



## Authors

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### Legal framework

The following laws and regulations provide for anti-counterfeiting measures in Greece:

- the Trademarks Act (2239/1994);
- the EU Community Trademarks Regulation (207/2009);
- the EU Customs Regulation (1383/2003);
- the Unfair Competition Law (146/1914);
- the provisions of the Penal Code criminalising counterfeiting activities, in particular Articles 216 (forgery) and 386 (fraud);
- Act 3377/2005 and Ministerial Decision K1-1178/25.6.2007 on the control of outdoor trade;
- Act 2417/1996 and Presidential Decree 259/1997 on industrial designs;
- the Patents and Utility Models Act (1733/1987);
- the Copyright Act (2121/1993); and
- the EU IP Rights Enforcement Directive

(2004/48/EC), which is transposed into Greek law only regarding copyright infringement. Decisions 545/2010 and 5610/2010 of the Athens First Instance Court held that Articles 8 (right of information) and 15 (publication of judicial decisions) of the directive, included in the Copyright Act, should also apply by analogy to trademark infringement cases.

A new Trademarks Act is undergoing public consultation and is likely to become law during 2012. The new act will implement the provisions of the IP Rights Enforcement Directive.

### Border measures

The Customs Regulation and its Implementation Regulation (1891/2004) set down the requirements for border seizures. The core elements of the proceedings are as follows:

- An application for customs action must be filed with the Central Customs Directorate listing the IP right at issue.

The scope of the application may be either national or EU-wide. If the application is filed in another member state, but with an EU-wide scope, Greek Customs requires additional formalities (including the translation of documentation not in Greek) before it will issue a national validation decision. No official fees are associated with the validation process.

- Greek Customs will inspect goods that originate from a non-EU country and enter Greece for release for free circulation, export or re-export, or in case of transit, provided that the requirements set by the Court of Justice of the European Union's decision in *Nokia/Philips* are met. It will also check goods that are intended to be exported to a non-EU country.
- If Customs suspects the goods to be counterfeit, they will notify the rights holder and allow it to examine samples of the goods.
- In practice, Customs will suspect that goods may be counterfeit if the importer

produces no licensing or authorisation documents, or the bill of lading comprises imprecise information as to the identity or address of the manufacturer or consignor of the goods.

- If the rights holder has not previously filed a customs application for action, the authorities may still intervene and temporarily suspend the release of the goods, or detain them for a period of three working days, to enable the rights holder to submit such an application.
- If the rights holder declares that the goods are counterfeit, Customs will inform it of the identity of the importer or consignee. Customs applies the simplified procedure provided in Article 11 of the Customs Regulation. Accordingly, the rights holder may address a letter to the importer or consignee seeking the latter's consent to the out-of-court destruction of the goods under customs control. The rights holder bears the destruction and warehousing costs.
- The consent of the importer or consignee to the out-of-court destruction of the goods shall be presumed to be granted if the latter does not oppose destruction within 10 days of receipt of the rights holder's letter. This period may be extended by a further 10 working days where circumstances warrant it.
- If the importer or consignee specifically opposes the out-of-court destruction of the goods, trial proceedings must be initiated to avoid release of the goods. Customs seizure disputes rarely reach the courts.
- The import or export of counterfeits amounts to a tax offence under Article 147 of the Customs Code, incurring an administrative fine of between €2,000 and €20,000.

### Criminal prosecution

For straightforward infringements involving significant quantities of counterfeit goods, criminal proceedings have proven to be the most effective course of action.

The enforcement authorities may raid the premises of the infringer and seize any goods that are found to be counterfeit upon receipt of a criminal complaint or *ex officio*. The authorities require that an expert witness, duly appointed by the rights holder, be present during the raid to verify the counterfeit status of the products. An *ex officio* police investigation does not prejudice the right of the rights holder to file criminal complaints for crimes that are not prosecuted *ex officio* (ie, trademark

infringement). In such case, the complaint must be filed with the public prosecutor within three months of the raid.

The public prosecutor, to whom the file is transferred by the enforcement authorities after the raid, decides on the charges to be brought against the infringer. Upon completion of the pre-trial investigation, the criminal court sets a date for the case to be heard. The counterfeit goods are held until an irrevocable court decision is issued.

Copyright and trademark infringements may fall within the definitions of 'forgery' or 'fraud' under Articles 216 and 386 of the Penal Code. Criminal charges are brought for forgery and fraud if the damage suffered by the rights holder exceeds €15,000 in value and the infringement is committed in a professional manner. In copyright infringement cases, regardless of the damage caused to the rights holder, it is sufficient to prove that the infringement was committed on a 'commercial scale'.

The Penal Code and the Copyright, Trademark and Unfair Competition Acts provide for the following penalties:

- imprisonment for at least 12 months for copyright infringement, at least three months for trademark infringement and at least six months for an act of unfair competition;
- a fine of between €2,900 and €15,000 for copyright infringements and of €600 for trademark infringements;
- publication of the court decision in the press; and
- destruction of the counterfeit goods at the infringer's expenses.

### Civil enforcement

Civil enforcement is considered to be the most effective course of action when:

- the infringer is a high-profile target with sufficient assets that would make a claim for damages worth pursuing;
- the case involves disputed issues of fact or law (ie, the infringement is not straightforward); or
- the infringement takes place at an EU level.

The key advantages of civil enforcement are:

- a court order prohibiting any future acts of infringement;
- the recovery of damages, which may be used to finance the rights holder's anti-counterfeiting campaign; and
- a permanent injunction against the infringer.

The main disadvantage is the absence of

the element of surprise, since the Greek courts hesitate to grant *ex parte* orders (except in clear-cut cases of copyright infringement).

The preliminary measures include a temporary restraining order and a preliminary injunction. In both cases the rights holder must establish urgency. Temporary restraining orders and preliminary injunction decisions are immediately enforceable against the counterfeiter.

The quickest form of civil enforcement is the temporary restraining order. The application is heard within 10 to 20 days of filing and the decision is issued immediately. The court can order the infringer provisionally to cease and desist from the infringement until the preliminary injunction petition goes to a full hearing.

The preliminary injunction petition is heard within four to six months of filing, and the decision is issued within 20 to 40 days of the hearing. The court can order the infringer provisionally to:

- cease and desist from the infringement until the court has issued a final decision on the merits of the case;
- withdraw from circulation all counterfeit products, including the provisional seizure of the withdrawn items; or
- refrain from any modification of its property or assets, including an order to freeze the counterfeiter's bank accounts (in copyright infringement cases only).

In Community trademark infringement cases, a preliminary injunction order may cover the whole European Union.

The main action is heard within 16 to 22 months of filing, and the decision is issued within six to eight months of the hearing. Main action proceedings offer the most comprehensive arsenal of legal remedies, including:

- permanent injunctions, including pan-European injunctions (in Community trademark infringement cases);
- the withdrawal of counterfeit products from circulation and the seizure and destruction of all withdrawn or seized items;
- if the infringer has acted with malicious intent or negligence, an award of material and/or moral damages;
- a disclosure order regarding, among other things, the number of counterfeit items sold, the identity details of the counterfeiter's supplier and clients involved in the commercialisation of the counterfeits and the time period of the

- infringement;
- in patent infringement cases, delivery up of infringing products to the rights holder (instead of their destruction);
- the threat of penalties if the infringer violates the court decision in the future – either a lump sum per violation or short-term imprisonment; and
- publication of the court decision in the press.

As regards material damages, the rights holder may claim either restitution or the infringer's profits resulting from the infringing activity. Alternatively, lump-sum compensation can be awarded for patent, utility model and industrial design infringements (equal to the usually applied royalty rate), and for copyright infringement (double the usually applied royalty rate), according to the relevant quantification rules.

As the law stands, it is particularly difficult to be awarded material damages in trademark infringement cases, due to the absence of a quantification rule and the evidential difficulty in establishing either the material damage suffered by the rights holder or the infringer's profits (no pre-trial discovery is available in Greece).

The specialised IP chambers of the courts of Athens and Thessaloniki have jurisdiction to hear IP rights infringement cases, both at first instance and on appeal. The rights holder can choose the jurisdiction of these courts.

### **Anti-counterfeiting online**

#### ***Unauthorised internet commerce***

From a legal perspective, internet commerce is not that different from traditional offline commerce. Provided that a link between the counterfeiting activity and Greece can be established, a rights holder can resort to the Greek courts to prevent online infringement of its IP right. For example, rights holders can stop the online offer for sale of counterfeit goods via e-shops or auction websites, and the online advertising of counterfeit goods distributed via traditional offline channels of trade.

#### ***Online investigation strategies***

Rights holders can take advantage of the various investigation possibilities offered by the Internet. In particular, rights holders may:

- monitor the online activities of suspicious e-shops;
- inspect the online product catalogues of wholesalers or retailers to track down potentially counterfeit products;
- retrieve information regarding the business affiliations of companies

- engaging in counterfeiting activities; and
- monitor products offered for sale via auction websites.

The Directorate of Electronic Crime Prosecution provides valuable assistance to rights holders in tracing the electronic footprints of online infringers.

#### ***ISP liability***

Pursuant to the safe harbour provision of the E-commerce Act (Presidential Decree 131/2003 on electronic commerce and information society services), internet service providers (ISPs) have no general obligation to monitor the information or data which they transmit or store, or to investigate proactively facts or circumstances indicating counterfeiting activity. However, an ISP may be held jointly liable for IP rights infringement conducted through its services if:

- the ISP clearly became aware of facts or circumstances indicating counterfeiting activity; and
- upon obtaining such knowledge, the ISP failed to act expeditiously to remove or disable access to the relevant information or data.

In practice, the rights holder may put the ISP on notice through a warning letter bringing the counterfeiting activity to the ISP's attention. Often the ISP elects to avoid litigation and quickly complies with the demands of the rights holder, including to:

- take down an infringing website where counterfeiting activity is occurring;
- disable access to an auction website offering counterfeit items for sale; or
- disclose to the rights holder the counterfeiter's contact details.

#### ***Preventive measures/strategies***

##### ***Strategic importance of settlement***

Litigation before the Greek courts can be particularly lengthy. A substantial reform of Greece's procedural law in order to shorten litigation time is among the top priorities of the new Greek administration. In practice, full-scale litigation is not always the most appropriate course of action to address counterfeiting. Rights holders should explore the possibility of an amicable settlement, sometimes even from the outset of the case. Experience shows that a high percentage of counterfeiting disputes are resolved with an early settlement following service of a cease and desist letter.

##### ***Use of local counsel and investigators***

Anti-counterfeiting campaigns can be

successfully and efficiently run under the guidance and supervision of local counsel specialised in the protection of IP rights. The initiation of criminal proceedings is a serious measure that should not be taken without appropriate legal advice and assessment of legal implications.

Private investigators are essential in tracking down counterfeit and providing the necessary intelligence to prosecute the right targets. In view of the legal sensitivities of Greek criminal law, their involvement in the litigation process is not recommended.

#### ***Cooperation with national anti-counterfeiting agencies***

In 2011 the Greek authorities stepped up their efforts to combat counterfeiting. The obvious negative impact of counterfeiting on Greece's economy and finances prompted the authorities to address the problem in a decisive manner. By making use of the expeditious, simplified and out-of-court procedure provided in Act 3377/2005 on the control of outdoor trade, the Greek enforcement authorities raided more than 60 warehouses and seized millions of counterfeits. This practice is expected to continue in the years to come.

As regards customs control, a number of seizures took place in 2011 following a rather quiet 2010. The continuous updating of customs officials on counterfeiting patterns and paths of illicit trade is essential to increase the efficiency of border controls. To this end, contact between Customs and rights holders and their representatives has recently intensified and increased border controls seems likely in 2012. [WTR](#)

## Biographies

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Nicolas Dontas is the senior partner of Dontas Law Offices. Consistently ranked as a top-class IP practitioner since 2005, he has been involved in high-profile IP litigation, leading to court decisions that shaped the development of Greek IP law. He is widely known for his extensive efforts to protect famous brands against dilution and various types of unauthorised use. Among his major achievements are a series of Supreme Court decisions broadening the scope of protection of trademarks with reputation, in both opposition and civil injunction proceedings.

Mr Dontas graduated with first-class honours from the University of Athens Law School and was awarded a merit in his LLM degree from the London School of Economics. He has been a member of the Athens Bar since 1988 and a Supreme Court lawyer since 1995. He is fluent in English and French.



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