

Law Lore & Practice

PTMG



Pharmaceutical
Trade Marks Group

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Editorial: Just waiting. . . .

Sitting in the lounge of Zurich airport yesterday after a very productive committee meeting, I was reminded of the entertaining speech delivered by our Honorary President Mr. Derek Rossitter at the excellent dinner held in Old Hall, Lincoln's Inn on March 16th prior to the PTMG Spring conference. With his

permission, and my thanks, I hereby reproduce the most salient section of his speech as I can honestly say that no-one says it better than Derek.

"We do spend so much time waiting that one can only wonder that we ever manage to do anything else. We wait 9 months in the womb to be born, then we wait to have our nappies changed, we wait to grow up and impatiently we wait to go to school only to equally eagerly wait to leave school, we anxiously wait for our exam results, then we wait to complete our education, we frantically wait for a good job, then we wait to find a suitable mate, we wait to have a family, we wait for promotion, we wait for our children to grow up, then we thankfully wait for them to leave home, we wait for them to marry and present us with grandchildren, we wait for retirement, we wait for great grandchildren, and finally, even after we are dead some of us wait for resurrection.

In between all these waitings we wait for trains, buses, wait for people aptly called waiters, wait for other people, wait for good news, and so on ad infinitum, and of course we always wait at traffic lights. Is it perhaps waiting itself that fills the void between what we term productive activities? Perhaps waiting actually IS the productive activity and what we fondly imagine to be the productive intervening activity is in fact really the void? Do you ever wonder what it is that people who have just missed their bus and are sitting waiting for the next one (well knowing it is not due for at least another thirty minutes) are thinking? Are they counting slowly up to six thousand? Are they in a self-induced trance perhaps? What DO we all do to fill those unforbearing minutes?"

Derek concluded his speech by explaining that his technique was to recite poetry, in particular the famous "Mock Turtle's Song" by Lewis Carroll.

Incisive, relevant, thought provoking and funny comments such as these can thankfully not be reduced to 140 characters! As 10,000 of the world's trade mark practitioners begin the long haul to Hong Kong for the INTA conference, I wish you safe travels and productive waiting in airport lounges.....

Vanessa

US Law Update

James Thomas, Merck & Co., Inc., Whitehouse Station, NJ, USA

The US Trademark Trial and Appeal Board (TTAB) recently granted a petition to cancel the mark FLANAX for tablets of naproxen sodium by the owner of the same mark in Mexico. The owner sold FLANAX (naproxen sodium) in Mexico, but the owner did not sell FLANAX in the US. Instead, it sold the product in the US under a different mark, ALEVE. As a result, a third party registered the FLANAX mark in the US and began selling FLANAX (naproxen sodium) in the US. In its petition to cancel this US registration, the owner of the Mexican mark alleged that the registrant was using the FLANAX mark in the US to misrepresent to US consumers that the source of the registrant's products was the same as the product sold in Mexico

under the Mexican mark.

The TTAB held that the owner of the Mexican mark could bring the cancellation action to protect its Mexican FLANAX mark even though it did not allege any use of the FLANAX mark in US commerce.

The TTAB ultimately found that the registrant had indeed used the mark FLANAX to misrepresent the source of the corresponding goods and granted the petition to cancel the registration (Bayer Consumer Care AG v Belmora LLC).

The US Patent and Trademark Office (USPTO) issued a new Examination Guide revising its policy and procedure relating to the USPTO's handling of applications for marks comprising a generic top-level domain name ("gTLD"). The Guide sets

out when a mark consisting of a gTLD may be registered for domain-name registry operator and registrar services. Unlike its previous position that did not allow the registration of such marks for such services if it consisted solely of a TLD, the USPTO acknowledges that in light of the program to introduce new gTLDs, some gTLDs may be able to serve as source identifiers.

The Examination Guide is available at the USPTO website at http://www.uspto.gov/trademarks/resources/Trademark_Exam_Guides.jsp.

Words from the Chair



What an amazing Conference we had at The Savoy in London! It was great to see so many of you, from so many different countries, from both private practice and in-house as well as some of our colleagues who provide us with great trade mark related services.

I was particularly pleased to see so many industry people at the 88th PTMG Conference. Not only did we attract most of the big pharma companies, but also many industry attendees represented smaller pharma companies, some of whom were attending a PTMG Conference for the very first time. For me this is certainly another sign, in addition to the long waiting list, that PTMG is doing well.

Obviously, this is not only good news for the PTMG Committee, as of course high attendance represents a well respected and successful organisation, but also for all the attendees. Our fees structure, which changed last year to attract more industry delegates, also probably helped with the attendance level and I am also sure that the reputation and high quality of PTMG conferences are attractive.

We did very well in London, so let's now do our best to ensure that many colleagues from the pharma industry join us for another very promising conference in Chicago.

All the very best, and see you in Chicago!

Sophie Bodet

Duracell obtains cancellation for energy drinks in Iran

Mr. Mohammad Badamchi, Raysan Patent & Trademark Agents, Iran

Duracell Batteries B.V. (DB) has been successful in the court action against an Iranian manufacturer, producing Duracell Energy Drinks which borrowed the name, shape and distinctive copper and black branding from the well-known battery.

Such is the similarity that many Iranian consumers have been fooled into thinking that the product is manufactured, licensed or somehow authorized by the Duracell Batteries B.V. in Iran.

The Iranian company has also used the Duracell Rabbit figure in some advertisements for the energy drink.

The Pars Pirikias Company (PPC) had registered the name Duracell for oils in class 04 and drinks in class 32 as trade a mark and the Duracell's design of the shape and distinctive copper and black branding as an industrial design in Iran.

Because an application cannot be refused on the basis of the reputation of another trade mark, Pars Pirikas' applications had been accepted and registered in Iran.

Duracell Batteries B.V. brought a court action to cancel Duracell trade mark registrations for goods in classes 04 and 32 and industrial design of the shape and distinctive copper and black branding in Iran.

The First Instance Court dismissed the action holding that as the goods covered by the Duracell registration in classes 04 and 32 are sufficiently distinctive with batteries in class 09, this will not mislead and confuse the consumers. The First Instance Court did not find any grounds for cancellation of the Duracell registrations and industrial design.

Duracell Batteries B.V. have to prove that such is the strength of the Duracell brand that consumers might believe that the PPC mark and design would take unfair advantage of the repute of DB's trade mark and is without due cause.

(DB) appealed the First Instance Court decision claiming that the Iranian company has chosen the DURACELL name and get-up with the intention of trading off the significant goodwill which has been generated in the name and get-up. Moreover, DB considers that PPC will take an unfair advantage by trading off the reputation associated to Duracell trade mark and distinctive design.

The Court of Appeal accepted the DB's arguments and reversed the First Court's decision and ruled for cancellation of Duracell registrations as well as the Duracell shape and distinctive copper and black get-up.

The Court of Appeal has held that the determining factor is consumers' confusion for goods and/or services and not classification of goods and/or services.

Although the classes covered by the

trade marks are different, consumers will be confused and misled by the trade marks.

The Court of Appeal has further held that the use of Duracell trade mark and Duracell battery distinctive copper and black get-up will mislead consumers into thinking that the goods are coming from a particular undertaking, and thus to distinguish those goods from those of the other undertaking.

The Court of Appeal has accepted the reputation of the DURACELL trade mark in relation to batteries in Iran and has confirmed that the reputation of DURACELL is such that it will go beyond the relevant public for batteries.

The Appellate Court has ruled that the registration of Duracell trade mark and distinctive copper and black get-up by PPC constitutes unfair competition and PPC takes unfair advantage of the repute of DB's trade mark and design without due cause. The Iranian company is attempting to appropriate the reputation that is built on longevity and endurance and will benefit from the years of promotion that DB has undertaken. The average consumer will, undoubtedly, connect the endurance and longevity of DB's goods with the goods of the PPC. The defendant is trying to ride on the coat tails of DB's trade mark, in order to benefit from its power of attraction, reputation and prestige, and to exploit these without paying any financial compensation and without being required to make efforts of his own in that regard.

The importance of the judgment for pharmaceutical trade mark owners is that according to Iranian Law and due to the importance to public health, pharmaceutical trade marks and marks for foodstuffs are required to be registered in Iran, to be allowed for production, importation or sale in Iran, and because an application cannot be refused by the Trade mark Office on the basis of the reputation of another trade mark, enforcement of trade mark rights on the basis of fame and well-known status of trade marks should be brought before the Courts.

The other important points in the judgment are as follows:

- Use of an identical mark for different goods may constitute infringement.
- Confusion of consumer is the determining factor.
- Enforcement of unregistered designs is possible.

As regards to pharmaceutical trade marks, the courts tend to protect the public at the first stage and the business interests of the pharmaceutical trade mark owner in the next step.

German Federal Court of Justice clarifies conditions for the lawfulness of pharmaceutical advertising

Dr. Ralf Möller, Esche Schümann Commichau, Hamburg, Germany

Standing jurisprudence has placed strict requirements on the accuracy, unambiguousness, and clarity of information provided in healthcare-related advertising to ensure a high level of protection for human health. Any advertisement citing scientific studies that do not bear out the advertised claim is deemed misleading even in cases wherein the information itself is accurate and capable of being verified in some other manner (so-called 'truth in citation' principle).

In an important decision dated 6 February 2013 (I ZR 62/11 – Basisinsulin mit Gewichtsvorteil), the German Federal High Court of Justice has fundamentally summarized the conditions established by the German jurisprudence for the lawfulness of pharmaceutical advertising and ruled on the significance of the marketing authorization and the product characteristics.

The subject of scrutiny were several statements made in advertisements claiming – in part with express citations of scientific studies, in part without any supporting evidence at all – that the use of certain diabetes medications would cause weight loss. The plaintiff objected on the basis

that the advertisement was misleading, due to the lack of sufficient scientific evidence for any such weight-related benefits and, in particular, that no such benefit had been evidenced by the referenced studies.

The German Federal High Court of Justice decided that for statements made in an advertisement which accurately reflect, either literally or logically, the content of the marketing authorization or the product characteristics, respectively, without citing any specific scientific studies, it has to be presumed that these statements generally comply with the applicable proven state of the art as of the date of the marketing authorization and that they are, for said reason, lawful. Such statements may then, however, be considered misleading, if the plaintiff presents and, if required, demonstrates that more recent scientific evidence exists that contradicts the sustainability of the statements evidenced during the approval process. This scientific evidence has to have become known after the approval date or has to have not been accessible to the approving authorities at the time they made their decision.

In the specific case, the German Federal High Court of Justice deemed the

statements made in the advertisements citing certain scientific studies as being misleading because they violated the 'truth in citation' principle. However, as regards those claims which were made without referencing any study the German Federal High Court of Justice believed that the specific statements were covered by the marketing authorization and/or the product characteristics and therefore decided that these statements were not misleading.

Comment

Thanks to the clear words of the German Federal High Court of Justice regarding the evidentiary value of the marketing authorization and/or the product characteristics, pharmaceutical companies should in the future even more thoroughly review to what extent healthcare-related advertising information can, as a matter of law, be evidenced in specific contexts with the marketing authorization and/or the product characteristics alone. By doing so, both the imponderables in connection with legal interpretations of scientific studies (a common issue in legal proceedings) and a possible prohibition of the advertising on account of its being misleading could be avoided.

International Update

India

Sharabh Shrivastava, CHADHA & CHADHA

The customs officials in the Czech Republic have recently seized a total of 194,300 counterfeit Viagra and Cialis pills at Prague's Vaclav Havel airport.

The fake anti-impotence pills originated in south Asia. The investigation is ongoing and it is not yet known whether they were intended for the Czech Republic market.

If sold as originals, the estimated value of the pills would have been EUR € 3.4 million (USD \$ 4.6 million).

Montenegro

PETOSEVIC

Montenegro has recently drafted amendments to its trade mark law in order to harmonize it with the European Union trade mark legislation. It is expected that the amendments will be adopted soon.

The amended law more precisely regulates the trade mark registration process and trade mark infringement court proceedings.

The provisions concerning well-known trademarks and trademarks with reputation have been aligned with the corresponding provisions of the Directive 2008/95/EZ.

The amended law clearly outlines the conditions, the authorized persons and the procedure related to the invalidation of trade marks and collective trade marks.

The provisions regulating the procedure for cancellation of a trade mark due to non-use have been amended as well. The new law also permits canceling trade marks that have become generic as well as trade marks that are likely to cause confusion with existing marks, in line with Directive 2008/95/EZ.

The amended law further strengthens civil protection in case of trade mark infringement. To that end, the law includes additional provisions on the seizure and destruction of goods, compensation of damages, usual compensation, unjust enrichment, preliminary injunctions, securing evidence and the publication of court decisions.

Finally, the amended law stipulates monetary fines in case of trademark infringement. The fine in the amount

of EUR €1,500 – 20,000 (USD \$2,100-28,000) may be imposed against a legal entity in case of the unauthorized use of a trademark. The amendments stipulate fines in the amount of EUR €500-2,000 (USD \$700-2,800) for physical persons and the responsible person within a legal entity, and the fines in the amount of EUR €1,300-6,000 (USD \$1,800-8,300) for entrepreneurs.

Russia

PETOSEVIC

Russia has recently adopted a set of Civil Code amendments, which will enter into force on 1 October 2014.

Below is the summary of main IP-related amendments:

A request for the state registration of an assignment, license or pledge substitutes the registration of an assignment/license/pledge agreement. In this sense, the Russian legislation will be brought in line with the Singapore Treaty on the Law of Trade marks. It will be possible to file a request and supplement it with either a notification signed by both parties or a copy/extract of the agreement (Art. 1232).

If the exclusive license is granted, the

licensor has no right to use an IP right in the same way as granted to a licensee unless otherwise agreed on in the license agreement (Art. 1236).

Under current regulations, the IP owner does not need to prove the fault of the infringer in civil proceedings. In administrative proceedings, it depends on the case and the court, while in criminal proceedings there is a need to prove fault in all circumstances. Under the amendments, the IP owner will have to prove the fault of an infringer, particularly physical persons. Legal entities and individual entrepreneurs will be liable for IP infringement, even if their fault is not proven, unless the infringement arises as a result of *vis major* (Art. 1250).

The scope of protection for industrial designs will be based on their images, and not on the list of their essential features (Art. 1358).

The term of validity of a patent for an industrial design will be reduced to 5 years from the current 15 years. It can be further extended, in increments of 5 years, but it cannot exceed 25 years (Art. 1363).

The Russian PTO will conduct substantive examination of utility model applications, instead of using the current utility model registration system (Art. 1390).

Registration of a trade mark in respect of the similar goods and services is prohibited if it contains company name, trade name or commercial designation of another person (Art. 1483). Currently, a third party is entitled to base its cancellation action on the company name right, whereas the examiners at the Russian PTO cannot use that provision during the trade mark examination. As soon as the new version of the Civil Code comes into effect, the examiners at the Russian PTO will be able to issue office actions or decisions on the basis of prior company names, trade names or commercial designations.

Observations are officially mentioned in the new version of the Russian Civil Code. According to Art. 1493, any person can file an observation in relation to any published trade mark application before the issuance of the final decision.

The term for filing an appeal against a decision in a trade mark application grant procedure will be 4 months from the date of its issuance, instead of 3 months from the date of its receipt, as the law currently prescribes (Art. 1500).

Serbia

Gordana Pavlovic, Cabinet Pavlovic, Belgrade and Brussels

On 9 November 2010 Skechers, a famous US shoe company, sued Safran, a Serbian company which imported

and sold sneakers similar to Skechers' Shape-Ups sneakers, for trade mark and copyright infringement, as well as unfair competition.

Safran requested that Skechers deposit security for litigation costs, arguing that Skechers does not have a presence in Serbia and that there was a risk that the company would not reimburse Safran's litigation costs if Safran won the case (the United States is not a member of the 1954 Hague Convention on Civil Procedure, which provides for free access to the courts).

Skechers refused to deposit security for litigation costs and invoked the 1881 Treaty on Commerce between Serbia and the United States. The treaty provides, among other things, that citizens of Serbia and the United States are to have full reciprocity and access to the courts. Skechers argued that, therefore, it did

not have to deposit money as security for litigation costs. Safran countered that the treaty is no longer applicable, because there is no factual reciprocity.

The Court of First Instance refused Safran's request. Safran appealed, and the Appellate Court referred the matter back to the Court of First Instance, instructing it to seek the opinion of the Ministry of Justice. The ministry responded that the 1881 treaty is in force, but that there is no factual reciprocity between the

United States and Serbia, because Serbian citizens in the United States are required to deposit security for litigation costs when suing in a state in which they do not have residence.

The Court of First Instance ordered Skechers to deposit security. Skechers then appealed, arguing that Serbia and the United States are bound to respect the 1881 treaty until it is revoked by a special procedure provided for by the treaty. Further, Skechers argued that the United States does comply with the treaty and invoked a US Supreme Court decision in which the court explicitly held that the treaty must be respected.

The Appellate Court then refused Safran's request that Skechers deposit security for litigation costs. The decision is final.

Although judgments and decisions in Serbia do not set precedents, they do serve as guidance for judges for future cases. The above decision of the Appellate Court regarding the payment of security for litigation costs is significant because it recognises:

- the right of a US company to sue in Serbia without depositing security for litigation costs, even when the company does not have a presence in Serbia; and

- that the 1881 Treaty on Commerce between the United States and Serbia is in force and must be complied with until it is terminated or suspended following a specially prescribed procedure.

Serbia

Gordana Pavlovic, Cabinet Pavlovic, Belgrade and Brussels

With the enactment of the new Law on Seats and Jurisdictions of the Courts and Public Prosecutor Offices and the amendments to the Law on the Organisation of the Courts which came into force on 1 January 2014, Serbia has made a step towards the introduction of more specialised IP courts.

Until 1 January 2014, IP cases where both parties were undertakings were in the competence of the Commercial Courts (until 2008, the Commercial Courts were called District Commercial Courts). Where at least one of the parties was an individual, IP cases were in the competence of the High Courts (which were called District Courts until 2008). There are currently 16 Commercial Courts and 26 High Courts in Serbia. These courts rule on a wide variety of matters, and judges rarely get an opportunity to specialise in IP matters.

With the reorganisation of the court system which came into effect on 1 January 2014, all IP cases are concentrated in the Commercial Court or the High Court of Belgrade, respectively. Although the Commercial Court and the High Court are not specialised IP courts as such, the concentration of all IP cases in these courts will enable judges to hear a much larger number of IP cases and become more specialised in IP matters over time. This is similar to the situation in Slovenia and Hungary, where all IP cases are in the competence of the courts located in Ljubljana and Budapest, respectively.

IP cases which were instituted before any of the Commercial Courts (or High Courts, respectively) outside of Belgrade, and were still pending on 1 January 2014, were transferred to the Commercial Court (or High Court, respectively) in Belgrade. The exceptions are IP cases pending before the Appellate Courts, which will be decided by the courts where the appeals were initially filed.

The change in the legislation did not affect the organisation of the Administrative Court, which is the body in charge of administrative disputes involving decisions of the Patent and Trade mark Office. There is one Administrative Court for the entire territory of Serbia with its seat in Belgrade, and three offices in Kragujevac, Nis and Novi Sad.

Members News

New Members

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

Brian Darville of Brocadiant Legal PLLC, Alexandria, Virginia, USA
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Moves and Mergers

Jürgen Römhild one of the most highly respected trade mark lawyers in the industry, has retired from Boehringer Ingelheim after many years' service. Jürgen is, we understand, thoroughly enjoying retirement and can now be contacted at juergen.roemhild@t-online.de

James Thomas, PTMG's resident IT expert, has recently joined Merck & Co Inc. in New Jersey, USA. He may now be contacted at james.thomas2@merck.com We are delighted to welcome James back into the industry after spending several years in private practice, latterly with his own firm, Thomas Trademarks and Copyright Legal Services.

Bill Ladas, our Editorial assistant, has moved to King & Wood Mallesons in Melbourne. Bill can now be contacted at bill.ladas@au.kwm.com

René Balibey has moved from Sandoz to Novartis Animal Health. René can now be contacted at rene.balibey@novartis.com

Pierre Konings has joined NLO Shieldmark in Amsterdam and can be contacted at konings@nlo.nl

Stephanie Loeffler has left Marks & Clerk to join Harrison Goddard Foote LLP in London. Stephanie can be contacted at sloeffler@hgf.com

Alexey Vakhnin has left Innotec to join Vakhnina and Partners in Moscow. Alexey can now be contacted at ip@vakhnina.ru

Sandrine Pernod Boulanger has now established her own firm, Sandrine Pernod Boulanger Lawyer Inc., in Montreal and can be contacted at spernodboulanger@gmail.com

Henrik af Ursin has left Kolster Oy Ab to join Dittmar & Indrenius Attorneys Ltd. in Helsinki. Henrik can be contacted at Henrik.afursin@dittmar.fi

Sine Bramming Platz has left Chas. Hude A/S in Copenhagen and is now based in London. Sine can be contacted at sineplatz@gmail.com

Julie Katz has established her own firm, Katz Group LLC, in Chicago and can be contacted at Julie@katzgroupllc.com

James Palik has moved his office from Paris to Tulsa, Oklahoma, USA and can be contacted at jim@palik.org

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

PTMG 89th Autumn Conference

Chicago

8th - 10th October 2014

PTMG Spring Conference Report

Savoy Hotel, London, 17th and 18th March 2014 - "Realities in the Realms of Regulation of Pharmaceutical Trade Marks"

Tamsin Holman, D Young & Co LLP

Pre-Conference Dinner

Those who arrived in London during the weekend preceding the conference were treated not only to some unseasonably warm weather (a lovely change from the incessant rain of the previous few months) but also to a superb dinner in the Old Hall of Lincoln's Inn. The Hall was the perfect setting for Derek Rossiter, PTMG Honorary President to deliver his welcoming speech which was as thought provoking and topical as ever.

Day 1

The conference officially commenced at 2.15pm on Monday 17th March, in the sumptuous surroundings of the Savoy Hotel, one of London's great landmarks. Conference Chair, Sophie Bodet, introduced the PTMG Committee members and extended a warm welcome to everyone. As usual, delegates were



Sophie Bodet & Derek Rossiter

encouraged to suggest any topics of interest for future conferences. Prior to introducing the first speaker, Sophie concluded her opening remarks with a general reflection on the past couple of years and the challenges faced by the pharmaceutical industry as a result of the general economic downturn, record numbers of drugs coming off patent, increasing generic pressure and the need to improve R&D productivity.

Our first speaker, Professor Lionel Bently of Cambridge University, gave the Alan Cox Memorial Lecture. This was a fascinating review of 18th century English case law involving medicines from which Professor Bently traced a number of key principles of trade marks law as we know it today, such as the concept of the average consumer, the protection of colours and shapes as an indication of origin, and exhaustion of rights. Medicine-related disputes were surprisingly prevalent in this period of history, referred to as the Golden age of Quackery. Indeed, sizeable fortunes were made from the manufacture and sale of preparations such as Dr Johnson's Golden Ointment,



Professor Lionel Bently

Tipping's Liquor and Daffy's Elixir Salutis. At a time of high mortality rates and health problems rife throughout the general population, numerous medicinal products were available. The quality of these was highly variable and only some were developed by doctors. Medicine sellers developed complex distribution systems and fashioned the acts of persuasion and salesmanship. Counterfeiting was rife and advertisements, which frequently warned about the dangers of imitations, educated the public to look for distinctive get-ups, including packaging with signatures, as indicators of genuine products. Copyists who mimicked doctors' signatures on look-a-like products could be charged with forgery under the laws of the day. A series of common law cases, notably various decisions of Lord Mansfield, also saw the early development of the concepts of



Jamie Rowlands

trade mark infringement and passing off. Until the early 19th century, the available remedies were limited to damages. However, from the 1810's onwards, the Courts of equity started granting injunctions, which still remains the primary remedy against infringers.

Next, Jamie Rowlands of Wragge & Co delivered the international case round-up focussing on infringement decisions and registry cases from the past 12 months. The first few cases emanated from the UK, starting with Speciality European

Pharma v Doncaster Pharma, a case concerning the extent to which it was actively necessary for the defendant to rebrand generic tiroprium chloride to gain market access. Jamie touched next on the English High Court ruling in Merck (MSD) v Merck KGaA, the latest chapter in the two Mercks' relationship under the long-standing co-existence arrangements between them. Jamie's focus then moved to a recent decision of the Delhi High Court in Boehringer Ingelheim v Premchand Godha, in which the defendant sought to set aside a preliminary injunction which had been granted to prevent sales of Mucosolvin in India under the law of passing off. The next case, also involving Boehringer Ingelheim, was an appeal to the General Court where the central question in this case was whether the sign RELY-ABLE was sufficiently distinctive to serve as a trade mark for use in relation to clinical trials. The Court held that, although the relevant public would have high levels of attention, they would nevertheless see the sign as a mis-spelling of RELIABLE and the registration therefore failed. We then looked at the Australian case of Ceva Santé Animale, concerning trade marks containing INN stems. The examiner rejected an application to register SYNCROSTIM for a broad range of veterinary products, on the basis that the use of STIM suggested that colony stimulating factors were contained in the products. Jamie then spoke about the New Zealand case of Bayer v DBC. This concerned Bayer's ELEVIT product, which had a strong reputation in relation to post-pregnancy vitamin supplements for women. DBC applied to register ELEVIN for goods in class 5, including dietary and nutritional supplements. No prescription was required for either parties' product, but ELEVIN was not suitable to be taken by pregnant women. Following a (rather surprising) first instance finding of no similarity, the decision was reversed on appeal. Finally, Jamie provided a summary of two US cases before the TTAB. The first, being a refusal to permit registration of EPI-KEY, on the basis of likelihood confusion with earlier mark EPI-PEN (Mylan Inc v Beaufort County Allergy). The second case (Chattem Inc v Kirk Seubert) turned on the question of whether there was sufficient similarity between the parties' respective specifications of goods. The application for ActRx for nutritional supplements was rejected as being too close to the opponent's earlier mark, Act, for anti-cavity mouthwashes.

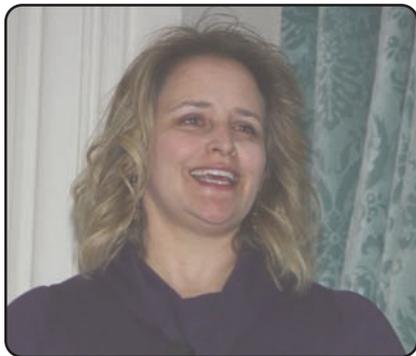
On the evening of Day 1, the superb Savoy ballroom, in which the talks had

Savoy ballroom in which the talks had been delivered earlier in the day, became the setting for the Gala Dinner.

This magnificent venue enabled participants and their guests to enjoy a delicious menu and a chance to spend time with long standing friends or newly met business partners. All the delegates were delighted when it was announced that the PTMG Spring 2015 conference would be held in Venice.

Day 2

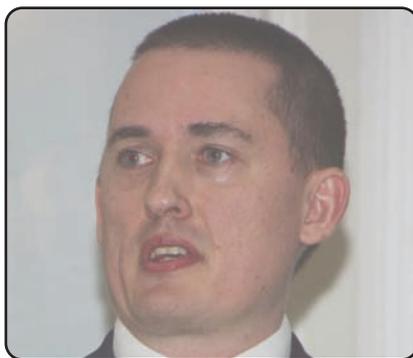
On the morning of Day 2, following the



Julia Pike

Chairman's remarks, we were treated to a lively and engaging talk from Julia Pike of Sandoz, who spoke about generic patent litigation from the perspective of the "patent obsessed patient". In doing so, Julia gave us some interesting insights into the inter-relationships between generics and pharmaceutical companies, as well as the competitive dynamics amongst generics companies in their attempts to become the first to market following expiry of the primary patent protection for drug compounds. Amongst the features which make pharmaceutical patent litigation unique, Julia cited the fact that generic drugs are paid for by governments; that substitution of originator products for generics can occur without the intervention of the end-user patients; the enormous impact on drug prices immediately following expiry of primary patents (typically 95% price reduction within a few weeks); and that access to healthcare is considered to be a "human right". Against this background, the key beneficiaries of generic competitors are national healthcare systems, yet these are usually third parties not directly engaged in patent litigation between patentees and generics companies. Julia noted, however, the increasing interest of third party stakeholders, and general interest shown by anti-trust authorities in so-called "pay for delay" settlements, particularly following the 2008 sector inquiry. Julia's view was that the European Commission has not issued sufficient guidance in relation to settlements and that the effect, in practical terms, is that generics companies are encouraged to litigate rather than settle. This, she said, was not only frustrating for generics companies, but also not in the best interests of

patients. Looking ahead, Julia thought that third party "payers" are likely to become more actively involved in these issues, especially as economies are under continuing pressure. Time will tell how matters develop, from the perspective of



Eifion Morris

the "patent obsessed patient". The next speaker, Eifion Morris of Stephenson Harwood, kicked off with a few interesting facts about the Savoy, before turning to a review of case law relating to trade mark applications made in bad faith. First, he looked at the OHIM approach, both before and since the Pelikan case. Following the General Court decision in Pelikan, OHIM amended its guidelines to say that an application ostensibly filed to circumvent the 5 year non-use period applicable to the applicant's earlier (very similar) mark may be bad faith but was not necessarily so. Amongst the relevant factors in assessing bad faith will be the circumstances under which, and reasons why, the contested application is made. Since the burden of proof falls on the applicant for invalidity, who is unlikely to be privy to all the circumstances surrounding the proprietor's decision to file, it is difficult to see how this will be established in practice. Eifion went on to review the approach taken under the national systems in the UK, Germany and France, each of which are slightly different from the OHIM position and from each other. He concluded by drawing together some indicators of filing strategies likely to be deemed bad faith, and the potential outcomes in different jurisdictions. Such indicators include the stockpiling of trade marks for use in relation to drugs coming through the pipeline, artificially preserving the life of marks by refiling after the 5 year grace period, applying to register multiple slight variations of the same mark and so-called "blocking" registrations.

After the coffee break, we received a presentation from Janet Morgan and Kai Gait of GSK, who were quite the dynamic duo and gave a marketers' perspective on social media opportunities and pitfalls in the pharmaceutical industry. Describing some of today's key social media channels and the different types of social media users (apparently many of us are what the experts refer to as "lurkers"!), the speakers then focussed on the numerous

opportunities afforded by social media, and how these must be counterbalanced with the inherent risks that are also involved. Perhaps the key advantage of social media is that it gives trade mark owners their



Kai Gait

own voice and facilitates conversations with customers and others, rather than relying on the press to interpret and report on what they say. The ability to have direct, real-time communications with people can be an enormously powerful tool, not only for marketing, but also for other important purposes such as correcting mis-information or raising awareness of particular medical conditions.



Janet Morgan

Overall, we gained a vivid picture of how social media can be used to great effect in the pharmaceutical industry, as a means of providing high quality information in a society which is increasingly "time poor and information hungry". Importantly, however, embracing the benefits of social media comes with a degree of risk, which must be managed by having a suitable crisis strategy in place. This involves being ready to deal with adverse situations at a moment's notice, as well as aiming for an appropriate balance between responsiveness on the part of the company, whilst at the same time giving people the opportunity to 'vent'.

Our final speaker of the morning was John Deavin of Deavin Associates, who gave a presentation on the classification, naming and regulation of medical devices. He looked first at what we mean by medical technology, the enormous range of products falling within this term, and the borderline between medical devices and pharmaceuticals (which can be a very narrow distinction in some cases).



John Deavin

Medical devices are fertile ground for innovation (as reflected by the large number of patent filings in the industry) and, although the size of the medical devices market is currently smaller than pharmaceuticals, John expects the balance to tip the other way in a number of years. He then took us through the regulatory regime for the classification and nomenclature of medical devices, as well as the rules relating to branding. The general tendency for manufacturers to choose names which allude to the way in which the product works, must be made to fit with the regulatory prohibitions on names which overstate the efficacy or other characteristics of the device. In the wake of high profile safety issues such as those relating to PIP breast implants, John explained that the core European legal framework for medical devices is due to be changed within the next few years, including the advent of a new Medical Devices Regulation. Overall, John painted a picture of medical device technology as a burgeoning and fast-evolving sector, with exciting advances being made in areas such as telemetry, biomaterial-compatible devices and stem cell therapies. One imagines that the legal framework may struggle to keep pace.



Tapio Blanc

Following lunch (which proved to be another great networking opportunity in the beautiful surroundings of the Savoy), Tapio Blanc of Hoffman La Roche gave a talk on clinical trial branding.

Posing the question of whether clinical trials represent a branding opportunity, he ran through a number of perceived advantages of branding for clinical trials. For example, brand names are easier to

remember than alpha-numeric codes for the identification of specific trials. Branding can also serve to signal a pharmaceutical company's commitment, as well as providing a single nomenclature for use by multiple stakeholders such as regulatory bodies, hospitals, patients, scientists and journalists. Tapio went on to describe the process for creating and protecting brand names for clinical trials, including a description of the compliance issues that may arise. Other matters requiring consideration include territorial issues (not just where the trial is conducted but where the trial and its results will be referred to), and the question of whether there is trade mark use (the USPTO's position being that trade marking is permissible for clinical trial services supplied to others but not for trials conducted internally). Undoubtedly there can also be drawbacks from seeking to register clinical trial names as trade marks, such as cost and cluttering of registers. Ultimately, Tapio was of the view that trade mark registrations are probably not necessary. He did, however, make a number of practical recommendations and advocated the proper management of clinical trial names as a form of best practice, whether they are registered as trade marks or not.



Verena von Bomhard

Our next speaker, Verena von Bomhard of Hogan Lovells, Alicante, gave a talk on the topic of black and white trade marks, focussing on the Convergence Programme between trade mark offices, aimed at achieving a common approach to scope of protection. On the question of whether use of a black and white mark in colour constitutes genuine use, there is no change in practice under the common approach, as the issue remains whether the change in colour alters the mark's distinctive character. Verena went on to look at the scope of protection afforded by black and white marks. In principle, such a mark extends to all colours, unless the particular colour format gives rise to a distinctive element. As to the impact of use by the proprietor of a black and white mark in a particular colour format, following the Specsavers decision, it is apparent that, over time, this can have an impact on the scope of protection. This is different from the position in Germany

and, in the UK IPO, it has led to a new practice note being issued. In the final part of her talk, Verena reflected on registration strategy and the potential pitfalls of filing in black and white. In particular, due to their wider scope, such marks are more likely to conflict with earlier marks, including earlier marks in colour.

The final talk was given by Katie Cameron of RGC Jenkins, who outlined the changes to the CTM Regulation which have, of course, been in the planning for some years. Amongst the new provisions, we will see both OHIM and the CTM itself change to shiny new names, along with removal of the requirement for graphical



Katie Cameron

representation of applications, and colours as such being acceptable for registration. Registration is to be denied where the translation of a mark into any official language of the EU gives a meaning that would be refused, and there is also a proposal to delete disclaimers. Katie went on to describe the implementation of IP Translator (including the prospect of OHIM allowing proprietors to clarify whether or not they intended to cover everything within a class), and the requirement that potential adverse effect on the essential function of a trade mark should be taken into account in contentious proceedings concerning so-called double identity infringement. She also commented on changes to the proof of use requirement in opposition proceedings, as well as the fact that bad faith is to be added as a basis for opposition. The new provisions in relation to goods in transit are to be welcomed, as is the extension of enforcement measures to address preparatory actions (such as importation of small counterfeit parts for subsequent assembly in the EU). Having run through the aforementioned changes, amongst others, Katie concluded with some reflections on some topics which she considered had been missed, including the absence of measures directed at improving harmonisation between the practices of different national trade mark offices.

Sophie Bodet drew the conference to a close by thanking all the speakers and noted that we will meet again in Chicago

The level of attention in the case of pharmaceuticals- Recent changes of OHIM's practice

Verena von Bomhard and David E.F. Slopek, Hogan Lovells, Alicante, Spain

Introduction

On 2 January 2014, a set of new Guidelines for Examination in the Office for Harmonization in the Internal Market (OHIM) entered into force. The Guidelines, whilst not legally binding, set out OHIM's current practice and have a major impact on the decisions taken by the examiners. The amendments include many changes and clarifications, some of which explicitly refer to pharmaceutical trade marks. One of the most remarkable amendments has the potential to cause a structural limitation of the scope of protection for pharmaceuticals and other health related products. It concerns the level of attention of end consumers in the case of both prescription and non-prescription medicines. This article sets out the previous practice and compares it to the approach as laid down in the new Guidelines.

The General Court's practice

The General Court's practice as regards the consumer's level of attention in the case of pharmaceuticals has been inconsistent. Basically, the Court adopted two different approaches. On the one hand, in various judgments the Court adopted a dynamic approach. By way of example, in its judgment of 17 October 2006 in Case T-483/04 (Galzin), para. 79 the Court held

"that the level of attention of the average consumer of pharmaceutical preparations must be determined on a case-by-case basis, according to the facts in the case-file, especially the therapeutic indications of the goods in question."

This approach was repeatedly confirmed, as per the General Court's judgments of 16 June 2010 in Case T487/08 (Kremezin), para. 69 and of 23 September 2009 in combined Cases T-493/07, T-26/08 and T-27/08 (Famoxin), para. 53 et seq. The latter decision was confirmed by the European Court of Justice (cp. order of the Court of 9 July 2010 in Case C-461/09 P, para. 19 ff.). Turning back to the General Court, when applying this dynamic approach to prescription drugs, the General Court generally concluded that the level of attention was to be regarded as high, as those preparations are normally supposed to treat serious disorders. Nevertheless, the approach clearly left room for the finding that the level of attention was only average or even low in the case of OTC drugs for the treatment of minor disorders.

On the other hand, there is a second line of judgments, which has come to dominate the General Court's practice. It can be characterized as a static approach. By way of example, in its judgment of 15 December 2010 in Case T-331/09 (Tolposan), para 23 et seq., the General Court held that even as regards inexpensive painkillers that can be purchased without prescription, the

consumer's level of attention was to be regarded as high. In its judgment of 15 March 2012 in Case T 288/08 (Zydus), para. 30 et seq., the General Court came to the same conclusion, disregarding the Board of Appeal's observation that the broad category of pharmaceutical preparations in class 5 also included non-prescription drugs, a large number of which are mass-produced, low-cost and supplied through very broad distribution channels.

OHIM's old practice

OHIM's early practice followed the dynamic approach, according to which the level of attention of end consumers in the case of pharmaceuticals had to be assessed on a case-by-case basis and with a view to the characteristics of the products concerned. An early example is the Board of Appeal's decision of 25 April 2001, R 816/1999-3, para. 28, where the Board held that the attention paid by consumers depended on the specific drug and its specific purpose. Indeed, as far as painkillers or other medicines for mild disorders were concerned, the degree of attention was held to be very low. Subsequently, OHIM's Boards of Appeal repeatedly confirmed this approach and, as a result of that, the dynamic approach became OHIM's official practice. With reference to the General Court's afore-mentioned Kremezin and Famoxin judgments, OHIM's Manual (the predecessor of the newly introduced Guidelines) stated:

"It cannot be claimed as a general rule that the average consumer who wants to buy a medicine for a specific purpose in a pharmacy will usually be very careful when purchasing a drug and will in general be able to distinguish between drugs with small name differences. The attention paid by this consumer depends on the specific drug and the specific purpose, need or effect (...) With regard to medicines for mild disorders and minor afflictions such as painkillers, sleeping pills or healing ointments, the degree of attention may be very low".

However, notwithstanding this clear guideline, in recent years OHIM's practice showed an increasing tendency to follow the General Court's static approach and to generally consider that the relevant level of attention was high in relation to any healthcare related products.

OHIM's new practice

In light of the aforementioned development, it does not come as a surprise that the amended Guidelines for Examination in the Office (Part C, Opposition, page 11 et seq.) now explicitly refer to the General Court's Tolposan and Zydus judgments. This causes a remarkable change as compared to the practice as laid down in the former Manual. As far as end consumers are concerned, the new Guidelines differentiate as to whether the

pharmaceutical products are sold with prescription or over-the-counter. With regard to the latter medicines, it is stressed that the products affect the state-of health of the consumers. Therefore, consumers who are deemed to be reasonably well informed and reasonably observant and circumspect are less likely to confuse pharmaceuticals with different trade marks. With regard to preparations that require medical prescription, the Guidelines stress that consumers are likely to have a high degree of attentiveness. Overall,

"medicines, whether or not issued on prescription (including medicines for mild disorders and minor afflictions), can be regarded as receiving a heightened degree of attentiveness by consumers".

The deviation from the old approach as laid down in the Manual is clear.

Comment

The level of attention of the relevant public is one of the decisive criteria for the assessment of likelihood of confusion between two trade marks. OHIM's new practice, according to which the level of attention is always considered to be high, could function as a trigger for the finding that even minor differences between the signs are sufficient to rule out a likelihood of confusion. As a consequence, the scope of protection of pharmaceutical trade marks is systematically reduced. In the worst case, this will further contribute to the so-called trade mark cluttering in class 5, a problem which has been discussed for a long time and which has recently been highlighted again by WIPO (cp. World Intellectual Property Report 2013, p. 96). Whilst in many cases the dynamic and the static approach do not lead to different results, assessing the consumer's level of attention on a case-by-case basis seems to be more accurate. In fact, there are many pharmaceutical preparations that can be bought in regular drugstores or supermarkets and that can hardly be differentiated from regular everyday consumer goods such as cosmetics or food supplements. Whilst it is true that they affect the consumer's health, this does not necessarily mean that the consumer would pay any particular importance to the trade marks – and of course cosmetics, skin care products and any type of food or beverages can also affect the consumer's health. In the case of pharmaceuticals, in many cases it is more likely that the consumers will primarily focus on different aspects, such as the function of a preparation or its price. In any case, it is a remarkable development that the practice changes from "the level of attention may be very low" to "the level of attention is always heightened" without the new Guidelines highlighting this change.

United Arab Emirates' draft law on the Prevention of Fraud in Commercial Dealings

Bassel El Turk, Rouse

On 3 March 2014 the Federal National Council approved the draft Law on the Prevention of Fraud in Commercial Dealings (the Draft Law). The Draft Law is expected to come into force some time in 2014 after its publication in the Official Gazette. The previous version of the law was enacted in 1979.

The destruction and re-exportation of counterfeits

There has been serious debate during the last year about whether and how the Draft Law might deal with the difficult issue of the re-export of seized counterfeit products. There have been many examples of seized counterfeit goods being ordered to be exported out of the UAE, often when the rights holder wished to have the goods destroyed.

Much of the debate has focused on compliance with the UAE's obligations under the TRIPS Agreement.

Article 1 of the Draft Law defines the following terms:

"...Fraudulent products: products that do not comply with the regulations, conditions, requirements, specifications, and standards set out in the laws, regulations, and decisions in force in the country, or those products that have been modified in any form or way or by any source or nature without the required approvals, or those products that are advertised or promoted in a manner contrary to their reality.

Spoiled products: products that are not eligible for use due to factors relating to storage, transportation, or due to their interaction with other natural factors or products that are in violation of the laws, regulations and technical standards. This includes damaged products.

Counterfeit products: products that bear, without permission, a trade mark identical or similar to a registered trade mark."

Article 3 of the Draft Law states:

"Without prejudice to criminal liability, the relevant authority may issue a decision ordering the importer to return Fraudulent or Spoiled products to their source during a specific period. If the importer does not return them to the source within this period, the relevant authority may order their destruction, or allow their use for any other eligible purpose, or it may return them to their source, and Counterfeit products will be destroyed, all of which is subject to the rules and regulations set out in the implementing regulation of this law."

The Draft Law clearly distinguishes between Fraudulent, Spoiled and Counterfeit products. This is further enhanced as the Draft Law consistently used explicit reference to the three types

of products in many articles such as Articles 1, 2, 3, 6, and 16 in a clear emphasis that these are three separate types of illegitimate products. Article 6 for example clearly states that the responsible local department will :

"... 4. Supervise the operations of destruction, recycling, or return to the source, depending on the circumstances, of the fraudulent, spoiled or counterfeit products."

There is therefore a clear distinction between the types of products and an acknowledgement that they are subject to different circumstances.

Counterfeit products are not subject to the rules applied on Fraudulent and Spoiled products. The provision for 'returning the products to the source' clearly applies to Fraudulent and Spoiled products only. The Draft Law clearly excludes Counterfeit products from re-exportation by stating that 'Counterfeit products will be destroyed'. This amendment, which was not present in earlier drafts, seems to broadly comply with the UAE's obligations under TRIPS, a major concern for all who made submissions on the earlier drafts of the law. Article 3 is subject to further clarification in the implementing regulations. We wait for those regulations to better understand how Counterfeit products are excluded from re-exportation.

What constitutes an act of commercial fraud?

Besides the broad definition of "Commercial Fraud" in Article 1 of the Draft Law, it has explicitly set out in Article 2 the acts that are considered acts of commercial fraud. These acts are:

"1- This law applies to anyone who commits an act of commercial fraud, and the free-zones are not exempted from the application of this law

2- Any of the following acts is deemed an act of commercial fraud:

- The importation, exportation, re-exportation, manufacture, sale, offer or possession for the purpose of sale, storage, rental, promotion, or circulation of the fraudulent, spoiled or counterfeit products.
- The use of, or offering or promising to offer commercials, in deceptive promotions and incorrect advertisements or the promotion of, spoiled or counterfeit products
- Offer, or promote or advertise fraudulent commercial services"

It is interesting that the Draft Law has explicitly included exportation and re-exportation of the counterfeit products within the acts of commercial fraud. This elaborates on the stance of the Court of Cassation decisions in Dubai that have

established that the products need to be targeted not for the local market.

The second point of interest is that the Draft Law has also included the storage of products within the acts of commercial fraud as well as explicitly confirming the law applied to free-zones. This does not appear to have been limited to the storage, or possession, for the purpose of sale. This appears to give hope that this will allow action against logistics and freight forwarding companies in the free-zones.

The third point of interest is that the Draft Law touched on advertisements. It is unclear whether this will cover unfair comparative advertisements; however, the implementing regulations of the law may clarify this point further.

Penalties are increased for Pharmaceutical products

The Draft Law has imposed more severe penalties in comparison with the previous law or other related laws in force such as the Trade Mark Law.

According to Article 12 the penalty for committing an act of commercial fraud is imprisonment for not more than two years, and/or a fine of not less than AED 50,000 (approx. USD \$13,600) and not more than AED 250,000 (approx. USD \$68,000).

The Draft Law has also penalised the "attempt" to commit an act of commercial fraud. Article 13 clearly sets out the penalty for such attempt to be imprisonment for not more than one year, and/or a fine of not less than AED 10,000 (approx. USD \$2,700) and not more than AED 100,000 (approx. USD \$27,000).

The Draft Law has increased the above penalties when the products of concern are, amongst others, pharmaceutical products. The penalties will then be imprisonment for not more than two years, and/or a fine of not less than AED 250,000 (approx. USD \$68,000) and not more than AED 1,000,000 (approx. USD \$270,000). These penalties also apply to the attempt to commit this act.

Comment:

There are many positives with the Draft law, particularly as regards to penalties; many of these had been previously overlooked with the concern surrounding the apparent right to order re-exportation in the earlier drafts. However, despite the positive steps forward, brand owners should remember that the law only applies to registered marks that are counterfeited. Well-known but unregistered marks would still need to be enforced under the current Trade Mark Law for instance, and lookalike products dealt with under other general laws.

Bayer's ELEVIT victorious over ELEIV in New Zealand

Bill Ladas, King & Wood Mallesons, Australia

In Bayer Consumer Care AG v DBC, LLC, the High Court of New Zealand has overturned a somewhat surprising decision from the Assistant Commissioner (AC). The decision is interesting in its characterisation of the relevant consumer, particularly considered against the context of OHIM's recent changes as discussed in the article by Verena von Bomhard and David Slopek, also in this edition of LL&P.

Background

DBC filed for Elivi in respect of "dietary and nutritional supplements; nutritional shakes for use as a meal substitute; nutritional bar for use as a meal substitute" in class 5.

Bayer opposed based on a number of grounds, based on its earlier use and registration of the mark ELEVIT.

At first instance, the AC rejected the opposition. Under sections 17(1)(a) (use of applied for mark would be likely to deceive or cause confusion, based on actual use of Bayer's mark and notional use of DBC's mark) and 25(1)(b) (notional use of Bayer's registered marks – in word and in stylised form (as shown below) – against notional use of DBC's mark), the key point was that – considered overall – the marks were dissimilar. This was on the basis that "vit" in Bayer's mark connoted vitamins (and was also reminiscent of the

word "elevate"), while (according to the evidence) DBC's mark was "a combination and manipulation of the words "elevate", "revive" and "vigor". Factoring also that "the relevant market will be discerning because of the health considerations associated with these kinds of goods", there was no likelihood of confusion stemming from Bayer's reputation (17(1)(b)) or its earlier registered mark (25(1)(b)).

The ground under 17(1)(b) (passing off and/or breach of the Fair Trading Act) was summarily dismissed.

On appeal

Goddard J took a distinctly different view and it is important to note here that appeals from the AC amount to a "rehearing on the record". The respective marks had "marked" similarities to a degree and extent that gave rise to a real risk of confusion under s17(1)(b), including due to similarities in spelling and stylisation eg. the pictorial elements over the "i" in the stylised forms. Goddard J also accepted that the common feature of each mark ELEVI would create an impression that lingered in the mind of consumers to a greater extent than any subtle graphic differences. The dissimilarity in the last letter was of "of negligible impact". The finding as to the discerning nature of the relevant consumers was not

supported by the evidence, and so the only prudent course to take was to adopt a benchmark of the least discerning consumer. Goddard J also referred by way of support to the decision in Neumegen v Neumegen and Co where the mark UNIVER – applied for in respect of certain cardio-vascular preparations – was considered confusingly similar to the earlier mark UNIVET registered for goods of the same description as one being very much on point and bearing a striking similarity to the facts of this case.

Goddard J also overturned the decisions on sections 17(1)(b) and 25(1)(b), ostensibly for the same reasons.

Comment

Leaving aside the standard points around assessing the similarities between marks and goods, what is interesting is the approach that Goddard J took in terms of considering the assessment of the likelihood of confusion, by reference to the consumer with least discernment. The reference to this being a matter of evidence is undoubtedly correct, and the approach is similar to that in the line of dynamic cases referred to in the von Bomhard and Slopek article on page 3 in this edition of LL&P, and quite different to the static cases and OHIM's new practice discussed in that note.

Lack of similarity between marks causes headache

Chris McLeod and Roya Soudbakhsh, Squire Sanders (UK) LLP

The applicant applied to register BRIMISOL for pharmaceutical products, analgesic compounds in class 5. The opposition was based on the opponent's earlier CTM registration of PRIBISOL. The opponent asserted that the marks were visually and phonetically similar. The applicant argued that when determining the likelihood of confusion only the first syllables of BRIM and PRIB should be analysed due to the prevalence of the elements ISOL and SOL in the pharmaceutical industry. They claimed that this was supported by the relative dominance of the first syllable when vocalized.

The opponent filed evidence indicating that there were no three syllable marks in use in the UK with the suffix ISOL at the time of the application being filed. They also stressed that 6 out of the 8 letters were identical in the respective marks. The hearing officer set out the law, stating that the likelihood of confusion must be judged through the eyes of an average, reasonably well-informed consumer taking into account the imperfect picture of the marks retained in the consumer's mind. The hearing officer also found that the identity of the consumer would depend on the availability of the product; such that the consumer of a prescription drug

would be a medical professional/patient, whereas the consumer for an over-the-counter drug would be the wider public. Goods bearing the opponent's mark were widely available, resulting in the relevant consumer consisting of physicians, hospital pharmacists and the public instead of "[one] homogenous group". The public would have more of an imperfect recollection of the mark than that of a medical professional. Following analysis of the two marks, it was the hearing officer's opinion that the fourth letters of B and M had a large overall impact on the visual and aural similarity between the respective marks, due to their differing sounds and varied appearance resulting in only moderate similarity between the two marks. This was in spite of the initial similarity between the first letters of PRI and BRI. The hearing officer stated that the similarity between two words should be determined on a case by case basis, considering the mark as a whole word and bearing in mind its dominant component, in this case the first syllable. This was in contrast to artificially dissecting each word into distinct parts or counting the number of identical letters. The hearing officer was of the opinion that the impact of the relative differences of the two marks was

crucial; for example, the hearing officer found that the harsh sounds of B and M at the end of the first syllables stood alone and were not softened by subsequent letters resulting in a greater impact on the two words similarity. He compared this to another case where the penultimate letters of the first syllable were different and hence were softened by the final letter, lessening the impact of the difference and causing there to be a greater level of aural similarity. The hearing officer also noted how the pronunciation of the word affected the impact of the differences; for example, if, when enunciated, the differences were stressed then the words were likely to be sufficiently dissimilar. Adding this rationale to the fact that the two marks were conceptually neutral and not obviously distinctive, the hearing officer found that the similarities were insufficient to give rise to a likelihood of direct or even indirect confusion. He stated that "...the average consumer in the UK...will not...[artificially dissect the marks] so as to focus on the similarities...and through imperfect recollection assume that this is the name they know". As a result, the opposition was rejected, which is perhaps surprising given the arguable similarity between the marks.

PROFILE: Peter Ekelund

Peter Ekelund is currently partner and naming consultant at Skriptor AB in Stockholm, Sweden. He joined Skriptor in 1985. He has a Master of Arts in Scandinavian languages, linguistics and German but is also a qualified librarian and studied various interdisciplinary subjects like history of ideas. Being a pure humanist he is however extremely proud of his studies in medicine for technicians and scientists. He has been engaged in projects for many pharmaceutical companies and names emanating from these are for example Yasmin, Xalatan, Crestor, Pradaxa, Brilinta, Revestive but Absolut Kurant is also close to his heart. He is a dedicated chess player with three Swedish national team championships to his credit, but will never be top-notch. When retired, he plans to travel around and play veteran chess as the tournaments are normally situated in lovely places like Crete, Porto or in adorable towns in Italy, Spain or France.



Where were you brought up and educated?

In the small town of Växjö in southern Sweden. The district is called Småland. A lot of wonderful lakes and forests, but also industry; IKEA was founded 60 km from my birthplace.

How did you become involved in trade marks?

I got bored working as a librarian and made a restart at the university, studying Computer Linguistics. One evening in 1985 my professor called me and asked if I could come to work for Skriptor. He said "You are not the most talented linguist I have met, but you are crazy enough to cope with the others at Skriptor!"

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

I was a librarian and manager of a mobile library. Lots of fun driving the bus! But I think I would have turned up at the university again after some more years - studying and teaching - Icelandic and old language history.

Which three words would you use to describe yourself?

Stubborn, friendly, logical.

What was your worst experience in the world of work?

We were working with a complex Finnish company around 1990. They did not like our names very well though we were trying to come up

with "sexy" tough names with a Finnish touch. I tried to convince them that Ratona was a very good name. And they were convinced, until we found out that the name had a meaning in Spanish; "female mouse". They wanted to sound big too! In fact in Portuguese Ratona means 'big female rat', which however did not make it better. Curtain down....

What does all your money get spent on?

What money? I try to win some at horse-racing.

What do you do at weekends?

Listening to silence, birdsong or to my wild and loud grandchildren on the porch in our cottage. Or playing serious chess or drinking too much wine, but not at the same time...

Complete the sentence: If I have time to myself ...

I'm not much of a handy man. Taking care of practical things like carpentry, electrical jobs, mending instruments and tools is not my cup of tea. I am all fingers and thumbs.

What did you want to be as a child?

My absolute first wish was to be a housekeeper. There was a girl named Irma. I wanted to be like her in every aspect.

What is your favourite work of art?

Difficult, but I love Edward Munch.

What is the best age to be?

62 and thereafter will be very good, at least intellectually. I will also try to reshape my body to look like one of a 25 year old sportsman, or at least like Clooney!

What is your favourite food dish?

Once at a PTMG conference in London I went to a Korean restaurant and had a main meal named "28 different small dishes". The starter was "6 different small dishes". Altogether it was the best I ever had!

What is your weakness?

Food and wine so getting that young sportsman's body again will not happen!...

What do you wish you'd never worn?

Terylene trousers. My mother wanted me to wear them with a white shirt and tie when I was five and since then I have had difficulties with all dress codes... Sorry PTMG, I will never learn to dress correctly!

What is your favourite drink?

Bloody Mary.

How do you relax?

Not doing anything at all, absolutely nothing. It is really wonderful.

What is your favourite holiday destination?

It is probably a small island on the west-coast of Sweden, Nordkoster. It is my own paradise since I was five years old. My wife and I go there every year.

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