

RESTITUTION FOR BREACH OF INTELLECTUAL PROPERTY RIGHTS - LACK OF HARMONY IN INTERNATIONAL FORA – ANALYSIS OF ARTICLE 45 TRIPS

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Restitutory rights are available under TRIPS but they are not a guaranteed option for a claim where the opposing party has been unjustly enriched. Under TRIPS it is for each judicial system to choose whether or not to allow a restitutory remedy – namely the recovery of profits. This paper promotes the view that TRIPS, as it stands, is inadequate.

The paper examines the laws of some of the leading countries in the World Trade Organization (WTO) to see how each country would respond to a claim for a restitutory remedy for a breach of an intellectual property right. Furthermore, if TRIPS required restitutory remedies to be available (as opposed to their being optional) whether the domestic laws of these countries would be compatible, is addressed. Not all the countries allow for restitutory remedies in their intellectual property law. Consequently, because TRIPS does not require remedies for unjust enrichment to be made available, there can be no international consistency in international intellectual property cases.

This paper proposes an amendment to TRIPS to ensure that legal systems make available a right for plaintiffs to seek recovery of profits.

L'Accord de l'OMC sur les aspects des droits de propriété intellectuelle qui touchent au commerce (ADPIC) (International Trade and Intellectual Property Rights –TRIPS), a introduit dans le système commercial multilatéral des règles relatives à la propriété intellectuelle.

Cet accord qui certes, prévoit des règles de protection contre les agissements des contrefacteurs notamment, n'envisage cependant pas de mécanisme permettant à une victime d'agissements

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commerciaux violant les principes posés par l'ADPIC, d'être indemnisée pour l'enrichissement sans cause dont aurait pu bénéficier le contrefacteur. Cette question reste du ressort de chaque droit interne des parties signataires de l'Accord. L'auteur envisage donc successivement le droit applicable en pareille situation dans les principaux pays membres de l'OMC.

De plus, si l'ADPIC, impose que chaque pays qui y adhère, de mette en place dans son droit interne, un ensemble de règles permettant une indemnisation des victimes de contrefaçons, rien n'est véritablement prévu pour s'assurer que ces règles puissent être compatibles d'un pays à l'autre.

En effet, on note que le droit de la propriété intellectuelle de chaque pays n'envisage pas obligatoirement l'octroi d'une indemnisation reposant sur la notion d'enrichissement sans cause, de telle sorte que sur le plan international, l'absence d'unité et de cohérence prédomine encore, pénalisant ainsi les victimes dans le cas de litiges transfrontaliers.

Cet article, suggère que l'ADPIC soit amendé pour prendre en compte cette situation.

I INTRODUCTION

The purpose of this study is to explore restitutionary remedies in the field of intellectual property within the international sphere. First there is an overview of restitution in relation to intellectual property rights. Second, Part III of TRIPS is analysed. Third, a comparative overview of restitution and intellectual property rights is provided. Finally, the conclusion sets out future objectives concerning restitution in intellectual property internationally.

II RESTITUTION AND INTELLECTUAL PROPERTY

A restitution-based suit can have a significantly different outcome from a loss-based suit. A case with little or no scope for compensatory damages might warrant a substantial award under an unjust enrichment claim.

A The Legal Foundation of Unjust Enrichment

The Common Law demonstrates that a party may claim restitution for unjust enrichment.¹ A person who is unjustifiably enriched at the expense of another must return the enrichment. This obligation arises in particular if a person has received a benefit without any legal justification. It also arises if the legal justification subsequently ceases to exist or if the transfer does not have the effect envisaged in the transaction.² The principle of unjust enrichment according to *Goff and Jones*³ presupposes three things: first, the defendant must have been enriched by the receipt of a benefit,

1 Goff and Jones (ed) *The Law of Restitution* (6 ed, Thomson Sweet & Maxwell, London, 2002) 15.

2 Ibid.

3 Ibid.

second, the benefit must have been gained at the plaintiff's expense, and third, it must be unjust to allow the defendant to retain the benefit.⁴

B Intellectual Property within the Law of Restitution

An infringement of a proprietary right is a recognised category of unjust enrichment that may warrant a restitutionary remedy.⁵ However, a peculiarity of intellectual property is that it is intangible; hence, identifying the value of the property that has been affected requires consideration of the purpose for which it was used – most likely for unauthorised financial gain. Therefore, inevitably, the infringer should be liable for not only the use or transformation of the property but also for the gain made - the proceeds.⁶

Proprietary claims were formerly framed in tort. However, the difficulty with tort is that it requires 'loss' to be proved. This requirement is particularly problematic with intellectual property rights, or indeed any rights, if the plaintiff can establish only gain to the defendant. In an unjust enrichment claim, a plaintiff could potentially recover profit without proving loss. Restitutionary remedies which allow for recovery of profits are clearly necessary to adequately protect intellectual property owners.

III TRIPS PART III

A International Trade and Intellectual Property

The trend toward international consistency of intellectual property law is largely due to the WTO. In 1994, as part of the Uruguay Round of Negotiations, members of the WTO adopted the TRIPS agreement.⁷ The need for an effective international enforcement mechanism of intellectual property rights was a key driving force behind the implementation of TRIPS.⁸ Part III directly concerns the ability of corporate interests 'to defend their intellectual property rights effectively on a

4 Ibid.

5 Peter Schlechtriem "Restitution – Unjust Enrichment & Negotiorum Gestio" in (2001) *International Encyclopaedia of Comparative Law*, vol 10, 49.

6 For arguments on the issue whether *all* the proceeds should be awarded see, M L Leeming "When Should a Plaintiff Take an Account of Profits?" (1996) 7 AIPJ 129.

7 The coverage of intellectual property rights within TRIPS includes copyright and related rights, trademarks, geographical indications, industrial designs, patents, lay-out designs of integrated circuits, undisclosed information and control of anticompetitive practices in contractual licences. See, World Trade Organisation "What are Intellectual Property Rights?" <http://www.wto.org/english/tratop_e/trips_e/intell_e.htm> at 29 March 2005.

8 Duncan Matthews (ed) *Globalising Intellectual Property Rights* (Routledge, London, 2002).

global scale.⁹ Until TRIPS came into force¹⁰ no international standard for the enforcement of intellectual property rights had been the subject of a treaty regime.¹¹

Part III of TRIPS establishes minimum enforcement standards for protecting intellectual property rights. The enforcement provisions of this Agreement are subject to domestic law and the individualised procedures of national judicial systems.¹² The effect of TRIPS is that countries are now obliged to ensure their domestic laws conform to its requirements. Articles 44-48 provide for the availability of civil remedies including injunctions, damages, other remedies, right of information and indemnification of the defendant.¹³ It is therefore necessary for members to establish the availability of such within their own court systems.

The ability to obtain a restitutionary remedy – that is, the recovery of profits, is expressly allowed in TRIPS article 45:¹⁴

The judicial authorities shall have the authority to order the infringer to pay the right holder damages adequate to compensate for the injury the right holder has suffered because of an infringement of that person's intellectual property right by an infringer who knowingly, or with reasonable grounds to know, engaged in infringing activity.

The judicial authorities shall also have the authority to order the infringer to pay the right holder expenses, which may include appropriate attorney's fees. In appropriate cases, Members *may* authorise the judicial authorities to order *recovery of profits* and/or payment of pre-established damages even where the infringer did not knowingly, or with reasonable grounds to know, engage in infringing activity.

B Analysis of the Effect of Article 45 of TRIPS

Article 45.2 allows an award to an intellectual property right owner where a defendant is unjustly enriched.¹⁵ However, although recovery of profits is mentioned, the interpretation of Article 45.2 deserves discussion.

9 Ibid.

10 Along with NAFTA.

11 Anthony D Amato and Doris Estelle Long (ed) *International Intellectual Property Law* (Kluwer Law International, London, 1997) 323.

12 Ibid 15.

13 TRIPS Part III.

14 Emphasis added.

15 Implicit in Art 45.2 is that it allows courts to invoke the provision where an infringer has made a gain at the owner's expense, and it would be unjust to allow the infringer to benefit. (Refer to Goff and Jones presupposition discussed earlier - above, Part II A).

The comment to the drafting of TRIPS¹⁶ says that Article 45.2 'contains a "may" provision which allows WTO members to give their courts the power to award, *apart* from compensatory damages, recovery of profits made by the infringer...'¹⁷

It is notable that a 'may' provision often determines how something may be done if a WTO member chooses to do it. Second, it may point the way for further bilateral or multilateral talks.¹⁸

Accordingly the effect of Article 45 can be summarised as giving rise to two alternative remedies. First, Article 45.1 is a fault-based provision requiring WTO members to have within their legal structure means to provide adequate compensation. Therefore, where there has been a loss by the intellectual property owner he or she can expect compensatory damages to be available. This is evident by the word 'shall'. On the other hand Article 45.2 is optional. That is, domestic legal systems may allow recovery of profits but they are not required to make this remedy available. Hence, the effect of this is that if a state allows the recovery of profits it will not be in breach of TRIPS. Similarly, if a WTO member does not provide a restitutionary remedy for unjust enrichment it will not be in breach.

WTO members choosing to rely on Article 45.2 to allow the award of recovery of profits are provided with assistance to differentiate compensatory damages. Article 45.2 being available apart from Article 45.1, infers that proof of loss by the plaintiff is irrelevant. Moreover, unlike Article 45.1, Article 45.2 is expressly not a fault-based provision. Hence, the state of mind of the defendant is also irrelevant.

Proceeding on the distinction discussed, Article 45.2 could be invoked in the problematic situation where parties do not compete in the same market. Therefore the difficulty with assessing losses could be avoided by way of a restitutionary remedy. For example:¹⁹

in the case of the counterfeiting of prestige branded products, invariably the defendants are the producers of large quantities of inferior products which are sold to an entirely different class of consumer to those which purchase the genuine article. Infringement is undeniable, but the plaintiff will not directly have lost customers to the counterfeiter.

Hence, a country choosing to allow an award of profits under article 45.2 would not deprive the plaintiff of a remedy. The importance of this restitutionary remedy is evident. It seems inadequate that TRIPS does not 'require' countries to make it available.

16 Daniel Gervais (ed) *The TRIPS Agreement, Drafting History and Analysis* (2 ed Thomson Sweet & Maxwell, London, 2003).

17 *Ibid*, 299 (emphasis added).

18 *Ibid*, 294.

19 Professor Michael Blakeney (ed) *Trade Related Aspects of Intellectual Property Rights: A Concise Guide to the TRIPS Agreement* (Sweet & Maxwell, London, 1996) 129.

C Recommendations for Reforming TRIPS

Article 45.1 currently provides compensation for injury suffered. It has been argued that an alternative approach may have been to provide the option for the defendant to provide an account of profits. This would produce fairer outcomes in certain cases. For example:²⁰

obliging a counterfeiter of low quality products to disgorge [his or her] profits obviates the difficult calculation of the impact which the sale of those counterfeits may have upon the business of the [intellectual property] owner.

Alternatively, and perhaps an even more proactive change to TRIPS would be to change the word 'may' in Article 45.2 to 'shall'. Currently, a jurisdiction which chooses to measure damages based only on loss of competition under Article 45.1, would deny any award where the infringer is not a competing party or cannot establish loss. On the other hand a WTO member that chooses in a similar case to invoke Article 45.2, measuring purely gain to the infringer, might allow for full recovery. Although both WTO countries would be acting in compliance with TRIPS, the outcomes are far from consistent. It is difficult to see the goal of ensuring an appropriate balance between domestic flexibility and international consistency being achieved in regard to Article 45.2 as it stands. Allowing countries to choose whether or not to incorporate restitutionary remedies for unjust enrichment in their legal systems has diminished international consistency.

IV RESTITUTION IN DOMESTIC INTELLECTUAL PROPERTY LAW – A COMPARATIVE STUDY

Globalisation of trade has meant that states around the world aim to agree upon the same set of intellectual property standards as well as upon the remedies available for the enforcement of these rights.²¹ In addition, states are shifting to higher standards than previously prevailed in their domestic law – including sometimes the recognition of new rights.²²

Studies show that countries are demonstrating an increased interest in harmonising their national laws with those of leading developed countries.²³

As pointed out, it is not a mandatory requirement for jurisdictions to make recovery of profits available. Therefore the question arises whether there is nevertheless consistency in practice. The law of Germany, France, America, and England will be discussed and compared in response to this issue.

20 Ibid, 130.

21 See, Peter Drahos and Ruth Mayne (ed) *Global Intellectual Property Rights Knowledge, Access, and Development* (Palgrave Macmillan, New York, 2002) 1.

22 Ibid.

23 Amato; Long, above n 11, 9.

A Germany

1 Patents

The law of unjust enrichment concerning patents in Germany developed from tort law. Although the Patent Law of 1936 only provided for injunctions and damages where a patent right was infringed, the courts have allowed damages to be calculated in three different ways. The aggrieved party could base its damages on loss (for example a drop in sales), alternatively, payment of a reasonable royalty could be sought, or finally the owner could seek recovery of the infringer's profits.²⁴

For a long time scholars²⁵

debated the issue whether claims which led to the payment of a royalty or even the infringer's profits did not have to be categorised as restitution. The revised Patent Law of 1980 continued to classify the claims of a holder of a patent as damage claims, but in the meantime, the German Federal Supreme Court had decided this issue differently.

In addition to the special damage claims available under the Civil Code, restitutionary claims were allowed because:²⁶

a payment of damages is supposed to compensate for the obligee's loss of property; liability for unjust enrichment affects the profitable change in the obligor's assets. The plaintiff claiming damages is basically shifting his loss to the defendant responsible for the loss; the defendant must in this case compensate for the damages regardless of his own assets. In terms of the restitution of an enrichment, the defendant only has to surrender the benefits that have accrued to him...

2 Undisclosed information

In Germany the unauthorised use of another's idea is often seen as a form of unfair competition, hence the law governing unfair competition applies and therefore only claims for actual loss may be asserted.²⁷ Alternatively, in some instances, the plaintiff may claim the profits obtained based on

24 Schlechtriem, above n 5.

25 Ibid.

26 BGH 30 Nov. 1976, BGHZ 68, 90 (94); 24 Nov. 1981, NJW 1982, 1151 (1153); 24 Nov. 1981, NJW 1982, 1154.

27 Cf. BGH 17 May 1960, GTUR 1960, 554 (557); RG 10 March 1942, GRUR 1942, 352 (358).

impure *negotiorum gestio*.²⁸ However, this would only be invoked where the defendant has wilfully or intentionally used another person's idea without permission.²⁹

3 Trademarks

Following a substantial amount of case law, Germany has accepted that the unauthorised use of another person's trademark gives rise to unjust enrichment claims.³⁰

4 Copyright

The German legal system allows restitutionary remedies for infringement of copyright, including infringements without fault.³¹ A restitutionary claim is 'computed according to the usual, ie a reasonable, royalty which a licensee would have had to pay for the use of the protected work.'³²

5 Summary of the German law and Article 45.2

Germany recognises restitutionary remedies for infringement of patents, trademarks and copyright – hence, if Article 45.2 of TRIPS became mandatory, the German legal system would comply with its 'account of profits' requirements. However, it is notable that Article 45.2 of TRIPS is not a fault-based provision. Hence, whether someone acted wilfully or intentionally is an irrelevant inquiry. Consequently, current German law relating to undisclosed information which requires fault would be incompatible with reform of TRIPS article 45 proposed in this paper.

B France

1 Patents and trademarks

In French intellectual property law there are no express provisions on the calculation of damages in respect of patents.³³ However, most cases show that damage is to be compensated.³⁴ Even where the infringement is an invasion of the owner's commercial monopoly, loss must still be determined

28 *Negotiorum gestio* means an unrequested service to another person, who may be liable to pay for the cost of that service, in a situation of necessity. The paradigm is the action of a volunteer who deals with an emergency. "Impure" relates to officious interventions in the affairs of others.

29 Schlechtriem, above n 5, 54.

30 Ibid, 58. See: BGH 18 Dec 1986, BGHZ 99, 244 (246 ss) ("*Chanel No 5*"): claim for reasonable royalty.

31 Schlechtriem, above n 5, 65.

32 Fromm and Nordemann (-Nordemann) *Urheberrecht* (8 ed, Stuttgart, Berlin and Cologne 1994) 97 no 39.

33 Schlechtriem, above n 5, 50.

34 *Cf* Cass com 19 Feb. 1991, JCP (ed E) 1992.II.312; Cour Paris 22 Feb. 1963, Ann prop ind 1963, 284; Trib gr inst Paris 29 May 1986, Prop.ind.bull.doc. 1986.III.420 no 401; see also note *Agostini* on Cour Paris 10 July 1986, JCP 1986.II.20712; *Ripert and Roblot (-Germain)* no 500, 421 ss; *Chavanne and Burst* no 467, 268 ss; *Marx* 203 ss, 209, 210.

specifically, but can usually be measured by profits earned by the defendant.³⁵ Generally speaking, restitutionary claims have been rejected. However, the courts in assessing damages might look to profit gained by the defendant when calculating loss.³⁶

Similarly, trademark infringements only give rise to damage claims, however, " claim for a reasonable royalty may be considered to be within the prerogative of unassailable discretion of the judges of facts."³⁷ Loss is always a prerequisite.

2 *Undisclosed information*

There is little discussion in France concerning undisclosed information. However, there have been a few decisions in which restitution was awarded. For example, the Court of Appeal in Paris granted restitution to an employee whose unpatented invention had been exploited by his employer.³⁸

3 *Copyright*

In contrast to other forms of intellectual property, copyright is expressly protected against unjust enrichment.³⁹ The Court of Cassation granted:⁴⁰

a claim based on unjust enrichment by the heirs of the composer *Donizetti* for an accounting and surrender of profits against a defendant music publishing company, even though tort claims were barred by the statutes of limitations.

4 *Summary of French Law and Article 45.2*

French law is generally compensatory for infringement of patent and trademark rights; hence French law would require modification if TRIPS required the 'recovery of profits' to be available as a remedy.

As for breach of copyright or disclosure of confidential information, a plaintiff's claim for recovery of profits can be awarded, and therefore the court's power would be consistent with Article 45.2.

35 Schlechtriem, above n 5, 52.

36 Ibid.

37 Ibid, 59.

38 Cour Paris 8 Nov 1963, supra n 338 and *Chavanne and Burst* no. 423; cf the lower court Trib. Seine 8 Feb. 1962, J.C.P. 1962.II.12854 with note *Mousseron*.

39 Schlechtriem, above n 5, 68.

40 Ibid. See, Cass.civ 6 July 1927, S 1928. I 19 (22).

C *United States of America*

1 *Patents*

American writers regard infringement of patent rights as prompting restitution of the enrichment even though the patent law merely mentions damages.⁴¹

2 *Undisclosed Information*

In America, cases involving infringement of undisclosed information are dealt with under the law of unjust enrichment.⁴²

In *Matarese v Moore-McCormack Lines*,⁴³ the plaintiff had invented a method for unloading ships, which was later patented. The defendant, a former employer of the plaintiff, who had first been offered this method, used it without permission for years. The court awarded restitution in the amount of the reasonable value of the use, reasoning that the defendant's liability was based on unjust enrichment.

3 *Trademarks*

The American Trademark Act § 1117 "provides for a claim aimed at skimming off profits where a registered trademark has been infringed."⁴⁴ Palmer has characterised this claim as restitutionary.⁴⁵

4 *Copyright*

In America, copyright is also protected by restitutionary remedies.⁴⁶ The Copyright Act 1978 § 504 (b) "provides plaintiffs with claims for the defendant's profits, and the defendant has the burden of proving which part of his profits is attributable to factors other than the copyright work."⁴⁷ However, if an infringement occurs in good faith, the defendant may not be deprived of his

41 See eg Palmer *Law of Restitution* (Boston, 1978); *Restitution I* para 2.716, 90.

42 Schlechtriem, above n 5, 55.

43 158 F.2d 631, 170 ALR 440 (2 Cir. 1946).

44 Ibid, 59. For a USA case study of a national court formulating a decision in compliance with TRIPS provisions see: *Washington DC - Violation of IBM Trademark Results in \$3.3 Million Fine and Restitution for Chicago-Area Company* <<http://www.irational.org/APD/CCIPS/desktop.htm>> at 1 April 2005. This case demonstrates a calculation of recovery of profits purely on gain to the defendant – therefore the discretion under article 45 TRIPS was invoked. It was notable that no inquiry as to the plaintiff's loss of business was relevant to the restitutionary award.

45 Schlechtriem, above n 5, 59.

46 For an American text, see, G Palmer *The Law of Restitution* (Aspen Publishers Inc, United States, 1995).

47 Schlechtriem, above n 5, 67.

profits. Whether and to what extent recovery of profits can be granted in such case is at the judge's discretion.⁴⁸

5 *Summary of American Law and Article 45.2*

American law makes available resitutory remedies in all of the intellectual property areas discussed. However, the law relating to copyright would have to be amended if the availability of a 'recovery of profits' within American jurisdictions became obligatory under TRIPS. This is because under Article 45.2, good faith would not be a defence.

D England

1 *Patents and trademarks*

English law treats patents and trademarks as similar in that an account of profits can be sought under unjust enrichment but only after the plaintiff has elected not to claim damages in tort.⁴⁹ However, the distinction in regard to patents is that under the Patents Act 1977 (UK),⁵⁰ although account of profits is available, it is conditional upon the defendant's state of knowledge. That is, recovery can only be awarded if the "defendant knowingly infringed the patent."⁵¹

2 *Undisclosed information*

In *Peter Pan Manufacturing Corp v Corsets Silhouette Ltd*⁵² confidential information was taken advantage of by the defendant. The court awarded an account of profits to the plaintiff. The case is authority for the proposition that where there is an unauthorised use of confidential information, damages may be awarded based not on the plaintiff's loss but on the defendant's profit.⁵³

3 *Copyright*

English law provides an account of profits in the case of copyright infringements.⁵⁴

4 *Summary of English law and Article 45.2*

English law is similar to that of America in that 'recovery of profits' is available for infringement of patents, trademarks, undisclosed information and copyright. However, English patent law is

48 Ibid.

49 Ibid.

50 Patents Act 1977 (UK), s 62 (1).

51 Patents Act 1977 (UK), s 62 (1).

52 [1964] 1 WLR 96.

53 See, *Peter Pan Manufacturing Corp v Corsets Silhouette Ltd* [1964] 1 WLR 96.

54 Copyright, Designs and Patents Act 1988 (UK), s 96 (2).

problematic because recovery is dependent on the defendant's state of knowledge. As pointed out, this would be irrelevant in light of the proposed amendment to article 45.2 of TRIPS. Consequently, modification would be necessary in the event Article 45.2 were to impose a mandatory requirement.

E International Inconsistency – Concerns and Consequences

From the countries discussed, the domestic law show lack of international consistency because of the discretionary nature of TRIPS article 45.

Also, where a plaintiff's claim concerns multiple countries but only one recognises account of profits consistent with Article 45.2 of TRIPS, difficult questions of law will arise. These conflict of laws problems could be avoided if all countries recognised restitutionary remedies. The case of *Campbell Connelly & Co Ltd v Noble (Connelly)*,⁵⁵ is evidence of the time-consuming litigation and costs where the intellectual property laws of legal systems are in conflict. It is arguable that little has been achieved with TRIPS since *Connelly*. A drawn-out conflict of laws dispute could again arise because of Article 45.2.

International consistency is becoming more important with the promotion for freer trade and certainty. Business practice in the world today relies heavily on reciprocity within the global market. Hence, domestic laws should be counter-balanced with this long-term strategy in mind.

V CONCLUSION

This study has shown that currently, in the international sphere, recovery of profits under TRIPS is merely permitted as opposed to actively enforced or encouraged. Plaintiffs may be reliant on restitutionary remedies.

This study has also pointed out that while some developed countries make recovery of profits available in their systems, others do not, or they place limitations on recovery of profits. The trend towards globalisation and the increasing policy recognition of rights to restitutionary remedies supports the need for an international regime to provide for the recovery of profits.

There is a real need to make available recovery of profits, especially in relation to plaintiffs who are unable to show loss. There are therefore persuasive arguments in favour of reforming TRIPS. Article 45.2 should be amended as follows:

The judicial authorities shall also have the authority to order the infringer to pay the right holder expenses, which may include appropriate attorney's fees. Members *shall* authorise the judicial authorities to order recovery of profits in appropriate cases and/or payment of pre-established damages even where the infringer did not knowingly, or with reasonable grounds to know, engage in infringing activity.

55 [1963] 1 WLR 252. This case involved United States and English copyright law in respect of a popular song. It was not a restitution case.

TRIPS, with a 'may' provision in respect of recovery of profits, to a large extent undermines the rights of intellectual property owners.

The proposed amendment strikes a balance between judicial obligation and judicial discretion.⁵⁶ This is because, in effect, the article as amended would provide that recovery of profits must be an option available for the courts to award in appropriate circumstances.

⁵⁶ The article leaves the words "in appropriate circumstances" but shifts them. In the original TRIPS article the words "in appropriate circumstances" appear as follows: "In appropriate circumstances Members..." The article makes the award a mandatory option by the word 'shall'.

