Nanterre Court of Appeals, October 13, 1996, *SG2 v. Brokat Informationssysteme GmbH*. The case is referred in Bettinger, T. and Thum, D., *Territorial Trademark Rights in the Global Village - International Jurisdiction, Choice of Law and Substantive Law for Trademark Disputes on the Internet - Part One*, IIC Vol. 31, No. 2/2000, p. 166-167 (Cit. Bettinger/Thum I-2000).

place of infringement had been on French territory. Due to article 5(3) of the Brussels Convention (see below section 3.2.2) the fact that an injurious act has effect in a country can be enough to make courts in that country competent to try a case of tort or prohibition regarding the act in question. Consequently Brokat was obliged by the French court to stop using its trademark “payline” in France. As the court regarded Brokats use of its trademark on the Internet as use in France the prohibition meant, among other things, that Brokat could not continue to use its own trademark on its homepage in Germany.

The example highlights several questions in the fields of private international law. Beside the above described issues of jurisdiction the choice of law questions are of equal interest. For the purpose of this paper I have, as indicated above, chosen to discuss the ICT aspects regarding jurisdiction, which does not mean that I consider the question regarding choice of law less important.

As regards this paper the study adopts the perspective of a holder of a Swedish trademark. The question raised is whether she could enforce her trademark right against a foreign defendant in a cross-border infringement case. When analysing this I will concentrate on cross-border infringements related to communication in open network (e.g. Internet). The underlying question would be if (and to what extent) foreign, as well as national, trademark infringements can be adjudicated in a Swedish court. I have no ambition to analyze this question thoroughly in this paper though. The purpose here would rather be to highlight and exemplify some ICT-related problems that emerge in this specific field of research.

To fulfill this task I have to start out from the existing rules of private international law. By presenting the legal grounds for jurisdiction in a traditional (un-plugged) environment my hopes are that I will set up the frames for a discussion of Internet-related problems. Before I do so it might be of interest to present and explain the problem in an ICT-related context.

## 2 The Impossible Marriage - Globality Versus Territoriality

In the struggle to find answers to the jurisdiction question raised in this paper one must remember that trademarks (as well as intellectual property as a whole) are territorial. Intellectual property rights are, with few exceptions,<sup>4</sup> protected nation by nation. Consequently the protection is limited as it ends at the borders of the protecting country. Even though one can say that intellectual property rights are evolving in a global direction the fact that they are protected on a territorial basis is, by ad large, undisputed.<sup>5</sup>

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<sup>4</sup> There are actually intellectual property rights that can be regarded as international (or at least regional in a cross-border kind of way). One example would be the Community trademarks, another the Community design. Both rights are valid in the Community as a whole. The private international law issues concerning Community rights are regulated in the Community trade mark regulation and in the Community design regulation. See further Regulation (EC) No 40/1994 and Regulation (EC) No 6/2002.

<sup>5</sup> The development towards global trademark rights are discussed in Koktvedgaard, M., and Levin, M., *Lärobok i Immaterialrätt*, Stockholm 2002, p. 309 ff (Cit. Koktvedgaard/Levin); Bernitz, U., and others, *Immaterialrätt och otillbörlig konkurrens*, Stockholm 2001, p. 4 ff;

As a consequence the territorially limited protection makes it possible for different holders to register identical trademarks in different countries; in fact the nature of trademark law makes it possible for different legal holders to coexist in the same country.<sup>6</sup>

This is not peculiar; rather something trademark owners have had to live with since trademark rights first evolved. As long as it is possible to use a name without confusing it with another similar name, there is, as a principle rule, no infringement. One important factor in determining whether or not a trademark is confusingly similar to another is if they relate to goods of the same, or similar, kind.<sup>7</sup>

The coexistence of trademarks is made possible, among other things, by the fact that one can separate similar marks in a “physical” store. Using trademarks in the global Internet alters the situation. To begin with Internet is a borderless environment. If you put information on the web it is, as a principle rule, possible to see that information from each and every connected computer, independent of where in the world that computer might be situated. A consequence of this is that all legal holders of similar trademarks are competing on the same market (in the same cyberspace), with few possibilities to limit the individual advertisement to one single market.<sup>8</sup>

To illustrate the difference one can imagine a visitor out in a supermarket to buy chocolate. This potential customer is perfectly capable to find the Swedish chocolate “Always” and to distinguish this product from other products called “Always”. Visitors on the Internet are not in the same position. If you use a search engine to find what you are looking for it might take a while before you can find the right “Always” and while looking you are getting information about all other “Always” around the globe. It is, furthermore, possible that all “Always” information is there, on the Internet, originating from different rightholders in different countries. The fact that the name space is limited and that rightholders are forced to compete with each other is not a new question; the massive competition between rightholders in global cyberspace on the other hand is. We have in other words a new situation, giving rise to new, or at least awakening, questions that have not been of immediate importance in the non-connected society.

One such question of immediate importance is to what extent the use of a trademark on the Internet, placed there in one country, can constitute infringement in another country. This question will, in the context of cross-border infringements, be analyzed further in this paper.

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Riis, T., *Immaterialret og IT*, Copenhagen 2001, p. 13-15 (Cit. *Riis* 2001).

<sup>6</sup> It is possible to register trademark in different classes due to the existing system of international classification of goods and services. According to this system it is possible that different rightholders register the same trademark for different goods or services, both on a national level as well as on an international level. *See further the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks* administered by WIPO. Available at “www.wipo.int”.

<sup>7</sup> As regards trademark rights in Sweden *see* the Swedish Trade Marks Act (SFS 1960:644) section 4 and 6.

<sup>8</sup> *See* Bettinger/Thum I-2000, p. 164-166.

To begin with, though, I would like to point out the severe problems that are connected to the question of where the infringing act took place. It is, in Internet-related cases, not clear what the infringing action is, and furthermore where it takes place. If, for example, information potentially infringing trademarks in Sweden, is put on an Internet server in Germany. What is the infringing action in this situation? Is it the action that took place in Germany, the action performed by the company that was uploading the information on a server in Germany? Or is it the action that took place in Sweden, where users are downloading the alleged infringing information to their computers in Sweden? There are for the moment no clear answers to these questions.

Another emerging problem that the Internet brings forward is the fact that it might be very difficult to find the potential infringer in the anonymous environment that is Internet.<sup>9</sup> This is problematic in several different aspects. To begin with it is hard to sue someone you can't possibly find. Furthermore the possibility to determine where the defendant is domiciled is a prerequisite for the applicability of a large number of private international law rules. Finally the fact that it might seem that an infringer can escape justice by staying anonymous erodes the morality and tends to trigger the development of an increasing number of infringements.<sup>10</sup>

In summary one can maintain that the amount of cross-border transaction is increasing. Consequently the amounts of potential cross-border infringement are increasing as well. In this connected cross-border global village, how could you possibly uphold territorial limited trademark rights?

### 3 Jurisdiction

#### 3.1 *Introductory Remarks*

As mentioned earlier the questions regarding jurisdiction in cross-border cases must be answered in the light of traditional private international law rules.

For Sweden the answers must furthermore be divided into two parts since the answers depend on whether or not the defendant is domiciled in a Brussels or Lugano state (e.g. a country where the Brussels or Lugano Convention or the Brussels I-Regulation are applicable) or in a country outside of this area.<sup>11</sup>

In the situation where the defendant is domiciled in a Brussels or Lugano state jurisdiction must be based on the rules set forth in the Brussels or Lugano

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<sup>9</sup> See for further discussions about the anonymity of transaction on the Internet Benno, J., *The "anonymisation" of the transaction and its impact on legal problems*, The IT Law Observatory report 6/98.

<sup>10</sup> See for a discussion about eroding morality on the anonymous Internet Hultmark (Ramberg), C., *Moral på Internet*, Festskrift till Gunnar Karnell, Stockholm 1999, p. 305. See also BRÅ-report 2000:2 *IT-relaterad brottslighet* p. 12-14, available at "www.bra.se".

<sup>11</sup> The Brussels and Lugano states are primarily either EU or EEA states. It is possible for other states to become members of the Lugano-convention though and I choose there fore to use the term Brussels or Lugano states instead of EU or EEA states.

Conventions or the Brussels I-Regulation (hereinafter referred to as the Regulation and Conventions, respectively).<sup>12</sup>

With regard to disputes where the defendant is domiciled outside the Brussels/Lugano area there is no directly applicable law in support of jurisdiction in cross-border infringement cases. Instead jurisdiction has traditionally been based on carefully-made analogies from the Swedish Code of Judicial Procedure<sup>13</sup> concerning proper national venue (hereinafter referred to as the Procedural Code).<sup>14</sup> As far as analogies are concerned it might be noted that it, of course, is possible for a Swedish court to apply analogously the Regulation/Conventions rules as well as the national procedural code, in a case where the Regulation/Conventions rules do not apply directly.<sup>15</sup> Due to analogies either from the Procedural code or from the Regulation/Conventions rules a Swedish Court can be competent to try disputes concerning cross-border infringement of an industrial property right.<sup>16</sup>

The rules on jurisdiction applicable to intellectual property infringement proceedings in cross-border cases are those that are generally applicable in other civil law proceedings, for example rules of jurisdiction based on the domicile of the defendant and rules based on the place where the harmful event occurred.<sup>17</sup>

In the Regulation and the Conventions there is one specific rule regarding registered intellectual property rights though.<sup>18</sup> This rule sets forth that proceedings concerned with the registration or validity of patents, trademarks, design or other similar registered rights fall within the exclusive jurisdiction of a court in the state where the right is registered. This puts the question whether or not an infringement dispute can be separated from cases covered by the exclusive jurisdiction in the above-mentioned rule into focus, something I will treat under a separate heading (3.2.6) in the forthcoming presentation. In spite of the fact that there is no corresponding codified rule in the Procedural Code the same rule is most likely also applicable in Sweden.<sup>19</sup>

As far as the general disposition of this paper is concerned I will discuss the rules applicable to defendants domiciled within the Brussels/Lugano area first and thereafter the rules applicable to defendants domiciled outside the

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<sup>12</sup> As the rules in the Regulation and Conventions applicable to proceedings concerning the cross-border infringement of intellectual property rights are almost identical, I will here after treat them together. Any important differences will be noted.

<sup>13</sup> An English translation of the Swedish Code of Judicial Procedure is published by the Swedish Ministry of Justice in the series Ds. 1998:65.

<sup>14</sup> See Bogdan, M., *Svensk internationell privat- och processrätt*, 5 ed., Stockholm 1999, p. 107-108 (Cit. Bogdan 1999).

<sup>15</sup> See for further comments section 3.3.

<sup>16</sup> See Bogdan 1999, p. 122; Dennemark, S., *Om svensk domstols behörighet i internationellt förmögenhetsrättsliga mål*, Stockholm 1961, p. 127 (Cit. Dennemark). But see, as regards the possibility to try foreign patent rights in Sweden, Godenhielm, B., *Om patentintrång i internationella relationer*, NIR 1975 p. 235, 252.

<sup>17</sup> For a detailed presentation of jurisdiction based on analogies from the Procedural Code see Bogdan 1999, 107-123.

<sup>18</sup> Article 22(4) Regulation and Article 16(4) Conventions.

<sup>19</sup> Bogdan, M., *Patent och varumärke i den svenska internationella privat- och processrätten*, NIR 1980 p. 269 (Cit. Bogdan 1980); Dennemark, p. 127-128. See also RH 1993:132.

Brussels/Lugano area. It might further more be noted that I begin the presentation with a discussion concerning the principal rule of jurisdiction based on the domicile of the defendant, after which the alternative jurisdictional grounds will be discussed.

### 3.2 *Regulation/Conventions Rules*

#### 3.2.1 **Article 2 – The domicile of the defendant**<sup>20</sup>

The general rule is that persons domiciled in a Brussels/Lugano state shall, whatever their nationality, be sued in their state of domicile.<sup>21</sup> From a Swedish court's point of view this rule is, in a cross-border infringement case, mainly relevant in situations when the defendant, domiciled in Sweden, infringes a foreign trademark. For example, a Swedish company markets a product infringing a trademark registered in Denmark. Pursuant to Article 2, the Swedish company may be sued in Sweden. However, as regards infringements of Swedish rights, Article 2 is of limited relevance as a basis for jurisdiction in cross-border cases. It is of course possible that the defendant is domiciled in Sweden even though the infringing action (depending on how it is to be defined) takes place in another country. This must be regarded as an exceptional case though. In any case there is another reason to discuss the principal rule in Article 2, in as much as national rights are concerned. The reason for this is that domicile in a Brussels/Lugano state is a prerequisite for the applicability of the Regulation/Conventions rules in the first place.

In other words, a court can never neglect the fact that it must determine the domicile of the defendant if jurisdiction is to be based on the Regulation/Conventions rules. In most cases the domicile of the defendant is obvious but this is not the case as regards domicile in cyberspace. In a situation where the infringing act has been committed through the Internet it can be hard, if not impossible, to determine the domicile of the defendant. In other words it can be a problem in all Internet-related situations to establish whether or not the Regulation/Conventions rules are applicable at all.

To illustrate the problem the following example might be used. Suppose that the trademark "Noir" for clothes and other accessories is protected in Sweden. The holder of the Swedish trademark discovers that this trademark is used on the Internet in a homepage with an address registered under the international top level domain .com. From this homepage it is possible to buy counterfeit products, among others the latest collection from "Noir". The language on the homepage is English and the currency available for purchase is Euro. In this

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<sup>20</sup> See for general aspects on article 2, Jenard, P., *Report on the Convention of 27 September 1968 on jurisdiction and the enforcement of judgments in civil and commercial matters* OJ 1979 C 59/1, p. 1-19 (Cit. Jenard 1979); Pålsson, L., *Brysselkonventionen, Lugano-konventionen och Bryssel I-förordningen*, Stockholm 2002, p. 86-93; Hertz, K., *Jurisdiction in Contract and Tort under the Brussels Convention*, Copenhagen 1998, p. 46-53 (Cit. Hertz); Strömholm, S., *Upphovsrätt och internationall privaträtt*, Stockholm 2001, p. 104, 114-116 (Cit. Strömholm). See also Lundstedt/Maunsbach, p. 213-214.

<sup>21</sup> Article 2 Regulation/Conventions.

situation the Swedish company would probably like to sue the defendant for trademark infringement, but could the Regulation/Conventions rules be used to establish jurisdiction? To answer this question it must, as described above, be settled that the defendant is domiciled in a Regulation/Conventions state, which might be a difficult task to accomplish.

When it comes to natural persons the court shall apply domestic law in the state of alleged domicile to determine whether or not the party really is domiciled in that Regulation/Conventions state.<sup>22</sup> This means from a Swedish point of view that the question of domicile in Sweden must be answered in light of the Procedural Code, primarily Chapter 10, Section 1.<sup>23</sup> As regards companies the same is to be said about the Conventions.<sup>24</sup>

In the Regulation the domicile of companies are regulated expressly though. Article 60 states that:

”For the purposes of this Regulation, a company or other legal person or association of natural or legal persons is domiciled at the place where it has its:

- (a) statutory seat, or
- (b) central administration, or
- (c) principal place of business.”

The statutory seat and/or the central administration is a connection factor that fits well with a traditional physical environment. They, however, do not give any particular help to determine domicile in an Internet situation with an anonymous defendant. Instead the expression “principle place of business” might give some guidance. In this context one could ask whether or not a homepage on the Internet can be a company’s principle place of business. I will not analyse this specific problem thoroughly in this paper though.<sup>25</sup> It suffices to say that a homepage hardly can be a sole connecting factor in the determination of the principal place of business, but rather one among several factors pointing towards a certain place.

In other words it can be quite problematic to determine the domicile of the defendant. When a decision has been taken as to whether the Regulation/Conventions can be applicable due to the domicile of the defendant, Article 2 is of course a possible ground for jurisdiction. The purpose of Article 2 is to provide a suitable forum for the defendant, as it is generally more difficult to defend oneself in the courts of a foreign country.<sup>26</sup> Still there are situations with a close connecting factor between the dispute and a court other than one in

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<sup>22</sup> Article 59 Regulation and Article 52 Conventions.

<sup>23</sup> See for further discussions on the determination of domicile in a Swedish perspective Pålsson 2002, p. 86-90; Bogdan 1999, p. 111-113; Denmark, p. 69-143.

<sup>24</sup> Article 53 Conventions.

<sup>25</sup> The problem will be analyzed further in my forthcoming dissertation as well as in Lindskoug, P., *Domsrätt och lagval vid elektronisk handel*, dissertation to be published in autumn 2004 (Cit.Lindskoug 2004).

<sup>26</sup> See Jenard 1979, p. 18.



the country of the domicile of the defendant. In such situations it is justified to give the plaintiff additional opportunities as regards jurisdiction.<sup>27</sup>

Consequently there are a limited number of exceptions giving the plaintiff such choices. It is important to note that those exceptions are exceptions and as such they shall be interpreted narrowly.<sup>28</sup> The exceptions that may be used as bases of jurisdiction in proceedings concerning the cross-border infringement of an intellectual property right are mainly Article 5(3), Article 5(4), Article 5(5) and Article 6(1). It might be noted that there are other rules in the Regulation/Convention which might be applicable in cross-border cases. One such rule would be that a Swedish court may base its jurisdiction on the fact that the defendant enters an appearance before the court other than to contest the court's jurisdiction. This variation of prorogation will not be discussed in this paper though.<sup>29</sup> It should furthermore be noted that there are special provisions regarding provisional measures in the Regulation/Convention, Article 31 Regulation (Article 24 Conventions), provisions which I will not cover in this paper.<sup>30</sup>

### 3.2.2 Article 5(3) – The place where the harmful event occurred<sup>31</sup>

Article 5(3) provides for jurisdiction in the place where the harmful event occurred for matters relating to tort, delict or quasi-delict. Due to this rule, and the way it is interpreted by the European Court of Justice (ECJ), it is possible to find a competent court both at place where the damage occurred as well as the place of the event giving rise to it.<sup>32</sup>

As mentioned in section 2 intellectual property rights are territorial. In line with this it might be argued that damages could only occur in the country of protection. It is disputed whether this implies that the event giving rise to the damages must take place in that same country. A crucial consideration is how the expression “the event giving rise to the damages” is to be interpreted, as regards cross-border intellectual property infringements.<sup>33</sup> This question has not been settled by the ECJ.

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<sup>27</sup> See Jenard 1979, p. 22.

<sup>28</sup> Pålsson 2002, p. 94.

<sup>29</sup> Article 24 Regulation and Article 18 Conventions. See for general aspects, Jenard 1979, p. 36-38; Pålsson 2002, p. 179-208. See also Lundstedt/Maunsbach, p. 218.

<sup>30</sup> For further discussions regarding the rules on provisional measures see Pålsson 2002, p. 223-228 and Pålsson, L., *Interim Relief under the Brussels and Lugano Conventions in Private Law in the International Arena - from National Conflict Rules Towards Harmonization and Unification - Liber Amicorum Kurt Siehr*, the Hague 2000.

<sup>31</sup> See for general aspects on Article 5(3), Jenard 1979, p. 25-26; Pålsson 2002, p. 111-117; Hertz, p. 237-285.

<sup>32</sup> *Bier v. Mines de Potasse D'Alsace*, Case 21/76 1976 ECR 1735; *Shevill v. Presse Alliance*, Case C-68/93 1995 ECR I-415; *Dumez v. Hessische Landesbank*, Case 220/88 1990 ECR 49. See also *Marinari v. Lloyd's Bank*, Case C-364/93 1995 ECR I-2719 where the ECJ rejected the proposition that Article 5(3) encompasses the place where indirect economic loss is suffered.

<sup>33</sup> See for a discussion of the possible interpretation of Article 5(3), Wadlow, C., *Enforcement*

Some guidance could be given by the case *Shevill v. Presse Alliance*.<sup>34</sup> In this case the ECJ stated that in a situation where a defamatory newspaper article was distributed in several Member States, the place of the event giving rise to the damage was the place where the publisher of the newspaper was established. Consequently, a court in that state would have jurisdiction to hear an action for damage for all harm caused by the unlawful act. With regard to jurisdiction based on the fact that damages occurred in a specific Brussels/Lugano state the ECJ stated that a court in that state could only try the damages that occurred in that same state. A possibility to try the whole case, including damages occurring in different states, is only available in a court whose jurisdiction is based upon the injurious action (or the domicile of the defendant due to article 2).

An analogy may be drawn between the circulation of a defamatory newspaper article and circulation of advertising in newspapers that infringes a trademark. Let us say that the company behind the web-shop that sold “Noirs” products markets its services by advertising in a newspaper published in Sweden, which is distributed throughout Europe. If the newspaper contains advertisement that infringes a trademark in several states, it may be argued that the infringing company could be sued in Sweden for relief stemming from the infringements in all states, whereas Sweden can be regarded as the place of the act giving rise to the damage. The same might be said about advertising on a homepage, which in a similar manner can be accessed in all Member States. It can be argued, in line with the discussion about newspaper advertising, that this advertising, accessible from the Internet, is infringing trademarks in all states.<sup>35</sup>

As regards the possibility to use Article 5(3) in situations where damages may occur it is important to note that the wording of the Regulation is different from the Conventions. In the text of the Regulation it is stated that Article 5(3) encompasses situations where damages may occur, something that is not expressed in the text of the Conventions. This is however clarified by the ECJ, which in a recent decision stated that the Conventions are to be interpreted in the light of the Regulation as regards Article 5(3).<sup>36</sup>

In conclusion it can be said that Article 5(3) makes cross-border jurisdiction possible. Following the interpretation applied by the ECJ regarding the Article it is obvious that jurisdiction can be found both at the place of the infringing action and at the place of the injurious effect. This implies that it would be possible to

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*of Intellectual Property in European and International Law*, London 1998, p. 90-104 (Cit. Wadlow); Fawcett, J. and Torremans, P., *Intellectual Property and Private International Law*, Oxford 1998, p. 50-169 (Cit. Fawcette/Torremans); Bettinger/Thum I-2000, p. 169-182; Strömholm, p. 120-124, 270-290. See also Lundstedt/Maunsbach, p. 215-216.

<sup>34</sup> *Shevill v. Presse Alliance*, Case C-68/93 1995 ECR I-415.

<sup>35</sup> The possibility to access information on the Internet have been regarded in the determination of jurisdiction in several cases (no Swedish case so far though). See for instance the above mentioned *Brokat*-case and *Zippo v. Zippo.com*, United States district court for the western district of Pennsylvania, 952 F. Supp. 1119 (W.D. Pa. 1997).

<sup>36</sup> See *Verein für Konsumenteninformation v. Karl Heinz Henkel*, Case C-167/00 2001 ECR I-08111 where the court states that “consistency requires that Article 5(3) of the Brussels Convention be given a scope identical to that of the equivalent provision of Regulation.”, para. 49. See also NJA 2000 p. 273 where the Swedish Supreme Court rejected the possibility that Article 5(3) of the Lugano Conventions could provide for jurisdiction to try an action seeking to establish that a specific activity does not infringe a patent right.

try cross-border infringement cases regarding both national and foreign trademark rights. As regards national rights a choice of jurisdiction based on the fact that injurious effect occurred in the country of the court would most certainly mean that the jurisdictional ground will coincide with the country of protection. As regards the possibility to try the infringement regarding foreign rights it must be said that this could lead to a situation where the infringement case would be tried in a country different from the country of protection. Still this can be justified in situations where the defendant has no assets in the state where the right is protected and the rightholder is unable to obtain a decision by the foreign court (where the right is protected) that can be recognised and enforced in Sweden where the defendant has his/her assets.<sup>37</sup>

In the discussion about whether or not an infringement case regarding a foreign trademark can be tried by a court in a country different from the protecting country it must be remembered that there are exclusive rules in the Regulation/Conventions dealing with cases regarding the validity of registered intellectual property rights. A crucial consideration in an infringement case regarding a foreign right would therefore be whether the validity of that registered intellectual property rights plays a principal role in the dispute, a question which I will investigate further in section 3.2.6.

Furthermore it must be noted that the question about infringements of intellectual property rights in the context of Article 5(3) has not been tried by the ECJ. Due to the global nature of Internet, and the fact that advertising on the Internet (and other forms of ICT-related dissemination of information) can't be demarcated to one single market easily; the problems are obvious. You can't possibly allow for jurisdiction in all countries where infringements occurs, at least not if you define infringement as the possibility to read a potential infringing advertisement. The consequences are, in my opinion, shown by the above mentioned Brokat-case. Here the French court found itself competent due to Article 5(3) and the fact that Internet advertisement stemming from Germany could be accessed from France. To take such a position means that the potential of using Internet as a marketplace would be diminished. All users would face the risk of being haled into court in any country from which you can reach the Internet. To uphold an interpretation of Article 5(3) that gives the plaintiff a choice of forum making it possible to find a competent court in all countries where potential infringing information could be accessed implies, in my opinion, a problem.

The problem might be solved in different ways. To begin with the ECJ can choose to treat the cross-border infringement cases separately from traditional (national) infringement cases by giving Article 5(3) different interpretations depending on the specific nature of the case. This could of course solve (or at least diminish) the problem, but it would lead to a quite complex situation, which compromises foreseeability.

Another way to attack the problem is to examine the concept of infringement. If an infringement can only be considered to occur in a specific market where the infringing action has commercial effect, the number of potential jurisdictions due to Article 5(3) would be limited. A recommendation in line with this has

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<sup>37</sup> Bogdan 1980, p. 269, 277; Denmark, p. 125-126.

been suggested by WIPO in its Joint Recommendation concerning, among other things, the use of trademarks on the Internet (Joint Recommendation).<sup>38</sup>

The Joint Recommendation is not to be understood as a private international law rule.<sup>39</sup> Instead the provisions are intended to be applied in the context of determining whether, under the applicable law of a Paris Union state,<sup>40</sup> use of a sign on the Internet has contributed to the infringement of a trademark.<sup>41</sup> Despite the fact that the Joint Recommendation is not to be regarded as a private international law rule I think that it could be used, with caution, in the ambition to examine the definition of infringing trademark use in the context of Article 5(3).

There is no room to develop this line of thinking further in this paper. I would like to put the attention to the principal rule in the Joint Recommendation though. In Article 2 it is stated that use of a sign on the Internet exists only if the use has a commercial effect in a specific state. The concept of “commercial effect” is presented in Article 3, where circumstances that might be relevant in the determination of commercial effect are described. Among other things the fact that the user is actually serving costumers in a specific state and the fact that prices are indicated in the official currency of the specific state are highlighted.<sup>42</sup>

If commercial effect is made a requisite for an action to be regarded as infringing a trademark in a specific market it will be possible for courts to decline jurisdiction due to Article 5(3) in situations like the Brokat-case. To give the courts the possibility to decline jurisdiction based upon the lack of effect due to an alleged infringement might be the most favourable solution to the above stated problem. This, on the other hand, leads to a situation where courts, to some extent, are forced to make decisions regarding the specific matter of the case when solving private international law questions. This in turn is considered, by a majority of legal scholars in the field of private international law, not appropriate. Another argument against the suggested solution is that access to

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<sup>38</sup> See WIPO “Joint Recommendation Concerning Provisions on the Protection of Marks, and Other Industrial Property Rights in Signs, on the Internet”, WIPO Publication No. 845(E). Available at “[http://www.wipo.int/sct/en/documents/session\\_6/pdf/sct6\\_2.pdf](http://www.wipo.int/sct/en/documents/session_6/pdf/sct6_2.pdf)”. A similar approach as regards choice of law are discussed by Bettinger, T. and Thum, D., *Territorial Trademark Rights in the Global Village - International Jurisdiction, Choice of Law and Substantive Law for Trademark Disputes on the Internet - Part Two*, IIC Vol. 31, No. 3/2000 p. 291-304 (Cit Bettinger/Thum II-2000).

<sup>39</sup> The fact that the Joint Recommendation is not to be interpreted as a private international law rule is expressed in the explanatory notes to the Preamble (Notes 0.04) which states: “The question of determining the applicable law is not addressed by the present provisions, but left to the private international law of individual Member States (of the Paris Union – my explanation).”

<sup>40</sup> The Paris Union is formed by the states that have signed the Paris Convention regarding industrial property rights. Such states are Paris Union states.

<sup>41</sup> See further the Preamble of the Joint Recommendation.

<sup>42</sup> Similar arguments have been raised by the American Law Institute in an ambitious attempt to formulate a draft to an international convention regarding intellectual property rights and private international law. In the proposed Article 6(1.b) the fact that the alleged infringement was intentionally directed to a state constitutes competence to try the infringement case as far as courts in that state are concerned. The draft convention, by Dreyfuss, R.C., and Ginsburg, J., is published in the *Chicago-Kent Law Review*, vol. 77, 3/2002, p. 1065.

justice is a right that can (and should) not easily be restricted. A possibility to decline jurisdiction must therefore be used with caution, in situation where it is possible to direct the plaintiff to a competent court (for instance a court in the country where the defendant is domiciled), more suitable to try the case.

### 3.2.3 Article 5(4) – Jurisdiction based on criminal proceedings<sup>43</sup>

Another possible ground for jurisdiction would be Article 5(4) of the Regulation/Conventions. If a civil claim for damages is based on an act giving rise to criminal proceedings this article may provide for Swedish jurisdiction over the civil proceedings, if the Swedish court is seized with the criminal proceeding. When the infringement of an intellectual property right can be regarded as a crime which can give rise to criminal proceedings it is possible that a civil claim for damages or injunction can be tried in a Swedish court based on the rule in Article 5(4). This Article would only found cross-border jurisdiction, however, if a Swedish court finds that notwithstanding that the infringement was committed in another state, there exists a ground for jurisdiction according to the rules in the Penal Code as regards the international jurisdiction in criminal proceedings.<sup>44</sup>

A question that might be raised regarding Article 5(4) is whether or not a claim for injunction could be regarded as an action within the frames of this Article. Another question is to what extent a claim for injunction based on the infringement of a trademark in one Member State could be regarded as based on the same act as a criminal proceeding in another Member State, regarding the infringement of a corresponding trademark right in that country.

The fact that the same act could give rise to different but parallel infringements might sound unrealistic but when it comes to ICT-related infringements it is a highly possible outcome. If we use the “Noir” example it is possible to imagine that the Swedish rightholder would be interested in suing the defendant for trademark infringement in a Swedish criminal proceeding. Simultaneously it would be of great interest for the Swedish rightholder to stop infringements throughout Europe. In line with that it is likely that claims for damages and injunctions are raised as regards infringement of trademark rights, based upon the same injurious act, in other Member States. In this situation it is interesting to analyse if it would be possible to cumulate those different claims, and try them in the Swedish court seized for the criminal proceeding.

The problem is similar to those regarding the determination of the injurious act mentioned above. What act is it that really constitutes the damage? Is it the infringement having effect in the country of protection or is it the act from which the infringement emanated? If it is to be the last mentioned it would be possible to conclude that the different infringements occurring in different protecting countries are based upon the same act. If it is the first mentioned it would be hard, if not impossible, to regard the different claims as based upon the same act.

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<sup>43</sup> See for general aspects on Article 5(4), Pålsson 2002, p. 118-119; Jenard 1979, p. 25-26. See also Lundstedt/Maunsbach, p. 218.

<sup>44</sup> See the Penal Code, Chapter 2 Sections 2 and 3.

I have no possibility to present any deeper analysis of this problem here. It is possible to argue in both directions. It is furthermore possible to find a solution to this problem as regards Article 5(4) that differs from the solutions chosen for Article 5(3). The reason for this is that the different rules favour different target groups. Article 5(3) is aimed at giving the plaintiff the possibility to choose forum. Article 5(4) has of course this purpose as well but also the purpose of finding an economically defensible and effective way to solve disputes. Considering this it is possible to argue that courts should be more willing to regard claims for damages and injunctions as based upon the same acts when it comes to the application of Article 5(4) compared with the application of Article 5(3) and the courts willingness to give the plaintiff a more generous choice. The question is, to my knowledge, not settled by the ECJ.

### **3.2.4 Article 5(5) – Jurisdiction based on establishment<sup>45</sup>**

One additional alternative possibility to find a competent court in cross-border cases is given by Article 5(5), which states that a person domiciled in a Member State may be sued in the courts for the place in which the branch, agency or other establishment is situated as regards a dispute arising out of the operations of this specific branch, agency or establishment.

There are two prerequisites for this rule to be applicable. It must be a dispute arising from an establishment and it must be an establishment within the meaning of Article 5(5).

As regards the majority of cross-border infringement cases it would only be possible to apply Article 5(5) in situations where the infringing act (and/or the injurious effect) can be located to the place of the establishment. In this situation there would definitely exist jurisdiction based upon Article 5(3) as well. However, as regards Article 5(3), the ECJ has stated (as mentioned above) that the possibility to try multiple damages are limited to the damages that arose in the country of injurious effect, in cases where this effect is the basis for jurisdiction. Such limitation has not been applied in the interpretation of Article 5(5). In other words there might be a possibility to find jurisdiction in cases of multiple damages due to Article 5(5) which would not be possible due to the current interpretation of Article 5(3).

As an example we can imagine that a multi-national company has a branch in Denmark, responsible for on-line service and updates in northern Europe. It is furthermore imaginable that the parent company launches a new computer program that potentially infringes trademark rights in Scandinavia.<sup>46</sup> The holder of the Swedish trademark could in this situation sue the defendant (the parent company) in Sweden relying on Article 5(3) and the fact that injurious effect

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<sup>45</sup> See for general aspects on Article 5(5), Pålsson 2002, p. 119-122; Jenard 1979, p. 26; Strömholm, p. 124-126.

<sup>46</sup> A similar situation appeared in Sweden when Sony launched its Vaio-computer. The name "I-Link" was used in violation with a previously issued injunction. In that case the Swedish court has taken into account information, accessible through the Internet, but published on servers in countries other than Sweden. See the decision by the Svea Court of Appeals decided on 21 March 2003, case no. B 68-02.

occurred in Sweden. Another solution would be to sue the defendant in its domicile forum, according to Article 2, to have a possibility to try the entire damage that have arisen in different countries. This would also be the case if the Swedish plaintiff chooses to try the case in the forum where the action, giving rise to damages, took place. If for example the computer program (potentially infringing trademarks in Scandinavia) is delivered from a server placed in the same country as the domicile of the parent company, Article 5(3) would not provide for alternative to Article 2 as regards the possibility to try all of the damage. Let's imagine though that the branch in Denmark provided access to the infringing updates and furthermore represented the parent company in the contacts with Scandinavian customers. In this situation it would be possible to argue that Article 5(5) should provide the plaintiff with a possible ground for jurisdiction to try all the damage that arose out of the operations of the branch in Denmark, including the infringement of the Swedish trademark. Consequently the Swedish plaintiff could sue for infringements in Denmark which probably would be a more suitable solution than suing in a more distant country.

Regarding ICT-related situations the question, whether the fact that the infringing action took place on a homepage could mean that Article 5(5) is applicable, has given rise to some discussions.<sup>47</sup> An argument that Article 5(5) could include a homepage implies that it is possible to consider a homepage as an establishment. Yet again this might sound unrealistic, and I must admit that I am quite sceptical myself, but still one can easily argue that a homepage can have all the necessary functions to uphold a commercial relation. It is possible to enter into agreements through a homepage and communication as regards a particular purchase, for instance complaints, can be administered through the homepage as well. Compared to other establishments, for instance an automatic gasoline station without any staff, it is not that far-reaching to consider a homepage as an establishment. The problem is that it is hard, if not impossible, to find a reasonable model to locate a homepage.<sup>48</sup> The problems are of a similar nature to those discussed in section 3.2.1 regarding the determination of domicile and will not be further investigated in this section.

### 3.2.5 Article 6(1) – Jurisdiction in case of multiple defendants<sup>49</sup>

Article 6(1) in the Regulation/Conventions may, furthermore, provide a Swedish court with cross-border jurisdiction. The issue dealt with in this Article concerns situations with multiple defendants and the possibility to hear and determine cases together in a court for the place where any of the defendants is domiciled (*forum connexitatis*). A prerequisite is that “the claims are so closely connected that it is expedient to hear and determine them together to avoid the risk of irreconcilable judgments resulting from separate proceedings.”<sup>50</sup> The fact that

<sup>47</sup> See for instance Bogdan, M., *Kan en Internethemsida utgöra ett driftställe vid bedömningen av svensk domsrätt och tillämplig lag?*, SvJT 1998 p. 825 (Cit Bogdan 1998).

<sup>48</sup> See Bogdan 1998, p. 827-828. See also Lindsoug 2004.

<sup>49</sup> See for general aspects on Article 6(1), Jenard 1979, p. 26-27; Pålsson 2002, p. 129-132.

<sup>50</sup> See further Article 6(1) Regulation. It may be noted that the text of the Conventions differs

this rule may provide for cross-border jurisdiction is confirmed by Swedish case law.<sup>51</sup>

As regards intellectual property rights it is unclear however whether or not Article 6(1) could be applied in situations where the claims, directed towards various defendants, are based upon different but parallel intellectual property rights. In this context it could also, similar to the discussion about Article 5(4) above, be questioned if a claim for injunction can be closely connected to a tort claim. These questions have been solved differently through out Europe.<sup>52</sup>

The problems indicated here are not specifically ICT-related though. Still it might, of course, be possible to base jurisdiction on Article 6(1) even in ICT-related cases. If, for instance, several defendants are selling identical products through the use of different national homepages in alleged violation of different national trademark rights, it is possible to argue that it should be possible, due to Article 6(1), to sue all the defendants in one forum.

### 3.2.6 Rules on exclusive jurisdiction<sup>53</sup>

As noted above, both the Regulation/Conventions rules as well as the national rules may permit a Swedish court to exercise jurisdiction over proceedings concerning the infringement of intellectual property rights in cross-border cases. Still it might be argued that the exclusive rule mentioned earlier regarding registered intellectual property rights also permits such jurisdiction.<sup>54</sup> Even though there is no corresponding rule in the Procedural Code it is likely that the same principle, and the same argument against jurisdiction in courts other than those in the country of registration, would be applicable under the national rules.<sup>55</sup>

An interesting question regarding cross-border jurisdiction appears in situations where the registration or validity of a foreign intellectual property right is questioned in connection with the infringement dispute – something that, more or less, can be the case in almost all infringement cases regarding

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from the Regulation. In the Regulation the phrase stating that the claims must be closely connected has been added. This is primarily a codification of the ECJ case law. *See Kalfelis v. Schröder*, case 189/87 1988 ECR 5565.

<sup>51</sup> *See* for instance RH 2001:81, decided December 5, 2000 by the Svea Court of Appeals (leave of appeal not granted by the Swedish Supreme Court). *See* also NJA 2001 p. 386 where the Swedish Supreme Court stated that a prerequisite for the application of Article 6(1) Conventions is that the claims are based on essentially the same factual circumstances and that the legal grounds have a close connection with each other.

<sup>52</sup> *See* further for specific intellectual property law aspects Wadlow, p. 81-83; Fawcett/Torremans, p. 170-175; Pretegás Sender, M., *Cross-Border Enforcement of Patent Rights*, Oxford 2002, p. 88-102 (Cit. Pretegás Sender). *See* also Lundstedt/Maunsbach, p. 216-217.

<sup>53</sup> Article 22(4) Regulation and Article 16(4) Conventions. *See* for general aspects, Jenard 1979, p. 34-36; Pålsson 2002, p. 174-178.

<sup>54</sup> Article 22(4) Regulation and Article 16(4) Conventions. It is important to note that the rules on exclusive jurisdiction only concerns registered rights. Consequently they are not applicable to disputes concerning common law trademarks, unregistered design, copyright or other similar unregistered rights.

<sup>55</sup> *See* footnote 19.



intellectual property rights. As regards trademark cases it can be argued that an infringement claim is so closely intertwined with the question of the validity that the infringement proceedings may be said to be “principally concerned” with the right’s validity. In such case, it is unclear whether a court is required to decline jurisdiction. The issue has been solved differently through out Europe.<sup>56</sup> In summary it might be said that a court has three different options.

The court could decline jurisdiction, the court could stay the infringement proceeding and the court could treat the issue of the validity of the foreign intellectual property right as an incidental question.

The first option is perhaps the most tempting, at least from a procedural economy perspective. To decline jurisdiction means that that court can save resources and focus on cases more directly connected to the country of the court. I do not support this standpoint though. There can be several reasons for the plaintiff to choose a Swedish court in an infringement dispute, not least the argument that the defendant might have his/hers domicile in Sweden. It would, in my opinion, be unfortunate if the option to decline jurisdiction would be regarded as the principal rule. This option should be used only in cases directly concerning the right’s validity. In this sense I’m in favour of a restrictive interpretation of the articles on exclusive jurisdiction.

As regards the second option the effect of this solution would be that a Swedish court stays the infringement proceedings and orders the defendant to challenge the validity of the right in question before a court in the state where the right is protected.<sup>57</sup> This solution means that the infringement proceeding can still be tried by the Swedish court. Unfortunately this option delays the proceeding. Furthermore there is a risk that the defendant uses this option in bad faith, contesting the rights validity with the sole purpose of delaying the proceeding.

The third option would be to exercise jurisdiction over the infringement dispute treating the issue of the validity of the foreign intellectual property right as an incidental question.<sup>58</sup> In such case any finding made by a court concerning a foreign intellectual property right’s validity would only have effect in the actual proceedings. It would not be binding in any future proceeding where the same issue arises.<sup>59</sup>

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<sup>56</sup> See further Wadlow, p. 104-118, Fawcett/Torremans, p. 15-27, Pretegás Sender, p. 151-172. See also Lundstedt/Maunsbach, p. 219-221.

<sup>57</sup> See Bogdan 1980, p. 278.

<sup>58</sup> Such a solution would not be available in patent infringement disputes as the question of invalidity may only be considered as a separate claim. Sec. 61 of the Swedish Patent Act (1967:837).

<sup>59</sup> See Kur, A. *International Hague Convention on Jurisdiction and Foreign Judgments: A Way Forward for I.P.*, EIPR 2002 p. 175 for a critical examination of the arguments used against the possibility of treating invalidity as an incidental question.

### 3.3 *National Rules*

#### 3.3.1 *Introductory Remarks*

As noted above, the rules in the Regulation/Conventions are only applicable in situations where the defendant is domiciled in a Brussels/Lugano state. In other cases jurisdiction must be based on analogies. As stated above the national rules on proper venue in the Procedural Code have traditionally been applied analogously.

It might be argued, however, that a Swedish court could apply the Regulation/Conventions rules analogously as well, instead of applying the national Procedural Code. I'm generally in favour of such solution, especially as the Regulation/Conventions rules can be regarded as an international standard in a way the national Swedish rules can't. This standing point is, partly, supported by Swedish case law.<sup>60</sup> Even though one might argue that it is a better solution to find support for Swedish jurisdiction by analogies from the Regulation/Conventions rules there is nothing that forces a Swedish court to do so. This is particularly relevant in cases where the Swedish Procedural Code and the Regulation/Conventions rules do not coincide. In such a case it is generally accepted that a Swedish court must be free to base its competence on analogies from the Procedural Code.<sup>61</sup>

Although my standpoint is that it is a more suitable to use the Regulation/Conventions rules when those rules coincide with the Procedural Code I will not present thoroughly the similarities between the two different set of rules. Instead I will concentrate on the rules that differ, or more precisely, as regards cross-border infringements, on the rule that differs, that is the rule on debt obligation in Chapter 10 Section 3 of the Procedural Code.

#### 3.3.2 *Jurisdiction regarding debt obligations*

The rule on debt obligation in the Procedural Code states that a plaintiff may bring an action concerning debt obligations at the place where property belonging to the defendant is located. According to this rule it is possible to find a competent court in Sweden even in cross-border cases even though neither the defendant nor the plaintiff is domiciled in Sweden and neither the infringing act nor the direct damage occurred in Sweden. It is enough that property belonging to the defendant is located in Sweden.

Even though this rule on jurisdiction is not recognised within the framework of the Regulation/Conventions, another Brussels/Lugano state is obligated to enforce a Swedish judgments based on this exorbitant rule, provided the judgment itself is within the scope of the Regulation/Conventions.<sup>62</sup>

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<sup>60</sup> In the case NJA 1994 s 81 the Swedish Supreme Court stated that the Lugano Convention might be considered to express internationally accepted principles for resolving conflicts of competence between courts in different countries. *See* also case, AD 1995 no. 120 from the Swedish Labor Court, in which the statement is supported.

<sup>61</sup> *See* Bogdan 1999, p. 108.

<sup>62</sup> *See* Article 33 Regulation and Article 26 Conventions.

As regards ICT-related aspects it might be interesting to discuss whether or not a domain name is property in the meaning of the above stated section of the Procedural Code. I will not analyse this question in depth in this paper but a few comments can be made.<sup>63</sup> As regards the applicability of the rule on debt obligations, property is considered, more or less, to be everything with a value. The prerequisites for an asset to be regarded as property are, to put it simple, that the asset in question should have a value. It does not necessarily mean that the potential value must cover the entire amount demanded by the plaintiff, but a majority of legal scholars agrees that the value must cover, at least to some extent, the possible legal costs.<sup>64</sup> The value should furthermore be realizable in a way within reach of the court from a Swedish enforcement perspective.

As regards the first prerequisite it is not far-reaching to consider a domain name as property as domain names unquestionably can have a value.<sup>65</sup> It is possible to trade with domain names as shown by the fact that there exists a market for domain name trading.<sup>66</sup>

There is one further problem, though, before it is possible to find a competent court. To be able to realize the potential value of a domain name, it must be possible to locate the property in question. Localization is, as already discussed, a common problem to all Internet activities. Nevertheless my view is that a domain name can qualify as property for the application of the above mentioned rule in the Procedural Code. There are some prerequisites though. The value of the domain name must, reasonably, be higher than the simple cost for the registration. This can of course be the case if we are talking about domain names like *bussiness.com* but would not be the case regarding most of the private and institutional domain names. Furthermore a domain name can only be the basis of jurisdiction in Sweden in situations when it is possible to locate the domain name to Sweden. Localization means in these circumstances that the property should be within reach of the court in Sweden from a Swedish enforcement perspective.

Even if we choose to leave aside the discussion whether or not domain names can be covered by the wording of Section 3 it is of course possible, according to this rule, to find jurisdiction if the defendant has other kind of property in Sweden, for instance a Swedish trademark. As already mentioned, the rule is, with few exceptions,<sup>67</sup> generous to the plaintiff.

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<sup>63</sup> I have analyzed the question whether domain names qualify as property for a choice of jurisdiction further in the article *Kan domännamn utgöra domsrättsgrundande egendom?*, published in NIR 2002:4 p. 357. See also Højlund Christensen, L., Hansen, K.G. and Jul Madsen, C., *Pantsætning af og kreditorforfølgning mod domænenavne*, Rettid 2002:12 p. 168, available at “[www.rettid.dk](http://www.rettid.dk)”.

<sup>64</sup> See Denmark p. 163-164; Bogdan 1999 p. 114-116.

<sup>65</sup> As one example the domain name *business.com* might be used. This domain name was sold for 10 million dollars. See for further information, Brand News No. 5/2000, p. 30.

<sup>66</sup> See for instance the article *Svenskt domännamn sålt för 60.000 kronor* published in Ny Teknik 23 January 2001, available at “[www.nyteknik.se](http://www.nyteknik.se)”.

<sup>67</sup> In the case, NJA 1981 p. 386, property belonging to a tourist, temporarily in Sweden, was not regarded to be property in the meaning of the Procedural Code Ch.10 Sec.3. The same might be said about an obligation to pay the procedural cost that has arisen in a prevailing case regarding the same issue where jurisdiction was declined (and the procedural cost therefore

## 4 Concluding Remarks

This paper is aimed to give brief answers to questions about Swedish international jurisdiction in cross-border infringement cases related to Information and Communications Technology. Given the amount of space it is of course not possible to analyse all details in depth. One conclusion is that there are possibilities to find jurisdiction for Swedish courts in cross-border cases both regarding national and foreign rights. Another conclusion is that several questions need to be further analysed. There are questions regarding the application of Article 5(3) as regards multiple damages in cross-border cases, particularly the question where the causative act shall be regarded to be performed in an infringement case. There are also questions regarding the application of Articles 5(4) and 6(1) in cross-border infringement cases, not least as far as injunctions and the connection between cases based on parallel national rights are concerned. Furthermore there are questions regarding the importance of a homepage and its significance in a private international law context. The same might be said about Internet presence and the notion of commercial effect.

In other words there are still problems and remaining questions. All of them can be characterized as dealing with the balance between globality and territoriality in the intersection between private international law and intellectual property law. All of them are more or less ICT related and they all need to be further investigated and analysed. From a research perspective one can, in other words, conclude that there is a lot of problems to be dealt with in this area of law.

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decided to be paid by the plaintiff, constituting an obligation that normally would be considered as property), NJA 1966 p. 450. This implies that the rule in Ch. 10 Sec. 3 is not applicable if the plaintiff, in bad faith, gives rise to the obligation that jurisdiction is to be based on.