

Law Lore & Practice

PTMG



Pharmaceutical
Trade Marks Group

June 2008



Editorial

How Green is Green ?

Returning from the Emerald Isle after a successful PTMG conference, travelling through Normandy to attend the Paris Committee meeting and watching my three-year-old experiment with primary colours lead me to think once again about the importance of colours in communication.

Ancient civilisations and religious iconography used the power of colour as their main tool for teaching. Marketing people today build worldwide advertising campaigns around a particular Pantone number. Companies whose entire equity relies on the defence of their colour trade mark(s) and trade dress shudder as look-alike products play the 'painting by numbers' game so popular with children.

And yet, if you ask a group of people to close their eyes and picture

the colour green, no two people will conjure up exactly the same shade. Abbreviated, shortcut, SMS-type communication is the future we are told, but is it truly the most foolproof way of transmitting information?

The 21st century's justified obsession with environmental issues is giving an exaggerated importance to the colour green. And yet the catchphrase 'how green is your footprint?' leaves aside vast chunks of our planet where good husbandry of the earth's resources should in fact result in more blue or more yellow !

My special thanks to Derek Rossitter for sharing with *LL&P* readers the speech he made in Dublin for those of us who missed hearing it read out. Such is the quality of Derek's storytelling that I can only but recommend his recently re-published work of poetry (details on page 11).

I trust that you enjoy this edition and wish you all a good break, be it summer or winter.

Vanessa Parker

Similarity of pharmaceutical trade marks in OHIM opposition proceedings

Adrian Smith and Jenny Barker, Simmons & Simmons, London

There have been a number of Court of First Instance decisions in recent years considering the issue of similarity of goods for trade marks registered and applied for in respect of pharmaceutical products. For example, in the *ALREX/ARTEX* case, the CFI found that for pharmaceutical products, both medical professionals and the end consumer will be deemed to be the 'relevant public' for that analysis. In that case, ophthalmic preparations were held to be similar to pharmaceuticals in the cardiovascular field.

A more recent decision of the CFI (*AMS Advanced Medical Services GmbH v OHIM*, 18 October 2007) has gone further to find similarity between a trade mark registered for medical devices and a trade mark applied for in respect of medical research and other services.

The AMS word mark was registered in respect of various surgical products in Class 10 (including 'surgical instruments; medical devices for the control of urological disorders and impotence; prosthetic articles'). This mark was the basis for opposition to a CTM application in Classes 5, 10 and 42.

The Class 5 goods in the CTM application included 'pharmaceutical preparations; plasters and materials for dressings' and the Class 42 services included 'hospitals; ...medical care; ...medical, bacteriology and chemical research...'.

It is perhaps not too surprising that the CFI agreed with the Board of Appeal's decision that the goods in Class 5 should be regarded as similar to the Class 10 goods of the existing AMS registration. The court observed that the Class 5 goods of the applied for mark 'are in either a complementary or a competitive relationship' with the Class 10 goods of the earlier mark. So, for example, pharmaceutical and sanitary preparations are generally used in the context of surgical operations to fit prostheses.

More surprising, however, were the court's findings with regard the Class 42 services of the application. Here, the court found these services to be similar to the Class 10 goods of the earlier mark. The justification given for this was that medical, bacteriology and chemical research and tests 'have close links' with medical devices. Furthermore, medical apparatus and articles such as prostheses

are 'normally provided within the framework of medical services such as hospitals'. Finally, scientific and industrial research of various kinds 'can be carried out in the same field' as that of the Class 10 goods covered by the earlier mark.

This decision would suggest that the CFI is more likely to decide that goods and services are complementary and therefore similar for the purposes of trade mark opposition proceedings in pharmaceutical cases as compared with other industry sectors. This is perhaps due to the high degree of specialisation in this sector and the fact that (as stated by the Board of Appeal in this case) medical professionals using surgical instruments and medical devices are aware that the pharmaceutical undertakings which manufacture medical instruments usually also operate in the fields of research and development.

Whilst this decision is beneficial to pharmaceutical/medical device companies insofar as it affords broad protection to their existing registered marks, it has the definite disadvantage of potentially making the task of identifying and clearing new brands for pharmaceuticals even more difficult than is already the case.

Trends, tricks and travails: negotiating RCDs in the pharmaceutical industry (Part 2)

David Stone (Partner) and Lisa Ritchie (Associate), Howrey LLP, London

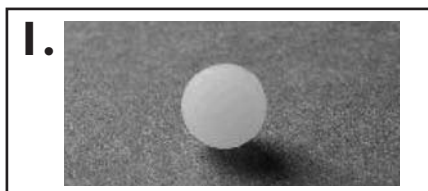
In Part 1 of this article in the March 2008 edition, we discussed some Registered Community Design (RCD) filing trends in the pharmaceutical industry and some of the creative ways that the system is being used by pharmaceutical companies. This second part turns to a discussion of design invalidity decisions and some tips for obtaining strong, enforceable design registrations.

Validity

It is axiomatic that, to be enforceable, an RCD must be valid. What concerns many practitioners who are not familiar with the system is, of course, that RCDs are not examined on relative grounds: OHIM's examination is restricted to formal requirements and an assessment of whether the design is contrary to public order or morality. This means that there are RCDs on the register (perhaps even many RCDs on the register) that are invalid.

(Some practitioners take the view that, because RCDs are not substantively examined, they should only be given a narrow scope of protection – this argument has found some favour in the Court of Appeal in England & Wales. It is worth reminding these practitioners that copyright and unregistered design rights, and now trade marks in much of Europe, are not examined on relative grounds.)

Take for example, RCD no. 666185.-0001 in Locarno Class 28.01 for 'pills' that is, in our view, likely invalid (Fig 1):



Should pharmaceutical companies who wish to produce round pills (or perhaps already do so) wait to receive a cease and desist letter, or should they commence invalidity proceedings before OHIM? (It should be remembered that, as RCDs give protection against use of the design on any product, a pingpong ball ought to be sufficient to invalidate this RCD.) The danger, of course, is that RCDs, like CTMs, can be relatively easily notified to customs authorities across the EU, and form the basis for seizure of infringing goods. There will be no opportunity to test the validity of the RCD until some time after the goods are seized, which may be sufficient time to disrupt the supply chain, particularly for a new product. In many cases, therefore, we recommend commencing invalidity proceedings before OHIM, rather than waiting to test validity in court.

OHIM invalidity proceedings

Invalidity proceedings are commenced

before OHIM by filing an application form and evidence of the prior right or design that invalidates the RCD. If the application for invalidity is successful, the invalidity filing fee of 350 euro is refunded, together with a small amount of costs. The process is relatively quick and cost effective – there is no hearing.

Of the more than 300 decisions on invalidity to date, over 80% have been based on Article 25(1)(b) of the Regulation – that is, that the RCD is not 'new' and of 'innovative character'.

'New' and 'innovative character'

A design will be 'new' if no identical design has been made available to the public. Designs will be considered to be identical if their features differ only in immaterial details. Decisions have interpreted these provisions so as to give 'identical' its ordinary English meaning – the designs must be very close indeed. A mirror image is not identical (ICD [Invalidity Decision on Community Designs] 1832) or differing colours or trade marks will render a design not identical (ICD 8671, although compare ICD 1329, which is probably wrong on this point).

In addition to novelty, a valid RCD must have 'individual character'. A design is considered to have individual character if the overall impression it produces on the informed user differs from the overall impression produced on such a user by any design which has been made available to the public. There are several concepts in this definition that have exercised tribunals to date, and will continue to do so until the ECJ provides some clarity.

Much debate has focussed on who the 'informed user' is: there is general agreement that he (or, for the last time, she) is not a person skilled in the art, a person in the street, a mere end-user or the average consumer that practitioners are familiar with from trade mark law.

Rather, he is a legal construct – a user of the product, but imputed with additional information and knowledge, particularly relating to awareness of the design corpus, the industrial sector to which the product belongs and the degree of design freedom available to the designer in developing the design.

In the pharmaceutical sector, we consider that the informed user of over-the-counter medicines will be the purchasing patient. This would be the case for the



RCDs for pharmaceutical packaging in Locarno Class 9.03 (Fig 2):

It is unlikely that the informed user of a medicine for children is a child – it is more likely to be the parent or guardian who provides the medicine to the child (see, for example, ICD 1410).

There are no invalidity decisions on prescription medicines at this point in time, but we consider that it is likely that the informed user remains the patient, and not the prescribing doctor – we do not consider that the product is 'used' in the course of prescribing it.

The informed user for the pharmaceutical product shapes and packaging (discussed in Part 1 of this article and reproduced as Fig 3) is likely to be the purchasing patient. The situation may well be different for medical devices, equipment or preparations used in the operating theatre. For example, the informed user for the designs in Fig 4 is likely to be a medical practitioner, imputed with more detailed knowledge than the end patient.

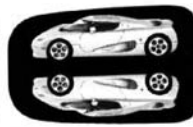
For devices placed into the human body during surgery, it is likely that the informed user is the patient, but, again, with imputed knowledge that might more readily be found in a more expert practitioner (Fig 5).

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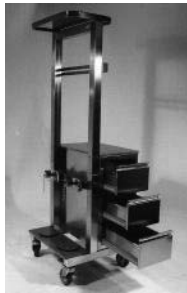


RCD no. 105044-0002 in the name of Glaxo Group Limited in Locarno Class for 'inhalers, dispensing devices'

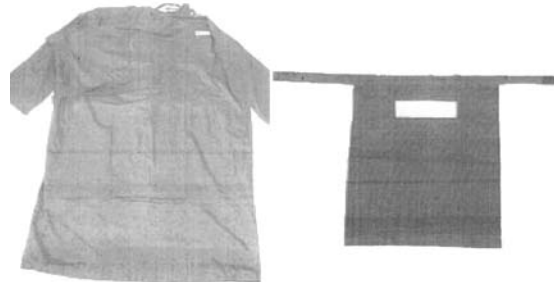


RCD no. 35233-0001-6 in the name of Pfizer Inc in Locarno Class 24.02 for 'ornament for syringes intended for personal use'

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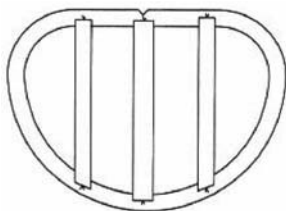


RCD no. 89305-0006 in the name of Angelo Franceschini Srl in Locarno Class 24.01 for 'fixed hospital installations'



RCD no. 176441-0001 in the name of Lancashire Teaching Hospitals NHS Trust in Locarno Class 02.02 for 'surgery apparel, nurses apparel' (etc).

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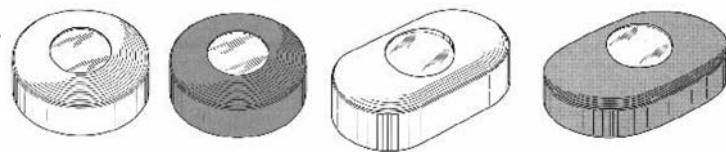
RCD no. 861927-0001 in the name of Bernal Marco, Jose Manuel in Locarno Class 24.03 for 'prosthetic rings for heart surgery'

The 'overall impression' created on the informed user, and whether it differs from the overall impression created by another design, will lie at the heart of most invalidity proceedings (and, indeed, most enforcement actions). As yet, there is no agreed way for undertaking this exercise. Some tribunals start by listing the similarities, others by listing the differences. The Austrian Supreme Court considers that the difference of one feature is enough to create a different overall impression – a decision that is likely wrong. The test is the 'overall impression', and not a fragmented comparison of details. What is clear to us is that the greater the abstraction and/or attempt to describe physical characteristics in words, the greater the likelihood of a result that seems contrary to the intention of the Regulation. With four RCD cases currently pending before the Court of First Instance, it is hoped that guidance will be provided shortly.

Prior designs

Novelty and individual character are assessed against designs previously made available to the public. A design will have

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been made available to the public if it has been published, exhibited, used in trade or otherwise disclosed, except where these events could not reasonably have become known in the normal course of business to the circles specialised in the sector concerned, operating within the Community. Put simply, worldwide novelty is required, except in relation to obscure designs.

Tribunals have interpreted this broadly – we are unaware of any decision where a disclosure has been held to be too obscure to become known within the Community. Decisions have accepted the disclosure of published foreign patents (ICD 594), trade marks (ICD 362) and designs (ICD 420) (although not mere applications ≠ the image must be published – ICD 735), publication in newspapers and magazines (ICD 1329), exhibition of the product at trade fairs (ICD 867) and sending a fax showing the design to a customer (ICD 552).

Where many applications for invalidity have failed has been in not properly evidencing the disclosure – OHIM has no ability to take 'judicial notice' of even very obvious or well known prior disclosures. Care must therefore be taken to meet OHIM's somewhat idiosyncratic evidentiary rules, particularly about evidencing the date of disclosure.

Disclosures evidenced by Internet webpages have been particularly difficult. This will hopefully be made easier by ICD 3184, which recognises the usefulness of the Wayback Machine for proving disclosure (see www.archive.org).

What can be learned?

- When filing an RCD, give consideration to what elements it is intended to protect. Given the 'bulk discount' provided for multiple filings in the same Locarno Class, consider filing several designs, perhaps some claiming colour, others claiming only part of the product (using dotted lines). Variations in shape can also be filed. See, for example, the 18 variations filed as RCD no. 620760 in the name of Glaxo Group Limited in Locarno Class 28.01 for pharmaceutical tablets, including the four designs in Fig 6.
- Whilst design searching is costly and not complete (particularly given the requirement for worldwide novelty), having a mind to prior designs enables a company filing RCDs to avoid some of the more obvious earlier designs.
- In practice, line drawings probably offer

a broader scope of protection than do photographs of the product itself.

- Take care when classifying the design: it is the informed user of the product set out in the design classification that will be used to assess validity of the RCD. Whilst the classification does not impact on what prior designs can be cited (see the well-reasoned decision of the Court of Appeal of England & Wales in *Lane Products Ltd v PMS International Group Plc & Ors* (EWCA Civ 358 [2008]), the identity of the informed user may well impact on validity.
- The Board of Appeal has held that OHIM cannot dictate to a party the wording of a classification (*Casio Keisanki Kabushiki Kaisha, Case R 1421/2006-3*). For ease and cost effectiveness of translation, OHIM (rightly) tries to harmonise classifications. However, they cannot make a party adopt their suggestion.

RCD practice continues to develop, and some aspects remain in the "trial and error" phase at present. What is clear, however, is that RCDs can be an effective tool for protecting pharmaceutical products, as well as their packaging and branding. RCDs are now an essential part of any IP portfolio.

ECJ airs its view in O2 decision

O2 Holdings Limited & O2 (UK) Limited v Hutchison 3G UK Limited, Case C-533/06, ECJ 12 June 2008

Carly Mansell, Trade Mark Counsel, GlaxoSmithKline, UK

The ECJ has confirmed that trade mark owners may bring trade mark infringement action against comparative advertisers where a likelihood of confusion exists. However, the scope for such infringement action may be narrow in a comparative advertising context, particularly given the ECJ applied a contextual test, such that matter extraneous to the signs is relevant when considering similarity and likelihood of confusion.

Facts

O2 launched its O2 brand in May 2002, and heavily promoted it with bubbles included in most advertising as a key feature.

In March 2005, Hutchison launched a series of television advertisements comparing the price of its mobile phone services with those offered by O2 and other competitors. The relevant advertisements featured moving pictures of bubbles in water, which O2 claimed infringed certain of its UK trade mark registrations for static images of bubbles. The bubbles were similar, but not identical, to O2's trade mark registrations.

O2 also claimed the bubbles were unnecessary to make the comparison, so took unfair advantage of the reputation of its trade marks contrary to Art 3a(1)(g) of the Comparative Advertising Directive 97/55/EC ('CAD'). Therefore, any corresponding defence to infringement would not apply.

It was conceded that the price comparison in the O2 advertisements was not misleading and the advertisements as a whole did not suggest a trade connection between the parties.

High Court

O2's infringement action was dismissed at first instance. On 23 March 2006, the English High Court held that Hutchinson's use of the bubbles was infringing use under Art. 5(1)(b) of the Trade Marks Directive 89/104/EEC ('TMD'). Lewison J found that the functions of a trade mark registration go beyond protecting the guarantee of origin – also entitling the owner to protect the 'image' of the trade mark (among other things). However, he held that a 'defence' applied under the CAD, because the use complied with the permissive comparative advertising conditions set out in the CAD.

Court of Appeal

According to Jacob LJ in the Court of Appeal, the use of a trade mark by a comparative advertiser is not trade mark infringement because it does not interfere with the essential function of a trade mark, being the guarantee of origin. Even if it did,

Jacob LJ felt it would fall within the Art 6(1)(b) defence of the TMD (descriptive use).

He also believed there was no indispensability requirement in the CAD. Even if there was, it would not be a breach of this condition to use a sign similar (but not identical) to the registered mark.

However, he referred three questions to the ECJ for clarification, namely [paraphrasing]:

1. Is the use of a trade mark by a comparative advertiser covered by Arts 5(1)(a) or (b) of the TMD if that use does not cause confusion or otherwise jeopardise the essential function of the trade mark as an indication or origin?
2. Where a comparative advertiser uses the trade mark of a competitor, must that use be 'indispensable' in order to comply with Art 3(a) of the CAD? If so, what are the criteria for indispensability?
3. If there is a requirement of indispensability, does that requirement preclude any use of a sign which is similar but not identical to the trade mark?

Jacob LJ thought the answer to each question was 'no'.

ECJ decision

(a) Use in relation to the advertiser's goods

The ECJ held that use by a comparative advertiser of a sign identical with, or similar to, a competitor's trade mark may constitute relevant use within the meaning of Articles 5(1) and (2) of the TMD (para 33).

Such use can be regarded as use for the advertiser's own goods and services for the purposes of the infringement provisions (para 36) and may be prevented by virtue of those provisions (para 37). This aspect was a clear departure from the Advocate General's opinion and seems consistent with the wide view taken of 'use' for goods in *Adam Opel, Case C-48/05, 25 January 2007*.

(b) 'Defence' for comparative advertising

The ECJ confirmed the Advocate General's opinion that a trade mark owner is not entitled to prevent the use of its trade mark in comparative advertising where all of the permissive conditions of Article 3(a) of the CAD are met (para 45).

This interpretation was not linked to the existence of a defence in the TMD for comparative advertising (e.g. Art 6(1)(b)), but was seen by the ECJ as a necessary interpretation to reconcile the two

Directives in accordance with the legislative intent behind the CAD to stimulate competition and inform consumers.

(c) Infringement action possible where likelihood of confusion exists

The ECJ held that where there is a likelihood of confusion (for the purposes of Article 5(1)(b) of the TMD), the permissive condition in Article 3a(1)(d) CAD (prohibition on confusion) is not met. Therefore, the trade mark owner will be entitled to prevent the use of a sign which is identical/similar to its trade mark under trade mark infringement laws, provided the other conditions required for infringement are present.

This decision assumes there can never be a gap between Article 5(1)(b) of the TMD and Article 3a(1)(d) of the CAD – the same interpretation must be given to the term 'confusion' in both provisions (para 49). Interestingly, Lewison J in the High Court found such a gap did exist because he found infringement by means of the use of confusingly similar trade marks, but found that overall the comparative advertisement was not confusing and was compliant with the CAD. The ECJ has taken the view that the entire context of the use ≠ including matter extraneous to the signs themselves – must be taken into account when determining similarity and likelihood of confusion for the purposes of Art 5(1)(b) infringement. It is not a simple mark for mark comparison. So, Lewison J's view on the likelihood of confusion issue may be changed by the Court of Appeal which must now apply the ruling.

The ECJ did not decide on questions 2 and 3, although the Advocate General considered there was no requirement of indispensability in the CAD.

Trade mark use issue

The ECJ has not disposed of the need for the use of a sign to jeopardise the essential functions of a trade mark in order to be infringing or for it to be 'trade mark use'.

In the O2 decision, the ECJ has simply confirmed that use of a sign in a comparative advertising context fulfils the 3rd limb of the Art 5(1)(b) infringement test, being that it must be use in respect of identical/similar goods/services. Use for the advertiser's goods can still be trade mark use as it is use to identify source – albeit the source of the trade mark owner's goods in respect of which the comparison is being made.

The 4th limb must still be satisfied for Art 5(1)(b) infringement to occur, i.e. the use must be liable to affect the essential

continued on page 7

Members' News

Another busy few months on the membership front. We now have more members than ever before!

New Members

We are delighted to welcome the following new members to the Group:

Lisa Reynolds of Ridout & Maybee LLP, 100 Murray Street, Ottawa, Ontario K1N 0A1, Canada

Katarina Nilsson of Eqvarium, PO Box 27117, SE-10252 Stockholm, Sweden

Karel Bentata of Bentata Abogados, Torre Las Mercedes, Piso 2, Chua, Caracas, Venezuela

Abida Chaudri of Bristows, 100 Victoria Embankment, London EC4Y 0DH, England

Laurel V. Dineff of Dineff Trademark Law Limited, 160 North Wacker Drive, Chicago, Illinois 60501, USA

Eran Soroker of Soroker-Agmon, Nolton House, 14 Shenkar Street, Herzliya Pituach, 46725, Israel

Frances M. Jagla of Leydig, Voit & Mayer, Ltd, 1420 Fifth Avenue, Suite 3670, Seattle, WA 98101-4011, USA

Anthony Tejuoso of A A Tejuoso & Co. with offices at 1 Harley Street, London W1G 9QD, England and The Royal Chambers, 23/29 Abibu Oki Street, PO Box 8842, Lagos, Nigeria

Frank Meixner, Thomas Quack, Mariarosaria Lambertino, Kristina Kersten and **Marina Bloch** of Bayer AG, BBS-LP-TM, Building Q26, D-51368 Leverkusen, Germany

Dr. Raffaella Balocco Mattavelli of World Health Organization, 20 Avenue Appia, CH-1211 Geneva 27, Switzerland

Sindre-Jacob Bostad of Plougmann & Vingtoft, PO Box 1003 Sentrum, 0104 Oslo, Norway

Vanja Kovacevic of Divjak, Topic & Bahtijarevic of Eurotower, Ivana Lucica 2A, 10000 Zagreb, Croatia

Pascale Lambert of Cabinet Pascale Lambert & Associes, 18 avenue de l'Opera, 75001 Paris, France

Sarah Jeffery of GlaxoSmithKline, GSK House, 980 Great West Road, Brentford, Middlesex, TW8 9GSW, UK

Stephen Stolfi of CT Corsearch, 345 Hudson Street, 16th Floor, New York, NY 10014, USA

Dr. Mathias Kleespies of Vossius & Partner, Sieberstrasse 4, D-81675, Munich, Germany

Maureen Daly of Beauchamps Solicitors, Riverside Two, Sir John Rogerson's Quay, Dublin 2 Ireland

James Dunne of Field Fisher Waterhouse LLP, 35 Vine Street, London EC3N 2AA, UK

Prof. Dr. Axel Nordemann of Boehmert & Boehmert, Meinekestrasse 26, 10719 Berlin, Germany

Katy Cullen of Walker Morris, Kings Court, 12 King Street, Leeds, LS1 2HL, UK

Dr. Peter Harrison of Walker Morris, Kings Court, 12 King Street, Leeds, LS1 2HL, UK

Magnus Friberg of Setterwalls Advokatbyra Malmo AB, Stortorget 23, SE-211 34, Malmo, Sweden

Frederick Mostert of Richemont, 15 Hill Street, London, W1J 5QT, UK

Amy Brosius of Fish & Richardson PC, 225 Franklin Street, Suite 3200, Boston, MA 02131 USA.

Kathryn Eyster of Womble Carlyle Sandridge & Rice, 150 Fayetteville Street, Suite 2100, Raleigh, NC 27606, USA

Sarah Hanson of CMS Cameron McKenna LLP, Mitre House, 160 Aldersgate Street, London, EC1A 4DD, UK

Maija Mecberga of Joint Stock Company "Grindeks", Krustpils iela 53, Riga, LV-1057, Latvia

Kayin Pang of Nederlandsch Octrooibureau, PO Box 29720, 2502 LS Den Haag, The Netherlands

Robert Buchan of Maclay Murray & Spens LLP, Quartermile One, 15 Lauriston Place, Edinburgh, EH3 9EP, Scotland, UK

Dr. Sebastian Rengshausen, of Miller Rechtsanwalte, Kaiser-Joseph Strasse 260, 79098 Freiburg, Germany

Teresa Faggiano, of Zambon SpA, Via Lillo del Duca 10-20091 Bresso, Milan, Italy

Rob Davey of Thomson CompuMark, 100 Avenue Road, London, NW3 3PF, UK

Sanja Stevsic of Karanovic & Nikolic, Lepenicka 7, 11 000 Belgrade, Serbia

Dr. Martin Wirtz, of Boehmert & Boehmert, Benrather Schlossallee 53, 40597 Dusseldorf, Germany

Dima Naber of Abu-Ghazaleh Intellectual Property, PO Box 921100 Amman 11192, Jordan

Susanne Groschel-Jofer of Sandoz International GmbH, Industriestrasse 25, D-83607 Holzkirchen, Germany

Rebekah Gay of Shelston IP Lawyers, Level 21, 60 Margaret Street, Sydney, NSW 2000, Australia

Dominique Mallo, of Hirsch & Associes, 58 avenue Marceau, 75008 Paris, France

Gerard-Gabriel Lamoureux of Hirsch & Associes, 58 avenue Marceau, 75008 Paris, France

Moves and Mergers

Sobczyk Kacperski Borecka (member is **Anna Sobczyk**) is now known as Anna Sobczyk & Partners. The mailing address remains unchanged

Med-ERRS (member is **Susan Proulx**) has moved its office to 200 Lakeside Drive, Suite 200, Horsham, PA 19044, USA

Dr. Giuseppe Cuccia has established his own firm, Studio G P Cuccia and can be found at Corso di Porta Romana 23, 20122 Milan, Italy

Denys Kalden has moved from Nederlandsch Octrooibureau to Verenigde at Johan de Wittlaan 7, PO Box 87930, 2508 DH The Hague, The Netherlands

Dr Alexander Miller can now be found at Patentbuero Paul Rosenich AG, Buero-und Gewerbezentrum BGZ, LI-9497 Triesenberg, Liechtenstein

Gonzalez-Bueno & Illescas (member is **Pablo Gonzalez-Bueno**) have moved their office to Calle de Recoletos 13, 5 Izq., 28001 Madrid, Spain

Abu-Setta & Partners (member is **Jihad Al-Kharouf**) have moved their office to Office No. 401, Al-Hijaz Towers, 158 Makkah Road, West Al-Haramain Intersection, Amman, Jordan. Their postal address (PO Box 910580, Amman 11191) remains unchanged

Klos Morel Vos and Schaap (members are **Chantal Morel** and **Gregor Vos**) have moved to Weteringschans 24, 1017 SG Amsterdam, The Netherlands

Fran Jagla has joined the Seattle office of Leydig, Voit & Mayer, Ltd, at 1420 Fifth Avenue, Suite 3670, Seattle, WA 98101-4011, USA

Retirements

Art Silverstein, a long time supporter of the Group, retired from Pfizer at the end of last year, after 18 years service. He is intending to spend some well earned time enjoying personal pursuits but I am pleased to say that we will continue to see him at our conferences, as he remains active in trade mark practice.

Where are they now?

Copies of the last edition of *LL&P* addressed to the following members have been returned. Do you know where they are now? If so, please let me know.

Karen Messick of Kos Pharmaceuticals, USA

Jens-Holger Stellingner of Chas. Hude A/S, Denmark

Francesca Querci della Rovere of Edward Evans Barker, UK

Lars-Erik Bengtsson of AlbiHns Goteburg AB, Sweden

Per Vegard Bergheim of Zacco Norway AS, Norway

Godwin Richards of Chambers of Godwin Richard, Nigeria

Chinyere Okorocho of Etti Edu & Co, Nigeria

Dr. Jur York-Gero v Amsberg of Herrman-Trentepohl Grosse Bockhorni & Partner, Germany

Please remember to let us know of any changes to your contact details. You can notify me either via the PTMG website www.ptmg.org or directly to Lesley@ptmg.org or by writing to me at Tillingbourne House, 115 Gregories Road, Beaconsfield, Bucks, HP9 1HZ

Lesley Edwards
PTMG Secretary

Creating, building and maintaining brand equity

30th March 2008

Emerging from Dublin airport to be greeted by almost monsoon conditions, I was happy to be whisked by airbus to the luxurious haven of the Four Seasons Hotel in Ballsbridge, my home for the next few days.

After investigating the delights of the basement spa, I joined up with fellow PTMGers in the bar for pre-dinner drinks. Over an excellent dinner we caught up with friends old and new. Our esteemed founder Derek Rossitter entertained us in his inimitable style with his reminiscences of a boyhood family trip to the seaside, 80 years ago. (If you missed it, see page 8.)

31st March 2008

The serious conference business began on Monday afternoon, when everybody congregated for registration and refreshments, following a bright sunny morning's sightseeing, relaxing or travelling. (For me it was yet another visit to the spa.)

Sue gave a warm welcome to 258 delegates from 44 countries, and our ears certainly pricked up when she gave us strict instructions to gather later that evening in the hotel's Ice Bar. Apparently Dublin's coolest night spot was to be opened exclusively for us.

Gregor Vos of Klos, Morel, Vos & Schaap was given the dubious honour of being our first speaker, with the broad and somewhat daunting remit of giving an **International review of recent, significant cases**. He rose to the challenge admirably, with a comprehensive and informative view of recent cases concerning non-traditional types of marks. Gregor began with the plethora of 'tablet' cases, and observed that, because of the bias against non-traditional types of mark it is probably the end of the road for these categories of marks. Later, having given us useful observations on many diverse cases, he made the shrewd observation that "before harmonisation some things were certain, yet following

drinks reception we were taken through to the dining hall where we dined on long refectory tables, watched over by imposing portraits of past Chancellors of Trinity. The scene was rather Harry Potter-esque, and we almost expected Dumbledore and the magic hat ceremony! After an excellent dinner we were treated to an impressive show of Irish dancing by the group Celtic Mist. Exhausting to watch. As things hotted up at Trinity, it was only fair to adjourn to the Ice Bar to cool off, and as the hotel had opened the bar on the proviso of a minimum spend, we couldn't let Lesley down!

Tuesday 1st April

Day two dawned, for some, bright, and for others, far too early, with the exciting and eagerly awaited announcement of the venue for the Spring Conference 2009 – Geneva, and in the ski season too; I predict a record turn-out!

We were then treated to perspectives from both sides of the pond on the creation and launch of a new pharmaceutical brand.

Brannon Cashion of Addison Whitney threatened us with more Irish dancing, but then led us through the fancy footwork that is the strategy and best practice of brand creation. Brannon gave us some useful tips on managing our marketing and executive teams as well as the brand creation process itself.

The European perspective was given by **Uday Bose** of GSK. Uday is a brave man, being an EU Marketing Director alone at a trade mark conference. Undaunted by such an audience, Uday gave us a valuable insight into the marketing approach to the brand creation process.

Next, more tea, and delicious pastries which, for the lazy amongst us, were actually a welcome breakfast.

Then came a fascinating and, if you'll excuse the pun, eye-opening, presentation by **Anthony Sauermann** of Allergan, on the challenges faced by his legal team in maintaining and protecting the BOTOX brand. Anthony gave an enthusiastic and dynamic talk covering all aspects key to the protection of a modern brand icon.

Frederic Mostert of Richemont led us up to lunch with his perspective on maintaining value in a famous brand. Frederic is also an ambassador of the campaign Fakes Cost More, and with this hat on he took us into the unnerving world of counterfeit activity and current efforts including celebrity endorsement of ground-breaking campaigns to raise awareness of this global issue.

More networking ensued, before an excellent long lunch. **Gordon Wright** of Elkington & Fife was given the graveyard slot, and met the challenge head-on, with a highly entertaining and interactive tour of



Re-elected for the coming year: Sean, Sue, Richard and Lesley



Deep in conversation: Frederic Mostert and Shlomo Cohen



A delightful dinner at Trinity Hall

The formalities of the AGM were swiftly dispensed with by **Richard Heath**. We saw Sue re-elected as Chairman, and Sean Brosnan and Lesley Edwards as Directors for another term. If only all elections were this efficient! Once Sue and Lesley had given their respective reports, the serious part was over and the task of educating and entertaining us began in earnest.

harmonisation certain things are probable".

Next, **Jeremy Phillips** gave the Alan Cox Memorial Lecture on Trade Marks and INNs. He generated some hilarity and perked us up (sorry!) with the notion of VIAGRA being licensed for office functions, tapioca and beer. Once we had been reminded of the role and importance of the INN (not many of us knew the term 'moulded plastic flying disc') and the greater importance to our daily professional lives of the speaker's blog (www.ipkat.com), it was time for yet more tea. During the exchanges that ensued, all agreed that Jeremy had remained true to Alan Cox's spirit in the tone of his lecture.

Later that evening, coaches took us the few miles to Trinity College at the heart of Dublin. There, we tottered through the rain over cobblestones, feeling rather old and decidedly overdressed amongst the Trinity students, to reach our venue for dinner, the esteemed Trinity Hall. Following a lively

continued on the next page



Left to right, Uday Bose, Brannon Cashion, Gregor Vos and Anthony Sauermann

non-traditional trade marks. Gordon conducted his own taste-test experiment and had a surprising number of delegates craving their 15 minutes of fame and being willing to try his broccoli-tasting paper strips. Our levels of attentiveness were tested with Gordon's April Fool test, of the mark which is not actually a mark – did any of you figure it out? Answers on a postcard (to Gordon) please.

Gordon was followed by **Joshua Braunstein** of CT Corsearch who took us through the complexities of trade mark searching.

Joshua gave us numerous handy hints and several sites worth adding to your favourites: www.dogpile.com; www.webarchive.org; www.drugs.com; and www.rxlist.com.

Rosina Baxter of Reckitt Benckiser finished off with her perspective on searching and clearing brand icons.

All that remained were thank-yous from Sue to Lesley Edwards and to the BI team, and from Alan Hunter to Sue. The delegates then had their last tea and card-exchange

ceremony, before wending their ways home, to the airport, or for many, to the next conference.

I know that I am not alone in returning home with a warm glow brought on by an entertaining and enjoyable couple of days spent in the company of old and new friends. PTMG is an event which is more of a mini-break than a professional chore, long may it continue!

Natalie Brindel

ECJ airs its view in O2 decision – continued

function of the trade mark, being to guarantee the origin of the goods/services, by reason of a likelihood of confusion on the part of the public (para 57).

Presumably, in an Art 5(1)(a) case, where there is a breach of the CAD, there may also be infringement but only if the guarantee of origin (or other functions of the trade mark) are affected - either due to a likelihood of confusion or some other factor.

However, this seems to leave little room for trade mark owners to take infringement action. In *Adam Opel*, the ECJ found it relevant that the public did not see the use of the sign as an indication the products came from Adam Opel. In such cases, it held the use would not affect the essential function of the trade mark, and therefore would not infringe Art 5(1)(a). In that case, Adam Opel did not claim that other functions of the mark (e.g. the 'image' of the brand) were affected, other than the guarantee of origin but it would be open to others to do so in future cases which may open up prospects for a finding of infringement.

Furthermore, in *Holterhoff v Freiesleben*, Case C-2/00, 14 May 2002, use of the SPIRIT SUN and CONTEXT CUT marks was seen as purely descriptive, to indicate the characteristics of the product. The ECJ stated this was not infringing use for the purposes of Art 5(1) as it would not infringe any of the interests which Art 5(1) is intended to protect. Arguably, the *Holterhoff* result prohibits trade mark owners from preventing their marks from becoming generic. In this sense, such use arguably does affect the guarantee of origin of the mark. However, such factual findings

will need to be made on a case by case basis.

Implications of the decision

The ECJ has left the way open for trade mark owners to take infringement action where the permissive conditions of the CAD are not met.

However, it seems there will be limited scope to find a likelihood of confusion as to origin in comparative advertising cases like the O2 case - particularly given the purpose of comparative advertising is to compare a trader's products with those of its competitors, thereby distinguishing them.

Furthermore, where the permissive conditions of the CAD are met, trade mark owners will need to rely on the CAD provisions, which will be interpreted in favour of comparative advertisers. They are enforced by administrative bodies which have limited resources and may prioritise other issues, possibly resulting in delayed outcomes. Remedies under national regulations may be more limited (damages, costs and interim relief are not available, at least in the UK). In some countries (but not the UK) unfair competition laws may exist, which may have more bite...

Also, it is still unclear what 'unfair advantage' means under the CAD. This may be addressed by the ECJ reference pending in *L'Oreal v Bellure & Ors* [2007] EWCA Civ 968. However, the O2 decision has clarified that a comparative advertiser may use a sign which is not identical to the trade mark. Therefore, it could use a similar sign in a way which undermines the image of the trade mark sought by the owner, but which is too subtle to be

regarded as a 'denigration' or 'unfair advantage' for the purposes of the CAD.

For instance, as alluded to by Pumfrey J, arguably Hutchison's use of the grey colour for the bubbles in this case, as opposed to the more cheerful blue theme of O2, was denigrating to the brand. If such use complies with the CAD (which is likely, particularly given it is to be interpreted favourably for the advertiser) trade mark owners will be powerless to prevent it. (Although as Art 5(2) has not yet been considered by the ECJ in this context, it remains to be seen whether there is scope for infringement protection for well known brands in this context.) This is particularly relevant for over-the-counter pharmaceutical products which use a range of branding features as part of their overall 'get up'.

For prescription pharmaceuticals, the ECJ has yet to address the question of whether the expression 'generic X', where X is an established brand, will be contrary to the CAD. The CAD does not permit goods to be presented as 'imitations' or 'replicas'. GlaxoSmithKline has pending litigation with Sandoz about its use of the expression 'GENERIC DEROXAT' for Sandoz's paroxetine product in an advertisement for healthcare professions. The issue of how to interpret the presentation of goods as replicas is currently pending before the ECJ. If this type of use is found to be contrary to the CAD, the ECJ's decision allow trade mark owners to take infringement action, provided that the guarantee of origin of their trade mark is affected by the comparative use.

Only time will tell how these questions are to be resolved.

Derek Rossitter's Speech

at the Preconference Dinner, PTMG Conference Dublin 2008

Tonight I have decided to focus on "The problems faced these modern days by delegates in their efforts to travel from wherever they come from to wherever the PTMG has decided to hold its conference – preparation, journey, arrival".

It occurred to me that it might be of some interest if I describe to you, used as you all now are to aeroplanes speeding you from the furthest corners of the world, fast cars on modern roads, mobile telephones in your pockets and e-mail at your service, and all the other alleged facilities of modern travel, just what it was like for my own family to make a simple journey of about 150 miles to the seaside 80 years ago, when I was just five years old, in the year 1928.

After my father died in 1926, my mother went through a protracted period of mourning from which she began to emerge in 1928. We lived in a small town some 40 miles outside London. Being in mourning we lived a very formal kind of existence. My brother and two sisters, five, six and seven years older than I, went to schools in the town and were rarely seen, even out of school or on holiday at home, out of their school uniforms – which, in my brother's case, involved a stiff and uncomfortable starched shirt and even more uncomfortable starched high collar, a straw hat called a 'boater', striped trousers and a black Marlborough jacket. My mother was always soberly dressed, as were my two sisters. I, awaiting my fifth birthday, was dressed habitually in a little blue suit with velvet buttons, button-up black patent leather shoes and short white socks. I was looked after by a lady called Molly, of whom I was very fond. Molly was our housekeeper and under her command were the cook and the housemaid. The garden was in the charge of the gardener, an ex-sailor, who had lost a finger, I recollect, in some strange and exciting accident and whose name was Buckle. We had no car.

My mother celebrated Easter 1928 by announcing that mourning for my father was now officially over. To mark this she had decided to rent a beachside house for six weeks at a respectable seaside resort during the summer holidays. The cook and the housemaid would come with us, but the gardener would remain behind to keep an eye on the house.

Excitement reigned! My mother began to appear in brighter dresses. The older children set up a wall chart in the nursery to mark off the days until the Gates of Heaven were to open. Molly and the housemaid began to visit the local swimming bath. Even the rather dour cook began to smile occasionally. My mother and Molly began to make endless lists of what to take with us.

As the waiting weeks shortened to days three enormous trunks appeared from the attic, heaved down by the gardener. These Molly and my mother began packing with all the clothes and other things deemed essential for seaside existence.

At last the day before our departure arrived. Very early that morning two men arrived with a horse-drawn cart to collect the trunks. These were to go on ahead of us on what was called the 'milk train'. The cook and the housemaid were to accompany them. They were to have them unpacked by the time we arrived the next day and to have a meal awaiting us. We children were so excited that, early as it was, we were all down at the crack of dawn to wave them off.

My mother had consented to a small relaxation in the way we dressed, although, she reminded us, we were not really on holiday until we arrived at the seaside. In the meanwhile: "You must remember neighbours and people we know will still see you. So dress properly and, of course, no unseemly behaviour!" My brother, under protest, was told he still had to wear his school straw hat and red 'blazer' although he was excused the stiff collar and shirt (but not the tie). "You need no longer wear your hat and tie once you board the final train", conceded my mother. Then she added "And you can remove your blazer once we are aboard the final train, provided you are not wearing braces."

Then came the Great Moment, the day of our departure! This was signalled by the arrival of the railway station's best taxi, an enormous Daimler. The front section of this vast vehicle was separated from the back by a thick plate glass panel. Communication between passengers and the uniformed driver was via an ornate brass speaking tube that hung from a great brass hook. Molly seated herself beside the chauffeur. We all clambered into the back. The gardener raised his cap to my mother, and cheerily waved goodbye. My mother lifted the speaking tube and instructed the driver we were ready. We moved off. At the corner of our road lived an old lady who was very ill. To reduce the noise of traffic outside her house, the Town Council had decreed that the road immediately outside was to be covered in straw (how times have changed!), and we passed by her home reverently. At last we drew up at the station. We were in good time, but my mother was taking no chances. "Ronald", she said to my ten-year-old brother, "Go and inform the station master that we are on our way up to the platform. Tell him to hold the London train for us." Off he trotted, to return a minute or so later accompanied by the majestically whiskered and gold-braided stationmaster and two uniformed porters. We had little for the porters to

carry, apart from an immense and mysterious straw hamper to which Molly had so far clung with grim determination. This they wrested from her reluctant grasp and carried triumphantly up to the platform. There we at last beheld the great black steam engine, belching smoke and steam. The pipe-smoking driver waved to us and then deafeningly welcomed us with an extra loud whistle. Under the station master's majestic but kindly gaze we were ushered into our carriage, accompanied by the mysterious hamper. The stationmaster blew lustily on his silver whistle, vigorously waving a green flag, the engine emitted an enormous amount of smoke and an ear-piercing whistle and we were London-bound. Arriving at our London terminus we had to change to another train for the next leg of our journey. As we were shepherded through the crowded station to the appropriate platform we observed, open-mouthed, a plethora of red and green flag waving and were deafened again by the mighty whistling of steaming and smoking engines and the rival shrill whistling of porters as other trains came and went from and to mysterious destinations unknown to us. At last we were all seated in our private compartment on this magical train that was to convey us to Paradise. Gazing out of the carriage windows we saw at first only the grimy London outskirts but then we were racing through the beauty of the open countryside. "Do not open the windows, grit from the engine will blow into your eyes!" commanded my Mother. THEN Molly opened the magic hamper. Oh what excitement! It contained a wonderful picnic. Ginger beer and many delights from Dreamland appeared from that miraculous hamper. Never had food tasted so delicious! (Just like that meal you so enjoyed on the 'plane coming here!)

My mother and Molly went to sleep. We were all far too excited to do any such thing! At last we realised we had arrived and could actually smell the sea. Outside two horse-drawn cabs were waiting to take us to the novelty and excitement of the rented house. Once there, however, there was no way of stopping our first rush down to see the beach and the sea and to gaze longingly at the little booth which sold ice cream cornets. This was no time to consider the welcoming meal the indignant cook had prepared. We all rushed up to our bedrooms, flung ourselves into our all-covering bathing costumes and scampered down to the beach!

My dear friends may all your anticipation of, journeying to, meals on the 'plane or train, and arrival at PTMG conferences always be as happy!

International Update

Australia: Another blow for shape marks

Frances Drummond and Craig Smith, Freehills, Sydney

The Federal Court of Australia recently considered whether a shape trade mark registration for an 'S-loop', which formed part of the shape of a 'fence dropper' used in making farm fences, was infringed.

In *Mayne Industries v Advanced Engineering Group*, the court found that while the defendant used an identical shape in its fence droppers and highlighted that feature in its promotional materials, this use was not 'use as a trade mark' and so could not be infringing. The functional nature of the 'S-loop' formed a key part of the court's reasoning.

The decision highlights the difficulty of enforcing a shape mark registration where the relevant shape is primarily functional.

Australia: Trading of Australian domain names to be freed up

Frances Drummond and Craig Smith, Freehills, Sydney

From 1 June 2008, the previous restrictions on trading Australian domain names will be greatly relaxed.

Provided that a person has owned a .com.au domain name for at least six months, they will be allowed to sell the domain name licence to any other person who meets the registration criteria for that domain name. Previously, transfers were only permitted in quite limited situations, for example, where there was a sale of a business.

On the one hand, this is likely to lead to greater speculation in Australian domain names, which will have some impact on their availability. On the other hand, it will make it easier to acquire a domain name registration already owned by someone else.

China: Yahoo! China held liable for copyright infringement for its link and download services of sound recordings

August Zhang, Rouse & Co. International, Beijing

This case is a landmark in Chinese copyright litigation in the internet era. Yahoo! China, a leading search engine provider in China, was found liable for offering links to websites with unauthorised sound recordings of members of the International Federation of Phonographic Industries (IFPI). The case was awarded the top spot by the Beijing Higher People's Court in the list of the ten top civil litigation cases for 2007.

The IFPI discovered that Yahoo! China was providing users with links to

unauthorised material of IFPI members. The users could arrange to downloading and play entire tracks online directly through the links from the Yahoo! China website. In January 2007, eleven IFPI members brought the case to Beijing No. 2 Intermediate People's Court and a favourable judgment was handed down in April 2007. Yahoo! China appealed against this verdict but this was dismissed by the Beijing Higher People's Court on 20 December 2007.

The court held Yahoo! China liable for copyright infringement on the grounds that it 'ought to know' of the infringement, but had failed to remove the infringing links. It had participated in the infringement and assisted the third party websites to infringe. It was ordered to remove the links to all infringing material and pay compensation of RMB 212,600 (approximately USD\$30,800).

The judgment is a milestone in applying the law to protect the legitimate rights of copyright owners against widespread infringement in today's internet environment. This development in China is part of a growing worldwide trend of holding intermediaries liable. That China has made such a bold and controversial move shows how far it has come in the field of IP protection in the last few years.

France: Comparative advertising between generics and branded pharmaceuticals

Jean-Philippe Breson and Séverine Redon, Inlex, Paris

SmithKline Beecham is the owner of trade mark rights in DEROXAT. In 2003, G. Gam advertised an upcoming generic version of DEROXAT in several specialised magazines under the name PAROXETINE G GAM. SmithKline Beecham brought trade mark infringement proceedings against G. Gam.

On 26 March 2008, the French Supreme Court reversed the decision of the Court of Appeal of Paris and held that G. Gam's use of DEROXAT was a legitimate comparative advertisement, and not trade mark infringement.

Under the French Consumer Code, a comparative advertisement objectively compares one or more essential, pertinent, verifiable and representative characteristics of the goods or services. The court considered that G. Gam informed the public that its PAROXETINE G GAM had the same quality, quantity, composition and pharmaceutical form as DEROXAT, in compliance with the French Consumer Code.

This position appears to be in line with the position of the European Court of Justice in *Siemens v Vipa*, where the court considered that the equivalence of technical characteristics meets the

requirements for comparative advertising. Further, the use of a brand name to inform the public of the type of generic product is recommended by the French Health Products Safety Agency.

Hong Kong: proposal to resolve the problem of 'shadow' companies

Adelaide Yu, Rouse & Co. International, Hong Kong

On 2 April 2008, the Hong Kong government launched a consultation on proposed amendments to the Companies Ordinance. One of the proposed amendments deals with the issue of 'shadow' companies, that is, companies registered in Hong Kong (often by counterfeiters) under names that incorporate the trade marks or trade names of third parties.

Shadow companies seek to legitimise infringing activity taking place in mainland China and elsewhere by granting manufacturing licences to companies in these countries. These licences include the right to use the licensor's company name which incorporates the trade mark or name of a third party.

Although trade mark owners may, in appropriate cases, obtain an order from a Hong Kong court directing the company to change its name, the Hong Kong Companies Registry (HKCR) does not have power under the current Companies Ordinance to act on such an order.

In recent years, many complaints have been made to the HKCR by both trade mark owners and the relevant authorities in various countries, including mainland China, Japan, Europe and the USA. Although certain administrative measures have already been put in place, the government recognises that the system needs to be further strengthened to deal with the current abuses.

The proposal is that the Companies Ordinance be amended to empower the Companies Registrar to act on a court order directing a defendant company to change its name. Upon receipt of such an order, the Registrar may direct the company to change its name within a specified period. If it fails to do so, the Registrar may substitute the infringing name with the company's registration number.

Comments on the proposal must be submitted on or before 30 June 2008. It is intended that on conclusion of the public consultation, the new Companies Bill will be introduced to the Legislative Council for comment in late 2010.

In our view, the proposed amendments represent a satisfactory compromise between the needs of trade mark owners and what the HKCR can achieve in

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practice. They are not, however, likely to provide a speedy solution, given that the amending legislation is unlikely to be implemented for at least two years.

The consultation paper is available at: www.fstb.gov.hk/fsb.

India: Infringement of Wyeth's FOLVITE registration by Burnet Pharma

Ranjan Narula, Rouse & Co. International, Dubai

Wyeth is the owner of a registration for FOLVITE in India. In an action for passing off and trade mark infringement brought by Wyeth against Burnet Pharma, the court has granted an interim injunction restraining Burnet from using the mark FOLV. The court dismissed the defendant's argument that FOL stands for 'folic acid' and 'V' for 'vitamin'. The court held that each word must be taken and compared as a whole. The mark FOLVITE has no meaning in the English language. It is a registered mark and it was therefore not open to the defendant to question its validity in an infringement action. The court also commented that no explanation was offered by the defendant as to why it had changed its mark from its earlier denomination FOLACID to FOLV.

Malaysia : judicial decisions on territoriality and first use

Su Siew Ling, Tay & Partners, Kuala Lumpur

In two recent decisions, the Malaysian Court of Appeal has affirmed the territorial principle of trade mark law and the priority accorded to the first user of a mark. The cases also demonstrate the difficulties faced by a foreign trade mark owner in expunging a prior mark registered by a local entity.

In *Meidi Sdn Bhd v Meidi-Ya Co Ltd*, the Malaysian High Court had rejected evidence adduced by a Japanese company (the respondent) to show first use of MEIDI-YA in Malaysia. The Court of Appeal upheld the Malaysian company (the appellant) as the first user of the trade mark and trade name in Malaysia and therefore, its entitlement to the registration of the trade mark. The appellant had been selling food under the trade mark and name in Malaysia since 1986. It was argued by the respondent that the appellant was controlled by a Japanese company when it commenced use of the mark in Malaysia and that it was motivated to ride on the reputation and goodwill of the appellant in Japan when it chose to adopt a similar mark and name. This argument was rejected by the court which found that, once priority to a mark has been established through first use, motive is an irrelevant consideration.

In *McLaren International Ltd v Lim Yat Meen*, the MCLAREN mark had been registered by the respondent in relation to clothing and footwear since 1992. The appellant

commenced cancellation proceedings but could not get past the first legal hurdle, which was to establish that it was an aggrieved party. The court found that the appellant's loss was speculative as it has not set up business in Malaysia and even if it did, the appellant's interest was in races and cars rather than in footwear. The failure to obtain registration of its MCLAREN mark in the same Class did not give the requisite locus standi to the appellant. The court further held that, even if the respondent had knowingly appropriated the appellant's mark, it 'broke no law' so long as the appellant had not used it prior to the respondent's trade mark application.

Both cases are under appeal to the Malaysian Federal Court.

New Zealand: Protecting the shape of a product

Lynell Tuffery and Sooyun Lee, A J Park, New Zealand

More and more pharmaceutical companies are looking to register three-dimensional shapes, including tablet designs, medical devices, containers and dispensers. What are your chances of successfully registering your product shape in New Zealand?

Registrability of shape trade marks in New Zealand.

Unlike other countries such as the UK and Australia, New Zealand does not have specific statutory provisions that set out registrability requirements for shape trade marks.

Instead, the Intellectual Property Office of New Zealand (IPONZ) applies the general distinctiveness test, that is, whether a trade mark is capable of distinguishing the goods or services of one trader from those of another. Applying this test means any shape can be registered as a trade mark in New Zealand if it is distinctive.

In the leading New Zealand case of *Fredco v Miller*, the Court of Appeal had to decide if the shape of Miller's kiwifruit vine ties was distinctive and registrable. The court found for Miller allowing registration of the particular shape of Miller's vine tie as a trade mark.

Special circumstances helped Miller's case. Miller held a patent registration for the vine tie before he applied to register the shape as a trade mark. During the 20-year life of the patent, Miller had made significant sales to consumers who had learned to recognise the shape of the product. The reputation created, while the patent was in force, supported Miller's later claim that the shape of the vine tie was distinctive and registrable as a trade mark.

When is a shape distinctive and therefore registrable? A shape is registrable as a trade mark if there is something about it that identifies the owner. The New Zealand trade marks registry practice follows UK trade mark

law by not allowing registration of shapes that result from the nature of the goods themselves, are common to the trade or are purely functional.

It is difficult to register a shape as a trade mark in New Zealand. Even if the shape is unique, you will need to file extensive evidence of use. In *Fredco v Miller*, Miller had to show that consumers recognised and connected the shape with Miller and Miller used the shape to distinguish their goods from goods sold by others.

Decisions around the world have held that consumers do not readily recognise product shapes as trade marks. These decisions apply in New Zealand and create difficulties when trying to show a product shape is distinctive.

A further challenge is that shape trade marks are almost always accompanied by a word mark or logo either on packaging or on the goods themselves. This simultaneous use of trade marks makes it more difficult for consumers to distinguish the goods from the shape of the goods alone.

Protecting shapes under other regimes.

The protection conferred by a design registration is another way of protecting the shape of a product in New Zealand.

A design registration can protect the shape of a product or the pattern on it, provided the shape or pattern is new, original and is not purely functional. A design registration confers a monopoly for a limited duration of 15 years, at the end of which competitors can use the same or similar appearance for their goods. In contrast, a trade mark registration potentially secures a perpetual monopoly in the shape.

Miller was able to achieve a trade mark registration after a 20-year patent monopoly. Use of your design registration over the 15-year monopoly period could potentially provide you with the level of use needed to achieve a trade mark registration for a product shape in New Zealand.

You can also protect the shape of a product under New Zealand copyright law, provided that the shape is original. Unlike copyright laws of other countries, industrially produced articles are not prevented from having copyright protection. However, there must be an original work, for example, a drawing or a model showing the shape and the term of protection is limited to 16 years.

Summary. Trade mark registration of product shapes is difficult, but possible in New Zealand, provided the product shape is distinctive. It is very likely you will need to file evidence of use to support the application.

Under *Fredco v Miller*, you could potentially use other IP rights, such as

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patents and designs, to help you achieve the level of use needed to obtain a trade mark registration.

Once you obtain a trade mark registration, you will receive a potential lifelong monopoly in the product shape, enabling you to stop competitors from using the same or similar shape for their products.

United Arab Emirates (Dubai): Re-exportation of counterfeit goods

Sara Holder, Rouse & Co. International, Dubai

Dubai customs continues its good efforts to monitor for counterfeit goods entering the Emirate. This is an increasingly difficult task as the volume of shipping continues to grow.

However, in the past six months, in light of environmental concerns of destroying counterfeit products seized at the border in Dubai, customs has issued a number of orders to instead re-export such goods to a destination of the consignee's choosing and at the consignee's expense. The only limitation imposed has been that generally, the goods may not be shipped to another

Gulf Cooperation Council country. Orders of this kind have been made against many types of goods (including counterfeit pharmaceutical products) and the practice is of great concern to brand owners.

Fortunately, brand owners can challenge such decisions by filing an appeal with the Grievance Committee of Dubai Customs. The Grievance Committee has recently overturned a number of re-exportation orders and has required goods to instead be destroyed. This is a positive and welcome development and one which we believe properly implements the UAE's obligations under the TRIPs Agreement.

United Kingdom: Eli Lilly v 8PM Chemist

Arty Rajendra, Rouse & Co. International, London

In *Eli Lilly v 8PM Chemist*, the UK Court of Appeal recently looked at the unauthorised importation of pharmaceuticals into the UK from Turkey for onward supply to US consumers who had ordered the goods via a Canadian website. Sounds complicated? Not so, said the court.

Lilly sued 8PM for trade mark infringement when it was discovered bringing Lilly's pharmaceuticals into the UK from Turkey. The goods were brought into the UK so that 8PM could apply dispensing labels to the outer cartons, which did not bear the Lilly trade marks, before affixing a UK postage stamp and posting the cartons to the US. 8PM denied infringement on the ground that the goods were subject to customs control and had not been freely released onto the EEA market.

The lower court had granted Lilly an interim injunction on the ground that it had an arguable case of infringement. 8PM had itself sought summary judgment. The court held that Lilly did not have an arguable case. The ECJ decision in *Class International v SmithKline Beecham (2005)* was applicable in these circumstances: importation in the course of trade requires the introduction of the goods into the EEA for circulation, which was not the case here. The fact that 8PM had used a different type of customs procedure was not sufficient to distinguish the case from *Class International*.

US Update

James A. Thomas, Parker Poe, Raleigh, North Carolina

Yet another decision of the Trademark Trial and Appeal Board has invalidated a trade mark registration as fraudulent where the applicant filed statements of use with overly broad listings of goods. The decision arose out of a cancellation proceeding filed by Herbaceuticals, Inc., who sought to have registrations owned by Xel Herbaceuticals, Inc. for various versions of its house mark XEL HERBACEUTICALS cancelled on the ground that Xel had not used its mark on each and every item listed in the identification of goods at the time that Xel filed its statements of use. During discovery, Xel was required to acknowledge that it had not used its mark on certain of the goods listed in International Classes 3 and 30. Based on these admissions, the TTAB granted on summary judgment the request to cancel four of Xel's registrations that covered these Classes. The TTAB noted that proof of specific intent to commit fraud is not required; rather, fraud can be found by showing that the representation was false and that the applicant knew or should have known it was false. In reaching its decision, the TTAB refused Xel's request to have the registrations cancelled only with respect to the goods in each Class for which it had failed to use the mark. The TTAB concluded that this did not properly take into account the fact that the inaccurate statements of use constituted fraud in procurement of the entire registration; therefore, the TTAB found each of the relevant registrations void in their entirety. (*Herbaceuticals, Inc. v Xel Herbaceuticals, Inc., Cancellation No. 92045172*,

(TTAB 7 March 2008)).

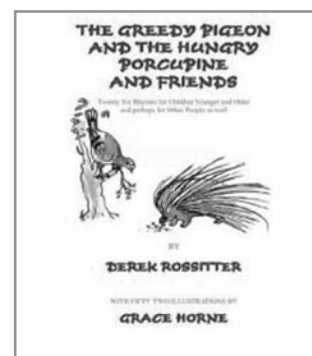
In a potentially troubling development for pharmaceutical companies selecting their trade dress and trade marks, the actor Dennis Quaid and his wife filed a products liability action against Baxter Healthcare Corp. alleging that Baxter's use of similar packaging on different doses of its heparin product caused a mix-up in which their newborn children were given the wrong dose of heparin. Could this be a sign of claims to come? Will pharmaceutical companies be held liable for their choice of trade dress or trade marks if they are involved in medication mix-ups? This may be a case worth watching. (*Quaid v Baxter Healthcare Corp, Case Number: 2007-L-013514 (IL Circuit - Cook(LD))*).

In another development to watch, the Securities and Exchange Commission recently filed a complaint against Southwestern Medical Solutions, Inc. claiming that the defendant issued false and misleading press statements. Among the false statements that the SEC listed were statements that their new product's trade mark had been issued a registration by the US Patent and Trademark Office. The mark, however, had not been registered. According to the SEC's complaint, this false representation was a material misrepresentation under securities laws. This is a good reason for trade mark counsel to preview a company's public statements that use or refer to company trade marks. (*SEC v Southwestern Medical Solutions, Inc. et al., Case No. 8.08CV731-T26TBM (D.Fla, filed 16 April 2008)*).

The Greedy Pigeon and the Hungry Porcupine and Friends

By Derek Rossitter

Illustrated By Grace Horne



Available at
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Full colour edition
ISBN 978-07552-0406-9
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These delightful rhymes and beautiful illustrations are, as the author indicates, for "Children Younger and Older and perhaps for Other People as well".

A very enjoyable read which can be dipped into time and again.

PROFILE: Georgy Evans

Georgy Evans has been Head of Trade Marks at Shell since 2006. Before that she worked at GlaxoSmithKline for nine years and before that at Linklaters, where she qualified as a solicitor and then as a registered trade mark attorney. She read law at university but came to it a little late having flirted with the cello at music college for three years first. She is on PTMG's Management Committee and was editor of 'Law Lore & Practice'.



Where were you brought up and educated?

I'm a Londoner born and bred. I was born in Notting Hill – when it was down at heel and not at all trendy – and lived there until ten years ago. I went to school in Camden, north London.

How did you become involved in trade marks?

Like most people, by accident. After my training contract at Linklaters, I misguidedly spent a year in the corporate department (honestly not my fault) and then moved to IP, where I had spent an enjoyable six months during training. Knowing nothing about trade marks at all, it was obvious that I should join the trade marks unit and spent a few years filling the knowledge gaps while doing some general IP too.

What would you have done if you hadn't become involved in intellectual property?

Well, law was my second career attempt after music and intellectual property my second law specialisation, so there are two possibilities already. Ideally, of course, I would be working as a buyer for a jewellery or shoe shop.

Which three words would you use to describe yourself?

Determined. Humorous. Sociable.

What do you do at weekends?

It depends where I am. Recently, I've been getting a taste for the country and that includes walking on Old Winchester Hill and exploring castles on the Rhein. Otherwise, strictly urban: drinking champagne with my mates and shopping. And cat cuddling.

Complete the sentence: I'm no good at ...

Showing any sign of a sense of direction.

What's the best thing about your job?

I don't mean to be corny but it's the truth: the people I get to meet. Particularly making friends with people all over the world.

What does all your money get spent on?

Champagne, holidays, jewellery, shoes, eating out.

What is your biggest regret?

Having regrets.

What do you dream of?

A recurring dream since my teens is one of houses. It's clear in the dream that it's my house but there are unrecognised features or new rooms. Apparently George Melly had house dreams too and said that it's about having unrealised potential!

What do you wish more people would take more notice of?

Bad stuffy processes that should be challenged and changed.

What is your favourite work of art?

Klee: Red and White Cupolas.

What is your favourite children's book?

Tove Jansson: *Finn Family Moomintroll*. Or any of her Moomin books. The characters are so beautifully drawn in words and pictures. She balances adventure and the unknown with the joy of coming home.

What is comfort eating for you?

Julie Sahni's Soured Lucknow Dahl with basmati rice and tomatoes.

What is your favourite drink?

No prizes for guessing. But I also love Early Grey tea.

What is your favourite item of jewellery?

Oh really. I mean come on. I can't possibly limit it to one item. My mother's brass bracelet cuff that she bought in Spain in the 1950s for the – then – eye-watering sum of £5. Her moss agate ring from the '70s, which has come right back in again. My Stanley Hagler gilt, diamanté and pearl earring and necklace set, which I fell in love with and had to buy though I was supposed to be saving for a deposit for my first apartment. Baccarat crystal Medici bracelets. Well, anything by Baccarat pretty much. Nuala Jamison acrylic earrings. Kotomi Yamamura necklaces and earrings. Oh and anything from Mia Wood in Kew or Basia Zarzycka in Sloane Square (please do go if you have a chance, the shop is an experience in itself!)

What is your favourite mode of transport, and why?

Walking. More reliable than public transport or a car, and it's good for you, free and you get to see a lot. It just takes rather longer.

What do you wish you had never worn?

Green platform sandals with yellow straps. I loved them. I was 10.

Which modern convenience could you not live without?

Washing machine. When I was doing a trek in Africa I used to imagine loading my filthy clothes into it and scooping the powder in. No one else quite understood just how much or why I craved this.

Which piece of advice would you give a visitor to the area in which you live?

If you see a woman with an iPod walking around Kew in cork wedges and a large handbag stuffed with champagne, whatever you do, don't ask her for directions.

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