

ISP blocking orders for trade mark infringement

- ▶ Court of Appeal upholds orders requiring Internet Service Providers (ISPs) to block access to certain third party websites which commercialise counterfeit goods and bear the blocking cost
- ▶ Important new weapon for rights holders in the continued fight against online IP infringement

What's it about?

Five ISPs brought an appeal against two blocking orders made by the High Court, which required them to block or to attempt to block access by their customers to certain websites which offered for sale counterfeit goods protected by UK registered trade marks.

Why does it matter?

Section 97A of the Copyright Designs and Patents Act 1988 transposes into English law article 8(3) of the Copyright Directive (2001/29/EC), which confers on the courts the power to grant injunctions against a service provider that has actual knowledge of another person using their service to infringe another person's copyright. However, there is no equivalent provision in English law that would extend this power to infringement of intellectual property rights other than copyright.

The third sentence of article 11 of the IP Enforcement Directive (2004/48/EC) (the **Enforcement Directive**) nevertheless imposes an obligation on Member States to ensure that right holders can apply for injunctions against an intermediary whose services are used to infringe an intellectual property right. The fact that the ISPs were intermediaries within the meaning of Article 11 of the Enforcement Directive was not disputed. The Court of Appeal found that the High Court's power in English law to grant an injunction 'in all cases in which it appears just and convenient to do so' (section 37(1) of the Senior Courts Act 1981) should be extended to give the court the power to grant injunctions where the services of an ISPs have been used by a third party to infringe another person's registered trade mark.

The Court of Appeal found that these blocking orders met the threshold conditions for granting this injunction, as follows:

- the ISPs are intermediaries within the meaning of Article 11 of the Enforcement Directive;
- either the users or operators of the website are infringing the Claimant's trade marks;
- those users or operators use the services of the ISPs to infringe; and
- the ISPs have actual knowledge of this.

The Court of Appeal also found that the costs for implementing these blocking orders should be borne by the ISPs as a cost of doing business. This can significantly increase an ISP's overhead costs and can lead to these costs being passed onto the ISP's customers.

Now what?

This decision extends the range of remedies that owners of registered trade marks can use in fighting online acts of infringement and is likely to create a precedent for further blocking orders to be granted by the courts. For the ISPs, however, this judgment is likely to involve an administratively taxing and costly extension of their current practices of implementing blocking orders in relation to copyright infringement.

[Cartier International AG and another v British Sky Broadcasting Ltd and another \[2016\] EWCA Civ 658](#)

For further information this or any other IP related matter please contact andana.streng@addleshawgoddard.com or 0113 209 7785.