

## CIVIL v CRIMINAL REMEDIES

In India, where the legal system is plagued by delays, and where a criminal prosecution make take over 5 to 7 years and a civil case over 10 years, for a decision, it is essential that the enforcement strategies are carefully selected and implemented. To give our clients a brief overview of the pros and cons of civil and criminal procedures, we are providing hereunder a brief comparison between the two:

<b>CIVIL</b>	<b>CRIMINAL</b>
<b>PROCEDURE</b>	

Upon filing the action the court may grant the following orders ex-parte:

- i. Injunction
- ii. Appointment of a court commissioner (usually a lawyer) with authority to conduct search and seizure at the premises of the defendant or any other premises where there is reasonable suspicion of pirate activities being conducted.
- iii. Direction to the police to provide assistance at short notice.
- iv. Direction to the Defendant to disclose source of supply or distribution channels and authorise the Local Commissioner to proceed to such additional premises as may be disclosed in his/her presence.

Certain types of trade mark violations as well as copyright violations are cognizable offences.

Investigators approach the police with information of a violation. The police can either be persuaded to conduct a raid ex-officio or suo motu or a formal complaint is required to be given to the police.

The police in Delhi and Mumbai have specialized IPR Cells who are familiar with such issues. To a smaller extent, so are the specialized cells in Bangalore, Chennai and Hyderabad.

In addition, it is also possible to initiate a complaint before the Magistrate for issuance of directions to the police to register the case and investigate the matter.

In cases of IP violation such orders are not difficult to obtain from High Courts of as Delhi, Madras, Calcutta and Bombay.

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Investigators and lawyers assist the court commissioners to carry out raids with police, if necessary.

The court commissioner seizes the relevant material and submits his reports to the court, which forms part of the evidence.

Suit continues with the injunction in place. Defendant files his written-Statement. Both parties file their documents in support for trial. The Defendant can also opt for filing an application for vacation of the injunction.

In most cases, the defendant, once caught red handed, compromises the suit agreeing to suffer a decree of permanent injunction. If despite the decree of injunction the offending activities continue the defendant become liable for contempt of court and execution of the decree, which could result in arrest, and/or sealing of property.

There is no requirement of obtaining any opinion of the Registrar of Trade Marks.

Investigators and lawyers can assist the police to carry out the raids.

The police seize the relevant material and arrests are also made which is a great deterrent if the right person is arrested.

Once a successful search and seizure operation is conducted, the Police is required to conduct an investigation and file a charge sheet in court. This process takes several months and sometimes over a year. The arrested party applies for bail.

After filing of the charge sheet, the Magistrate frames charges and trial is commenced should the accused plead not guilty. The rights holder has very little control over the trial, which is conducted by the Public Prosecutor.

Under the Trade Marks Act, 1999 before the Police can conduct a search and seizure operation it is obliged to obtain the opinion of the Registrar of Trade Marks on facts involved in the offence relating to the trade mark and the Police is under an obligation to abide by the

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opinion so obtained. This procedure is likely to result in further delays.

Of course, it is possible to directly approach the Magistrate seeking issuance of directions to the police, in which case no opinion is required.

The entire case is handled by lawyers of the rights holder. With ex-parte orders in hand, delay does not harm the rights owner in any way.

Most of the evidence can be led through documents. The court commissioner who conducts a successful raid submits the raid report in court, which acts as very useful independent evidence. Personal presence is only required at the time of trial.

The accused has many ways to continue delaying the trial. The prosecution is not proficient in leading evidence, which usually results in acquittal of the accused for insufficient evidence.

Personal presence of the complainant is essential in court at the time of evidence. An anti piracy operation gets extremely bogged down leading to huge expenses when complainants have to travel all over the country in respect of past raids and cases to adduce evidence.

### **JURISDICTION OF COURTS**

Under the Trade Mark Act, 1999 as also the Copyright Act, it is possible to invoke jurisdiction where the person (registered proprietor or the registered user) instituting the suit or, where there are more than one such persons, any of them actually and voluntarily resides or carries on business or personally works for gain. It is therefore possible for a rights owner to initiate and pursue its entire anti-piracy

Action can only be initiated in a court within the jurisdiction in which the search and seizure operation is conducted. This results in the rights holder having to prosecute cases in different parts of the country and in different courts all over India, resulting in huge expenditure. These courts are in the pirate's neighborhood making it very convenient for the pirate to defend the action.

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operation from one location. Pirates from all over India will then have to come to one court, that too of the plaintiff's choice, to defend itself.

### **HIGH COURT v MAGISTRATE COURTS**

Apart from the benefit mentioned above, maximum pirate activities usually take place in the 4 metropolitan cities i.e. Delhi, Mumbai (Bombay), Chennai (Madras) and Kolkata (Calcutta). It is possible to initiate all actions in these cities in these High Courts, which have territorial jurisdiction over the entire city.

The High Courts are much more sensitive to economic offences.

Pirates generally have no or little influence over the High Courts and find it expensive.

Criminal actions must be initiated in Magistrate's Courts, which exercise limited territorial jurisdiction. In Mumbai itself there are over 15 Magistrates Courts spread over the city and its suburbs, making it very difficult to efficiently prosecute the cases.

Magistrate's Courts are far more preoccupied with graver offences like rape and murder. Economic offences are given very low priority. Though this is fast changing with establishment of special courts in Delhi. This might extend to other cities as well.

Pirates are generally familiar with the Magistrates and the local Courts and they gain a huge advantage by virtue thereof.

### **PROSECUTION OF CASES**

Raids can be conducted with civil orders at any time at short notice without fear of leakage.

Raids can be conducted by independent persons

Attempts at conducting raids through Police are often unsuccessful either owing to leakage of information or non-availability of a raiding party at the right time.

Raids are conducted by the Police who are amenable to

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authorised by a Civil Court. Such persons cannot be influenced by the local pirates.

The successful prosecution of cases is not dependent on any outside enforcement agency.

The case is prosecuted through private counsels.

being influenced by pirates. Many outlets cannot be successfully raided owing to this factor.

The successful prosecution of cases largely depends upon the co-operation of the Police and the evidence they collect and produce in court. Pirates often have been found to have strong influence with the police that cannot be matched.

Case is prosecuted by the Public Prosecutor, who is often amenable to influence by the accused.

#### **REMEDIES**

Courts grant injunction orders for the future. Arrests are not possible.

It is possible to recover accounts of profits or damages, but in reality these are rarely granted.

Courts only punish for past offences. Arrest of the accused acts as a huge deterrent though bail is granted quite easily.

Such remedies are not available.

#### **COSTS**

Initial costs are substantially higher.

The fact that the entire all-India anti piracy operation can be centered around one or a few courts in the country itself results in reduction in the costs.

The possibility of cases being compromised is

Initial cost of conducting raid and seizure operation is much lower.

In a one off operation the overall costs are likely to be much lower. However, in an ongoing anti piracy program, owing to the sheer number of courts in which actions may need to be initiated and monitored substantially increases costs. There are very little possibilities of a

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another factor that reduces litigation costs. When the defendants have to travel to inconvenient locations to defend the suits, they are far more amenable to compromise the matter.

compromise. Trade mark and copyright cases are not compoundable offences and accused has to go through the entire process of trial. The fact that the trial is conducted in a court very near the accused and often far away from the rights owner makes it that much more difficult for the latter.

### **CONCLUSION**

In conclusion, it is important that a strategy be selected which is a fine balance of civil and criminal actions. Unlike perhaps in other countries, civil actions have been found to be far more effective and in the long run less expensive than criminal actions. The benefits of criminal actions however must not be ignored.

Chander M. Lall  
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