

Law Lore & Practice

PTMG



Pharmaceutical
Trade Marks Group

Sept 2012



Editorial: Who moved my cheese? ©

Wherever in the world you are, whichever month of the year it happens, the start of the new school year is a time of re-adjustment and settling back into a certain routine. For us parents whose children have very long summer holidays, those 8 weeks can either be times of getting to

know your children again (the home version rather than the somewhat robotic school version of your offspring) or a stretch of time when you tear your hair out trying to keep them occupied. Hopefully for most of us, it is a good balance of both!

Thus it is for me here in northern Europe that early September has a certain feel about it. There is always the nip in the air of those early mornings waiting for the school bus, jumpers stuffed at the bottom of the school bag in the warm afternoons and the taste of blackberry and apple pie. This is also the time of year when there are often many changes to adapt to. New schools, new teachers, new friends; all of which can bring excitement, anxiety and sometimes even sleepless nights for both children and their

parents. Thankfully most adjust within a fortnight or so but for some these changes can transform into living nightmares where ultimately all sorts of difficult decisions have to be made.

How one is supported and helped to deal with early childhood experiences such as a change of school can determine much of one's ability to cope with change in later adult life. After all, change happens all the time both professionally and personally and is one of the fundamental underwriting principles of our human condition. At whichever level change occurs, it is a necessary challenge which must be embraced.

In organisations like PTMG, change is also inevitable and as we prepare for our next conference in Barcelona, it is my privilege to be able to include in this edition of LL&P both a message from the outgoing Chairperson Sue Evans and a Profile from the incoming Chairperson Sophie Bodet. I know that readers will join me in wishing all the very best to both of them in their changing roles.

Vanessa

Reflections from the chair

If you have sent me an email recently, you may have received an out-of-office message to the effect that I am now enjoying early retirement. This is not a joke. It is a joyous truth. Having decided at the end of 2011 that it was time for me to move on, it was relatively easy to then put everything in place so that, by the end of June, Sue the Trade Mark Attorney became Sue the gardener, musician, hiker, artist, theatre-goer, and so on, the list, I can tell you, is wondrously endless.

It has been surprisingly easy to let go of 'work' and, instead, focus on indulging my hobbies and interests that have been put on hold for so long through lack of time or energy. Letting go of PTMG has been a different matter, but I have such wonderful memories – people, places, events – from more than 20 years with the Group as a Committee

member, 9 of those as Chairman. The stories I could tell would fill a book and would make fun reading.

However, at this point I will simply say thank you for all of this and wish all of you good luck for the future.

It is important to close doors behind us in order to allow new doors to open ahead. So it is that I find myself stepping down as PTMG Chairman and handing over to Sophie Bodet in absolute confidence that, with the continued support of the PTMG Committee, she will do a great job.

Just one last comment before I skip off into the sunset : if I do write that book, I promise that the people and places and events will be changed to protect the innocent....or ?

Thank you everybody and good luck,
Sue Evans



Your Facebook page is your responsibility: User generated Facebook comments subject to advertising standards and consumer protection laws in Australia

Frances Drummond, Norton Rose, Australia

The Advertising Standards Board (ASB) in Australia recently handed down two decisions raising the bar on social media responsibility and creating further challenges for businesses. The ASB has found that companies operating commercial Facebook pages are responsible for any third party comments made on those pages, because the Facebook page is no different to any other vehicle used to advertise or promote products to consumers.

The Australian Competition and Consumer Commission (ACCC) has indicated a similar approach will apply to the application of consumer protection laws with respect to user generated third party content on social media websites. The ASB decisions build on and are in accordance with the Federal Court decision against Allergy Pathway Pty Ltd where, in a contempt of court case, the defendant company was found to be responsible for user comments posted to its Facebook and Twitter social media fan pages. That decision related to various claims with respect to the diagnosis and cure of allergies, including claims made by third parties in user generated comments and testimonials, rather than material generated by the company itself. In the new ASB decisions, complaints were made against the VB beer and Smirnoff vodka Facebook pages regarding comments and material posted by Facebook users. For the first time, the Board found that posts by third parties on a Facebook page constituted advertising,

and must comply with industry guidelines and consumer laws. The ASB did not accept that a Facebook page is not a medium for advertising, despite submissions that the social media pages are merely a tool for communication between the business and its customers, similar to television or radio.

The ASB decisions have been criticised as placing an undue burden on businesses with respect to monitoring third party content, with little guidance as to whether liability is incurred from the time the post was made, or if a certain time period is acceptable for review of 'live' third party user generated content. The ACCC has made it clear that it expects businesses to ensure third party user generated comments comply with consumer protection laws within a reasonable period. A guide of 24 hours has been suggested as a reasonable review period for larger enterprises. This would allow businesses a very short period to review any third party comments posted on its social media websites for the purposes of ensuring no posts are false or misleading, in breach of any laws or advertising standards.

Implications for pharmaceutical businesses

Pharmaceutical companies in Australia should ensure that any third party, user generated content posted to the company's commercial social media websites comply with all laws and

regulations, as it would with any statements made directly by the company. The recent decisions confirm that social media must be viewed simply as part of a company's overall advertising regime, and not as a separate area exempt from regulation.

The regulatory onus generally is particularly heavy in the pharmaceutical space. The recent ASB decisions, and ACCC guidelines, do indicate that third party statements are subject to the same high regulatory standards. The key for business will be to show that a reasonable review process is in place. For large sophisticated organisations, it is expected that this review will occur within a 24 hour period of any post being made. These decisions highlight the need for businesses to continually monitor any social media platforms and remove any inappropriate, misleading or offensive comments as quickly as possible. This is best achieved by:

- ensuring policies and guidelines regulate digital communication in the same manner as traditional forms of communications;
- training employees to recognise appropriate and inappropriate use of social media;
- communicating expectations with marketing agencies who may be managing the business' social media; and
- utilising any filters, restrictions and online tools available.

US Law Update

James Thomas, Thomas Trademarks and Copyright Legal Services, North Carolina

In a decision that highlights the risks of adopting a new abbreviation for a formulation, the Trademark Trial and Appeal Board (TTAB) found the mark **α CU** deceptively misdescriptive for dietary supplements, namely, lipoic acid, vitamin C, ascorbic acid, zinc, zinc amino acid chelate, riboflavin, biotin, vanadium, vanadium sulfate. The applicant contended that the CU element in its trade mark referred to its controlled uptake formulation, submitting as evidence its labeling, which included the words 'Alpha Lipoic Acid Controlled Uptake Formula' immediately beneath the trade mark and the explanatory wording 'Alpha CU™(Controlled

Uptake)' on a side panel. Unfortunately for the applicant, however, CU is also the recognized abbreviation for the element copper, which was not an ingredient in its dietary supplements. Thus, the Examining Attorney argued that the CU portion of the trade mark would be understood by consumers as representing the element copper, and because the description of goods did not include copper, the trade mark was misdescriptive. The TTAB agreed with the Examining Attorney, noting that the trade mark must stand on its own. The TTAB explained that clarifying aspects of an applicant's advertising do not serve to overcome deceptiveness in a trade

mark.

The USPTO seeks comments on two new trade mark proposals: The first involves adjustments to filing fees for new trade mark applications to provide further incentive for electronic filing (see <http://tho.tc/OIvhLC>), and the second involves amending the US Trademark Act to shorten the period for filing the first affidavit of use from between the 5th and 6th years to between the 3rd and 4th years (see <http://tho.tc/OIvoXz>). In both cases, comments are due on or before 15 October 2012.

International Update

Bulgaria

PETOSOVIC

On 26 June, 2012, the Administrative Court Sofia City (ACSC) revoked the Bulgarian Patent Office's (BPO) decision to cancel the word mark (OPTISAL), for goods in Class 5 (pharmaceuticals to restore electrolyte balance, nutritional products to restore salt balance for medical purposes, dietetic substances for medical purposes), owned by the Bulgarian manufacturer of medical products KENDI ODD.

The BPO cancellation decision was based on prior European Community Trademarks (CTMs) Optisana and OPTISANA, registered for similar goods in Class 5 by the major German retailer Lidl Stiftung & Co. KG (Lidl).

However, the ACSC ruled that the marks are not visually, phonetically and conceptually similar to the extent that could produce a likelihood of confusion among consumers. According to the ACSC, the distinctiveness of the marks is based on the endings "SANA" and "SAL". The common element "OPTI" is considered to be non-distinctive due to its

popularity and regular use and the fact that numerous marks begin with the word mark "OPTI".

The nature of the goods in Class 5 was also taken into account. The ACSC ruled that pharmaceutical goods require higher attention on the part of the consumers and that a likelihood of confusion cannot be claimed. The decision is subject to appeal before Bulgaria's Supreme Administrative Court (SAC) within 14 days after its publication.

Kazakhstan

PETOSOVIC

Numerous amendments to Kazakhstan's trademark law entered into force on 31 January, 2012.

The list of absolute grounds for refusal has been shortened, namely the part related to the lack of a distinctive character. However, the instructions for conducting examinations have not been published yet, so it is not clear how such changes will be implemented in practice.

The formal examination period has been shortened from two months to one month, while the substantive examination period has been shortened from 12

months to 9 months, which will speed up the trademark registration procedure before the Kazakh Patent and Trade mark Office.

Licensing and assignment procedures, as well as the procedure for filing oppositions before the Board of Appeals, are now more clearly outlined.

Finally, the amendments establish strict requirements regarding the language of the documents filed with the Kazakh PTO. Trade mark applications may be filed in either Russian or Kazakh, while assignments, oppositions and the documents that go along with them, such as the supplements and the Power of Attorney, must be filed in both Russian and Kazakh. In case these documents are filed in another language, notarized translation into both Russian and Kazakh is required.

The stricter language requirements contribute to an increase in the filing costs and have therefore caused negative reactions among the local patent and trade mark attorneys. It is expected that the language requirements will be reduced once the Singapore Treaty on the Law of Trade marks enters into force in Kazakhstan, which is expected to occur on 5 September, 2012.

Members News

New members

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

Tone Tangevald-Jensen of Zacco Norway AS, Oslo, Norway
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Moves and Mergers

Mark Peroff and **Darren Saunders** have left Hiscock & Barclay to join Manatt, Phelps & Phillips in New York, USA. Their respective e-mail addresses are now mperoff@manatt.com and dsaunders@manatt.com

David Kane has left Locke Lord and set up his own practice called Kane Advisors LLP in New York, USA. David can be contacted at dhtkane@gmail.com

Birgitte Waagepetersen has left Zacco Denmark A/S to join Patrade A/S in Copenhagen, Denmark. Birgitte can now be contacted at bwa@patrade.com

Bill Ladas has left SJ Berwin in London and returned to Australia where he has joined Corrs Chambers Westgarth in Melbourne. Bill can be contacted at bill.ladas@corrs.com.au

Gabriel Leonardos and **Filipe Leonardos** have restructured their old firm, Momsen, Leonardos & Cia and are now working at Kasznar Leonardos Intellectual Property – Brazil in Rio de Janeiro, Brazil. Their respective e-mail addresses are Gabriel.Leonardos@kasznarleonardos.com and Filipe.Leonardos@kasznarleonardos.com

Georgina Busku has left Danubia to join the Budapest office of Abu-Ghazaleh Intellectual Property Ltd. Georgina can be contacted at gbusku@agip.com.

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

What patients want

Acquiring and asserting shape and colour trade marks for prescription drugs remains a challenge for the innovative pharmaceutical industry in Canada— is there a way forward? It is time for patients to have their say.

Patrick E. Kierans and Kristin Wall, Norton Rose Group, Canada

The courts in Canada hold that because patients receive their medication through professionals they lose their inherent right as consumers to choose. As a result the courts appear to operate in the belief that shape and colour of prescription drugs do not have traditional trade mark significance for patients.

In order to explore whether or not patients regard the shape and colour of prescription drugs as trade marks, the authors conducted market research on this issue. A series of patient/consumer focus groups and a pilot survey questionnaire revealed that shape and colour of prescription medicines do have traditional trade mark significance for patients. In particular:

- All patients want to make an informed decision about which brand of their medication to accept;
- Drug appearance is important to patients in identifying their medication and they do associate a particular shape and colour with a particular manufacturer; and
- A majority of patients prefer that generic versions of the same medication come in different shapes and colours so that a substitution cannot be made without their knowledge.

This type of qualitative research, in combination with brand-focussed marketing strategies, suggests a viable approach for successfully asserting legal rights in respect of shape and colour trade marks for prescription medicines.

Generic position – patients play no role

The generic industry argues that drug appearance cannot have trade mark significance for patients since patients

have little, if any, role in selecting the drugs they take. Rather, doctors and pharmacists dictate drug choices for patients. The role of the patient in establishing evidence of distinctiveness in these cases is further complicated by issues of confidentiality. As the 'end' customer who actually consumes the prescription drug, patients' views on drug appearance should be more, not less, important than those of doctors and pharmacists.

Nevertheless, courts have typically been presented with little evidence on the patients' point of view.

Qualitative research

In order to determine whether patients associate the shape and colour of prescription drugs with a source manufacturer, the authors conducted a series of focus groups in Canada to explore the trade mark significance of Zovirax® 200 mg, a light blue, shield-shaped tablet used in the treatment of various strains of herpes. The use of focus groups is a qualitative research technique to collect data through a moderated group discussion.

The Zovirax® study consisted of a series of four large mixed medication patient groups, and eight smaller Zovirax® patient groups. The four larger groups involved a total of 38 patients taking a variety of prescription medications. Participants were identified with the assistance of dispensing pharmacists who were asked to distribute a letter of request to patients obtaining a refill of any one of nine specified brand drugs representing a broad spectrum of innovative pharmaceutical companies. Participation in the smaller groups was limited to 28 patients actually taking Zovirax® 200 mg tablets. The Zovirax® patients were also recruited via pharmacists, as well as through

patient groups, treating physicians and STD clinics. All participants were paid an honorarium for attending the focus group session.

Contrary to judicial opinion, the focus group's research revealed that a majority of patients do in fact associate the shape and colour of a prescription drug with a single source manufacturer.

The consumer evidence collected by the focus groups also revealed that patients prefer that generic versions of the same medication have a different appearance so that a substitution cannot be made without their knowledge. Overall, drug appearance plays an important role in drug selection for patients who want to make an informed decision about which brand of their medication to accept.

Most of the patients interviewed believe that a particular combination of colour, size and shape belonged to that particular medication, and to the company that produced it. Patients feel that a particular drug get-up should remain the property of the drug name and drug company.

The research collected from the focus groups and international experience to date, suggests that a more patient-centric approach is necessary for successfully establishing shape and colour trade mark distinctiveness for prescription drugs. Qualitative market research may provide a more sensitive mechanism for accessing the complexity of consumer opinions concerning the trade mark significance of drug appearance.

Pharmaceutical trade marks containing INN stems receive automatic objection in Australia

Carly Mansell, Davies, Collison Cave, Melbourne

The Australian Trade Marks Office has adopted a practice of automatically objecting to trade mark applications for pharmaceuticals, veterinary preparations or pesticides in class 5 that contain an INN stem on the basis that such marks are considered likely to deceive or cause confusion.

What are INN stems?

International Nonproprietary Names (INNs) identify pharmaceutical substances or active pharmaceutical ingredients. Each INN is a unique name that is globally recognized, public property and is approved by the World Health Organization (WHO). For example, in respect of PANADOL® paracetamol, paracetamol is the global INN for the pharmaceutical substance, while PANADOL is the brand name for the particular paracetamol product originating from the GlaxoSmithKline group of companies.

The names of pharmacologically related substances share a common INN 'stem' which assists medical practitioners, pharmacists and others to recognise that the substance belongs to a particular group of substances having similar pharmacological activity.

Some stems are relatively inherently distinctive (eg. -gliflozin), whereas others are arguably not (eg. -ine, -on).

What is the basis for objection to trade marks containing INN stems?

A trade mark application will receive an objection if, because of some connotation of or within the trade mark, the use of the trade mark in relation to the applied for goods or services would be likely to deceive or cause confusion (section 43 of the Trade Marks Act 1995 (Cth)).

Unless the following applies, the Trade Marks Office will, as a matter of practice, object under the section 43 ground to a trade mark in respect of pharmaceuticals, veterinary substances or pesticides which contain an INN stem:

- the INN stem is not contained within the mark in 'a meaningful way'. This has a very narrow application. The Office considers INN stems are contained in a meaningful way unless they form part of an ordinary English word. For example, the stem -AST would be objectionable in an application for SIMIANAST but not in an application for FAST. The Office also gives the example that the presence of 'aj' in the term 'Sansajabendorastine' would not warrant objection given the length of the name and other competing references, but current experience suggests that slightly less extreme examples will warrant objection; and/or
- the goods covered by the specification are restricted to substances belonging to the pharmacological group pertaining to the INN stem.

The Office considers that marks which do not comply with the above conditions will automatically be likely to give rise to deception or confusion.

How to overcome the objection relating to use of an INN stem within a trade mark

The Office will issue an adverse report stating that the objection maybe overcome by agreeing to a condition of registration limiting the use of the mark to the relevant pharmacological group. The Office will suggest the following endorsement:

'It is a condition of registration that any use in respect of 'relevant goods' will be in relation to such goods containing substances belonging to the pharmacological group designated by the International Non-Proprietary Name stem 'stem''

Trade mark registrations can be cancelled on the ground that a condition entered in the Register in relation to the trade mark has been contravened.

To date, the Office is reluctant to consider surrounding circumstances which may rebut its assumption that the mark is likely to mislead or cause confusion, such as evidence of the widespread adoption of marketed product names incorporating the stem which belong to a variety of pharmacological groups.

Lessons for pharmaceutical companies

The current Office practice does not appear to recognise that some stems are not likely to be associated with a particular pharmacological group, for instance because the stem has not been used for several decades (if at all) or because the relevant consumers are accustomed to seeing a high number of pharmaceutical products on the market with trade marks containing the stem but which relate to a range of pharmacological groups.

In such cases, arguably there is no connotation and no real likelihood of deception or confusion occurring.

Clearance in class 5 is already difficult for pharmaceutical companies and others seeking to clear global product names given the crowded state of the register. Unless the current practice can be successfully overturned, it will cause further headaches for companies trying to roll out global product names in class 5 to Australia.

In the meantime, trade mark owners in the pharmaceuticals, veterinary and pesticides field should consult the list of INN stems when clearing names and be wary of selecting names in Australia containing an INN stem unless the product is destined for the relevant pharmacological group.

Plop plop, fizz fizz, oh what a relief it is!*

Sound Marks now Registrable in Canada

Susan J. Keri and Megan Langley Grainger, Bereskin & Parr LLC, Canada

A recent decision of the Federal Court of Canada has reversed a long-standing policy of the Canadian Intellectual Property Office (CIPO) regarding the registrability of sound marks in Canada. After a two decade legal battle in which Metro-Goldwyn-Mayer (MGM) sought to register the sound of a roaring lion as a trade-mark, CIPO has announced that it is now accepting applications to register sound marks.

In 1992, MGM applied to register the 'roaring lion' sound mark. The application was depicted visually as follows:



In addition, MGM filed a cassette tape recording of the sound it was seeking to register. In 2010, after the filing of numerous extensions and correspondence responding to the initial rejection, CIPO ultimately refused the application. Standing in the way of registration was CIPO's position that a trade mark must be capable of being seen, and that a sound mark could not satisfy this criteria as it could not be accurately represented by visual means, such as drawing.

MGM appealed CIPO's refusal to the Federal Court and, with the consent of The Department of Justice, who accepted MGM's arguments, the appeal was allowed. The Court set aside CIPO's refusal to register the sound mark, and directed MGM to file a digital recording of the mark. It is expected that the roaring lion application will issue to registration in the summer of 2012.

Prompted by the decision of the Federal Court, on March 28, 2012,

CIPO issued a Practice Notice advising that it would, henceforth, be accepting applications for the registration of sound marks. The Practice Notice indicates that a sound mark application must comply with the following:

- state that the application is for the registration of a sound mark;
- contain a drawing that graphically represents the sound;
- contain a description of the sound; and
- contain an electronic recording of the sound.

Within the pharmaceutical industry, sound marks have and continue to play an important role in the marketing and sale of products, and pharmaceutical companies have benefitted from sound mark protection in numerous jurisdictions world-wide. In the United States, Hisamitsu Pharmaceutical Co. registered HISAMITSU, sung over the sound of four musical tones, for medicated transdermal patches, plasters, pads, gels and sprays for the temporary relief of the aches of rheumatoid arthritis, and the aches and pains of muscles, joints and tendons. (Registration No. 2,814,082; sound file:

<http://www.uspto.gov/web/offices/ac/aha/rpa/opa/kids/soundex/78101339.wav>).

Hisamitsu obtained a similar registration for this sound mark in Australia (Registration No. 1,182,640; sound file:

<http://pericles.ipaustralia.gov.au/epublish/av/1182640.mp3>).

The Office for the Harmonisation of the Internal Market also accepts applications for registration of sound marks and again, there are many examples in the pharmaceutical field where such protection has been secured. These include Glaxo Group's registration for a musical phrase (Registration No. 5398474 covering pharmaceutical preparations

and substances) as well as a registration owned by Grünenthal GmbH for a repeating piano note followed by a melody (Registration No. 9690711 covering, among other things, pharmaceutical and veterinary preparations; sanitary preparations for medical purposes and dietetic substances adapted for medical use).

The MGM decision and the resulting change in Canadian practice have brought Canada in line with many other countries that have long since recognized the registrability of sound marks. Pharmaceutical companies who use musical sounds and jingles in the branding of their products and services will, no doubt, welcome the shift in Canadian law and practice.

**PLOP PLOP FIZZ FIZZ OH WHAT A RELIEF IT IS!* is a registered trade-mark of Bayer HealthCare LLC in the USA

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Difficulties in bringing drug to market an insufficient ‘obstacle to use’, but discretion exercised to allow REVASC to remain registered

Bill Ladas, Corrs, Chambers Westgarth, Australia

In UCP Gen Pharma AG v Mesoblast, Inc [2012] FCA 210 (15 March 2012), the Federal Court has overturned a registry decision to remove UCP's registration for REVASC for non-use.

Jessup J did not accept that there were obstacles to use of REVASC during the relevant period, but his Honour exercised his discretion to allow the mark to remain registered.

The proceedings started on 20 March 2008, when Mesoblast, Inc (formerly Angioblast Systems Incorporated) filed a non-use action against UCP's registration, presumably – while this is not mentioned and was apparently not in evidence - with the intention of clearing the way for the registration and use of REVASCOR in Australia, filed on 23 January 2008.

The relevant non-use period for the REVASC registration was 20 February 2005 to 20 February 2008, and it was common ground that there was no use of REVASC in Australia for pharmaceutical preparations at any time during this period. REVASC is the brand name for desirudin, a pharmaceutical agent for use in the prophylaxis and treatment of venous thrombosis for hip and knee operations.

In its defence, UCP relied on section 100(3)(c) of the Trade Marks Act 1995 (Cth) (the Act) which allows for a registration to remain (notwithstanding non-use during the relevant period) ‘because of circumstances (whether affecting traders generally or only the registered owner of the trade mark) that were an obstacle to the use of the trade mark during that period’. UCP also relied on the general discretion in section 101(3), which provides for the Registrar or court to not remove a registration if it is satisfied that it is reasonable to do so.

The facts are dense and complicated, but the upshot of the case is that UCP experienced a whole host of delays in launching its REVASC product in the Australian market. UCP referred to the divestment of interests in the REVASC business in 2000 by Aventis SA, then

involved, due to FTC proceedings in the United States, and difficulties in obtaining manufacturing knowhow and facilities to produce desirudin.

Jessup J's view was that these facts did not, individually or in combination, amount to obstacles referred to in section 100(3)(c).

Jessup J then turned to the discretion in section 101(3). He considered that the lack of use during the relevant period was not due to an intention to abandon the mark, or due to Canyon, UCP's exclusive licensee, simply losing interest in the mark. He considered it reasonable for Canyon to give priority to the establishment of REVASC in Europe, and took into account the current use of REVASC in Europe, and the arrangements made and approvals obtained for the imminent launch of the product in Australia. These were genuine, and not merely token, steps.

In terms of the public interest, Jessup J considered these factors to be fairly evenly balanced. The risk of deception or confusion due to the removal of the registration was negligible here, given the lack of use of REVASC in Australia as at the date of the decision. Jessup J also stated that '[t]here is neither evidence nor suggestion that any other trader desires to use the mark, or anything similar to it'. From this it appears that Mesoblast did not place into evidence its Australian trade mark application for REVASCOR (filed in 2008), and did not refer to EMEA's approval to Mesoblast to start a Phase 2 trial for Revascor (an adult stem cell-based heart product) in Europe. Clearly these facts may have had an effect on Jessup J's findings.

Jessup J went on to consider the private interests of Canyon, and held that Canyon stood to derive the most obvious benefit from allowing REVASC to remain registered, and that these private interests seemed ‘to be the very point of the discretion arising under s 101(3)’. There would be a clear detriment to UCP's exclusive licensee if it needed to market the product without a trade mark registration or

re-brand, as occurred in the USA, or even withdraw the product from Australia altogether. There would be no corresponding benefit to any other person.

Finally, Jessup J took into account that a party could later file a non-use action by reference to the facts existing at that time.

Implications

This case is a creature of its very specific facts but illustrates the breadth of the discretion available to the court and the Registrar to maintain a trade mark on the register despite non-use.

As always, where there are significant delays in bringing a product to market and a trade mark registration is in the meantime vulnerable to a non-use attack, serious thought should be given to strategic re-filings to avoid the need for expensive proceedings with an uncertain outcome.

Further, even with the abolition of the standing requirement for the removal applicant from section 92 of the Act, it is clearly relevant in non-use actions to provide details of the detriment that a removal applicant will suffer if a registration remains in place. Otherwise, the risk is that the discretion will be exercised in favour of the registered owner.

Trade mark inherent and acquired distinctiveness seen by the Romanian courts

Andra Musatescu, Law & Industrial Property Offices

Nutricia International B.V. ('Nutricia'), part of the Danone Group, represented by Andra Musatescu Law & Industrial Property Offices, has just obtained a positive decision in an annulment action brought against a local producer of milk and milk products, S.C. Avi Seb Impex SRL (Avi).

MILUPA vs. MILAPO

The facts of the case:

Avi has registered with the Romanian Trade Mark Office a 'milapo with device' trade mark for all the products in Class 29, including milk and milk products. Nutricia is the owner of the following



trade marks:

- Milupa Community trade mark 007198773 word mark, being registered, inter alia, for "dietetic substances adapted for medical use; food for babies" in Class 5 and "milk and milk products" in Class 29;
- Milupa Community trade mark 006651939



being registered, inter alia, for 'dietetic substances adapted for medical use; food for babies' in Class 5 and all the products in Class 29 and

- Milupa Community trade mark 005065156 being registered, inter alia, for 'dietetic substances adapted



for medical use; food for babies' in Class 5.

Nutricia considered that its prior trade mark rights are infringed by Avi's registration, especially taking into account the inherent and acquired distinctiveness by use in Romania of the Milupa trade marks and, therefore, decided to file an annulment action against the registration by Avi of the 'milapo with device' trade mark.

Arguments:

Nutricia's arguments in court were extensive, including but not limited to:

- similarity of the trade marks compared,
- the high distinctiveness of the CTMs which was not only inherent, but also acquired by extensive use of the CTMs in Romania evidenced by volume sales, surveys and amount of advertising and marketing undertaken in Romania in connection with the brand,
- the beginning of the trade mark being of a high importance,
- the identity for some of the products and the similarity for the remaining of the products for which the analyzed trade marks were registered,
- risk of confusion and association.

Findings of the court:

In judgment 204 A/2011, the Bucharest Court of Appeal decided that (1) the principle applicable in appreciating the verbal similarity is that the beginning of the trade mark is of a high importance and taking into account that the compared trade marks have the same prefix 'mil', the trade marks are similar; (2) the Milupa trade marks have 'a certain degree of distinctiveness which cannot be contested' and (3) the risk of association is clear as there is the possibility that the consumers consider that there is a link between the previous trade mark and the contested mark.

Comments:

We consider the decision of the court as of quite high importance, not only for Nutricia which invested large sums of money in establishing a reputation for its Milupa trade marks in Romania, but also as a precedent as we persuaded the

Romanian court to confirm that Milupa has high distinctiveness in Romania. The decision of the Bucharest Court of Appeal is final and binding and will most probably be followed by other courts. In this respect, our firm's personal view is that more pharmaceutical and nutritional companies can now take similar actions based on this case and to rely on their previous well-known trade marks or registered renown trade marks to request the annulment of other identical or similar trade marks, provided that such identical or similar trade marks are within the 5 years status of limitation period provided by law.

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PROFILE: Sophie Bodet

Sophie has been the Head of Trade Marks at GlaxoSmithKline since 2008. She is based in London where she manages GSK's Legal Global Trade Mark team of 50 people, which is based in four locations; one in London, two in the US and one in Beijing.

Prior to joining GlaxoSmithKline, she was the head of trade marks at Sanofi where she spent 15 years and was at that time already a PTMG Committee member. Before joining the Pharmaceutical Industry, she was a Lawyer in a French Trade Mark Law Firm. Sophie rejoined the PTMG Management Committee in 2011 and was elected Chairperson in July 2012.



Where were you brought up and educated?

Near Paris.

How did you become involved in trade marks?

By choice. During my third year of Law studies, I took an IP class and immediately became interested in that area of law and especially by trade marks. Afterwards, everything came together nicely and I have never left the trade mark world. As a student, one of my work experience periods, initially planned to last for a couple of months, was extended into a one year contract!

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

I don't really know ... and feel very fortunate that I've never had to make that decision.

Which three words would you use to describe yourself?

Tenacious, Optimistic, Approachable.

Complete the following sentence: I wish . . .

. . . I wish days had 36 hours and weekends had 4 days...

What was (were) your best subject(s) at school?

French.

What was your worst experience in the world of work?

Being stuck in a lift at work for a couple of hours, while I was pregnant.

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

I would love to write a novel.

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

. . . Singing.

What's the best thing about your job?

It cannot be singular! Working on many different matters; being based in London; leading an absolutely fantastic team; working for a company of which I am proud.

What is your biggest regret?

Regret is not an emotion that I recognise.

What do you dream of?

Visiting Peru.

What is the best age to be?

One's current age.

What is your philosophy in a nutshell?

Life is beautiful, but short, so enjoy it in the present.

What car(s) do you drive?

I don't drive any more now that I live in London!

Which book or books are you currently reading?

Madame Bovary by Gustave Flaubert.

What is your favourite children's book?

Y-a-t-il des ours en Afrique? by Satomi Ichikawa.

Which one person would you invite to dinner (other than a family member or relative)?

Her Majesty Queen Elizabeth II, as long as she arrives by parachute!

What is your favourite drink

A glass of a good red wine.

What is your favourite holiday destination?

Corsica.

What's the best invention ever?

Aeroplanes.