Editorial: Seasonal thoughts

Throughout France this weekend, events will be taking place to raise funds for an association known as AFM-Téléthon. One of our school campus events is to hold a concert whilst some of the playground staff are doing a 24 hour run. A fund raising initiative for rare diseases, the fund raised more than 80 million Euros last year. Created in 1958 by a group of parents who were disarmed at the lack of public health response to their children’s muscular dystrophy condition, the initiative now supports more than 300 scientific research projects. Additionally, AFM-Téléthon is the founder and main financier of the Rare Diseases Platform, a unique resource centre in Europe that brings together publicly financed and not-for-profit stakeholders in the fight against rare diseases.

Similar fund raising events take place around the world, such as the Radio 4 Christmas Appeal or Children in Need in the UK but these are more dedicated to poverty related situations. Maybe, like me, you regularly come across people collecting for charity at the supermarket exits and at least one UK national supermarket chain doubles your donations for the food banks. Christmas is the season of goodwill and it is certainly auspicious to ask those of us with more, to share a little with those who have less. Other people prefer to donate to a specific charity all year round, or even leave legacies to a worthwhile charity of their choice.

The interesting element of the French national event is that it is specifically designed to support medical research. At a time when governments are stuck for cash, asking individuals to dig deep into their pockets seems like a good strategy. And yet, is it appropriate that ordinary citizens should hold the balance of power when it comes to determining which diseases shall be combatted and which shall take a lower priority due to governmental public health policy?

Personally, I also give of my time during the festive season-carol singing at the local old people’s home or supporting the children in their own fund-raising efforts by baking a cake. Whatever you choose to do, may you bring joy and happiness to all those around you.

Happy Holidays!

Vanessa

US Update
Jonathan S. Jennings, Pattishall, McAuliffe, Newbury, Hilliard & Geraldson LLP

The weapons in the battle against counterfeit pharmaceuticals include evidence obtained in a criminal proceeding, as demonstrated by a recent decision from California: Eli Lilly and Company v Gitmed, et al., 2017 WL 4945212 (E.D. Cal. 1 November 2017). Eli Lilly and Company brought suit in the US federal court in Fresno, California against counterfeiters of CIALIS medicine for erectile-dysfunction. One of the defendants, Anthony Pollino, Jr., who was still in jail during the civil action, did not file an answer. In granting the default judgment against Pollino on 1 November 2017, the Magistrate Judge found that he was liable for civil trade mark infringement and counterfeiting as well as related causes of action. The Judge also awarded Lilly USD $125,000 in statutory damages under the Lanham Act. In doing so, the Judge took judicial notice of Pollino’s plea agreement in the prior criminal action, admitting to intentionally trafficking in counterfeit CIALIS and other drugs purchased from manufacturers in India and China and sold through Craigslist to US customers. The Magistrate Judge’s ruling is now subject to review, and potential modification or adoption in full by the District Court Judge.

This case demonstrates that evidence in a prior criminal action can be persuasive in a subsequent civil action. Brand owners are more likely to deter counterfeiters if they can obtain civil remedies in addition to criminal penalties already imposed by a federal court.

In preparation for our 100th conference, please contact the Editor if you have photographs from past conferences.
This morning Santa Claus paid a visit to my department and fortunately surprised us with chocolates rather than punishing us for this year’s wrongdoings. In other words the Festive Season and the end of the year 2017 are around the corner. A good opportunity to reflect upon the current year:

On the European level the EU Commission and the British Government seem to get closer to a final agreement on the amount of money the United Kingdom is expected to pay. At least a decision was made about the new domicile of the European Medicines Agency after its relocation: And the winner is Amsterdam, congratulations! While the EU Commission and the French President push for EU reforms, Germany is rather paralyzed since all efforts to form a new coalition government have so far been in vain.

But there are also rather pleasant matters to be remembered: with Paris and Toronto we had another two exciting conference destinations this year. Both conference hotels were wonderful and the evening events were spectacular. Oh, and I saw the famous Stanley Cup in Toronto. I was even successfully encouraged by the staff of the National Hockey Hall of Fame to embrace and finally kiss this Holy Grail. Wow, the Canadians really love their ice hockey... Presentations at both conferences again were excellent and we received a lot of positive feedback for these. Thanks a lot for this which is very motivating.

I am already looking forward to our Spring Conference in Porto; the programme is finalized and I am confident you will like it. Registration opens in January and members will be notified. I am already looking forward to our Summer Conference in Porto; the programme is finalized and I am confident you will like it. Registration opens in January and members will be notified.
Pharmaceutical Trade Marks Today - As Tough As A Hockey Game!

95th PTMG Conference in Toronto
Dr. Thomas Tresper, Rechtsanwalt (attorney at law), Darmstadt, Germany

Toronto was the venue of the 2017 Autumn conference which was held from 4th to 7th October at The Fairmont Royal York hotel. The title of this 95th conference was ‘Pharmaceutical trade marks today – as tough as a hockey game!’ Therefore, it was fitting that the welcome reception on Wednesday fell on the opening night of the hockey season.

On Thursday morning, Chairman Frank Meixner welcomed delegates and speakers in the Canadian Ballroom of the conference hotel. He noted that the year 2020 will mark PTMG’s 50th anniversary. A publication will be prepared to commemorate the event, and for this purpose the Chairman invited delegates to contact Vanessa Parker, PTMG Editor LL&P if they possessed photographs from past conferences.

Our first speaker was Susan Keri of Bereskin & Parr who extended a warm 'Welcome to Canada and the new Canadian trade mark law'. We learned more about our host country’s pluralistic society and the meaning of its multilingual slogan 'We are Canadian'. Susan also informed us about what we can do now to make the most of the current and the future trade mark legislation, and urged us to not to leave the field (or rink) to the trademark trolls.

Sally Pepper from Health Canada then spoke on 'Regulatory issues / processes in Canada including trade dress'. Sally explained Health Canada’s plain language labelling initiative which is aimed at reducing medication incidents and increasing effective use of medication. She also presented the guidance documents for industry and some rules that are particular to Canada. For example, in a look-alike sound-alike (LASA) assessment, 20% of the participants should be French-speaking.

This year’s Founders Lecture was given by Max Wenger of Bayer on the topic of 'Global OTC brands – challenges and chances'. Max started with a loaded question: is brand management more important than medical innovation? He addressed the challenges of umbrella branding strategies and of global use in a diverse global environment, and underscored the importance of cooperation between the trade mark counsel and the business.

Tim Stevenson of Smart & Biggar presented the International case round-up which covered the fields of parallel imports, interlocutory injunctions, likelihood of confusion and trade mark use. Among other cases, Tim summarized the Supreme Court of Canada’s recent ‘Google blocking’ decision (Google Inc. v Equustek Solutions Inc.) and cautioned that this decision depended on facts that were specific to the case.

After lunch, we heard from James Thomas of MSD on the topic of ‘Clinical studies and product labels – a copyright view’. James drew our attention to the fact that clinical data could inevitably contain works protected by copyright. Pharmaceutical companies, however, had little control over the uses made of the materials they submitted in a regulatory approval process. His examples showed that more copyright awareness is needed, also with regard to copying package inserts.

Alex Apelbaum of Brand Institute then provided his guidance on ‘Running a global pharmaceutical trade mark project – the dos and the don’ts’. Among other pieces of advice, Alex recommended to rely on a global team, and not to prejudge or ‘fall in love’ with a particular name candidate. This prompted Chairman Frank Meixner to share an anecdote illustrating how difficult it can be to follow such good advice in corporate practice.

Wolfgang May of DLA Piper covered the topic of ‘Brand clearance – a global overview of the interplay between Trademark and Regulatory offices’. Wolfgang deplored that there was no interaction between the two authorities, and no consistency among office practices between different countries. For example, the Canadian Trade Mark Office explicitly considered...
All work and no play? Not at PTMG! The Hockey Hall of Fame, only a few blocks away from the conference hotel, was the perfect venue for the informal evening event. We enjoyed a variety of delicious foods and hockey-themed games in the middle of the exhibitions, and more than a few of us came within reach of the revered Stanley Cup.

On Friday, Caroline Perriard of BrandIT was first to speak on ‘IP and Digital Transformation of the Pharmaceutical and Healthcare Business’. According to Caroline, companies should be aware that doing business in a digital environment requires them to collaborate with a variety of stakeholders sharing a sense of community, and to deal with uncertainties regarding the use of marks. She advised brand owners to engage in creating what she called a ‘micro-environment’ for the brand, as opposed to focusing just on selling the product.

We then heard from Ronald Guse from the National Association of Boards of Pharmacy (NABP) on the topic of ‘Online pharmacies in Canada’. Transcending its name, the NABP is an international association which has created the .pharmacy top level domain to provide a safe online pharmacy environment. Ronald explained that .pharmacy included into the internet address a seal of approval that cannot be faked. Therefore, patients could be certain that associated pharmacies are legitimate.

The next two sessions were reserved to ‘News and burning issues from BRICS and MINT’. First, Dale Healy of Adams & Adams provided information on the regulation of health products in South Africa and useful considerations when entering the South African market.

Kerim Yardimci of Deris then summarised Hot topics in Turkey. With its new IP Code, Turkey is moving ever closer to the EU, at least in the area of trade mark and other IP legislation.

Kerim highlighted that the principle of international exhaustion applied in his jurisdiction.

In the afternoon, Egon Engin-Deniz of CMS Reich-Rohrwig Hain addressed the question, ‘Is the industry ready for the EU-Delegated Act?’ He outlined the contents and expected impact of the EU legislation regarding serialisation, anti-tampering security and end-to-end verification. Its implementation in the area of parallel trade is a particular concern. Egon concluded that it remained to be seen to what extent the courts would modify the case law on repackaging and relabelling.

Robert Zirkelbach of The Pharmaceutical Research and Manufacturers of America (PhRMA) then informed delegates on the ‘Impact of the Trump administration on the US Pharma market’. Robert explained that it was too early to assess the impact of the current government, but the debate on the cost of healthcare in the US continued to be tough. The speaker summarised PhRMA’s efforts to put the cost of medicines into perspective and to highlight the role of other players that are involved, such as insurance companies.

Last but not least, Angela Wilson of GSK provided useful insights into ‘Trade Mark Enforcement in the Age of #SocialMedia’. Angela reminded us that failure to enforce trade mark rights against ‘fan’ pages and name squatters could result in consumer confusion, loss of business and goodwill, or dilution or loss of rights. However, she recommended to adopt a ‘relaxed and creative’ approach when pursuing online infringements, taking into account that there is a reputational risk if brand owners become known as trade mark bullies.

Chairman Frank Meixner closed the conference and invited delegates and guests to the Gala Dinner and Dance at Liberty Grand Hall, a traditional ballroom originally constructed in 1926. In the evening, the Chairman announced that the 2018 Autumn conference will be held in Dubrovnik, Croatia. He also bade farewell to Robert E. Lee, Jr. of Eli Lilly and Company (retired), former member of the PTMG committee who was honoured for his exceptional contributions to PTMG over many years. Following a wonderful dinner, attendees with fire in their hearts and/or ice in their veins gathered on the dance floor.
On 10 March 2015, a group of Senators introduced the Pharmacy II Law Bill (No 9914-11) into the Senate. This Bill was the follow up to the recently approved Pharmacy I Law in 2014 and its core intention was to regulate certain matters that were not resolved by the first Law.

The three main objectives of this Bill are to promote the availability and market penetration of generic pharmaceutical products as well to outlaw vertical integration between pharmacies and laboratories and finally to introduce modifications into the requirements of medical prescriptions (mandatory inclusion of the Common International Denomination).

Currently, a part of the Bill has already been approved by the Senate (medical prescriptions) and the remaining sections are expected to be approved in the coming months at which time the Bill will go to the lower House. The final legislation may be vetoed by the President and subject to recourses at the Constitutional Court.

During the legislative discussion, the Bill has been the object of several modifications. One of the most relevant was the introduction during July 2017 of a new article 128 bis of the Sanitary Code which essentially establishes a type of plain packaging for pharmaceutical products. This article reads as follows: ‘The package of medications must include the name of the product according to its Common International Denomination, in a clear format and letters, legible and in a size, that as a whole, at least uses one third of one of the main faces of the package’.

The medications that have a fanciful denomination, may include this in the package, in a size that as a whole does not use more than one fifth of that employed for the Common International Denomination, as stated in the previous paragraph.

A Rule of the Law, subscribed by the Health Ministry, will determine the conditions regarding the packaging of medications, whether they have a fanciful denomination or not, and the Rules will include the provisions contained in the Law N° 20.422.

It should be noted that current Chilean Law establishes a long list of mandatory information that must be included on the pharmaceutical product package. Therefore, there is already limited space where to physically include the trade mark, especially if the product is a bio-equivalent.

Below is an image of what a pharmaceutical product package would look like if this law Bill is approved.

The first matter that gets our attention is that the original text of this Bill states that one of the elements that must be considered for free competition is that consumers must have sufficient information in order to adopt the correct decision with regards to their health. Yet, somehow, the same Bill now considers that consumers will easily be able to differentiate between Common International Denominations, such as Elotuzumab and Evolocumab, Clotrimoxazol and Clotrimazol or Ramucirumab and Ranibizumab and thus properly distinguish between pharmaceutical products.

A second concern is that a large quantity of pharmaceutical products are imported into Chile and thus the package itself is usually not specifically tailored to suit just Chilean specifications but also other countries of the region. There is no reason to believe that all the packages will be modified to meet this criteria and it seems likely that some pharmaceutical products will simply stop being imported to Chile, which of course affects the availability of pharmaceutical products in the country.

From a legal stand point, there are several relevant concerns that this new article is in conflict with the Trade Mark Law in Chile. The Law states that a trade mark grants its owner an exclusive and device nature. A second concern is that a large quantity of pharmaceutical products are imported into Chile and thus the package itself is usually not specifically tailored to suit just Chilean specifications but also other countries of the region. There is no reason to believe that all the packages will be modified to meet this criteria and it seems likely that some pharmaceutical products will simply stop being imported to Chile, which of course affects the availability of pharmaceutical products in the country.

This seems to be another example of regulatory overreach that once again will affect trade mark holders’ legitimate rights. During the last years we have witnessed in Chile how strict restrictions have been imposed on the use of trade marks and copyright on food and beverage packaging as well as a Bill regarding tobacco generic and plain packaging currently under discussion by our Congress.

Additionally, Trade Mark Law also establishes that in order to be able to file a criminal infringement action the trade mark shall visibly bear the words Marca Registrada or the initials M.R. or the symbol ®. It is rather difficult to imagine that a trade mark indication will be visible at all under this new limitation. Finally, it does seem at first glance that this limitation might not comply with article 20 of the TRIPS agreement as it may unjustifiably encumber the use of trade marks in trade as well as being detrimental to their capability to distinguish goods.

It should also be noted that at one point the Bill eliminated the possibility of branded generic (private labels) trade marks. That modification was eliminated by the Senate but could come up again in the Lower House.
The General Court of the European Union recently had to decide on revocation for non-use which addressed the sometimes difficult delineation of pharmaceutical and dietetic goods in class 5. Looking at how the case would have potentially been decided under (neighbouring) Swiss law perspective reveals the difficulties brand owners can face when creating a trade mark strategy in Europe, which is an issue that may become more important with the United Kingdom’s withdrawal from the European Union in 2019.

**General Court decision**

Finding no genuine use of the mark FEMIBION, the General Court disagreed with the EUIPO’s Board of Appeal and held that the EUTM for Femibion may be revoked insofar as it was registered for pharmaceutical preparations as opposed to dietetics. Endoceutics Inc. v EUIPO (T-802/16) of 17 November 2017.

The revocation applicant had argued that the mark not been put to genuine use under Article 51(1)(a) EUTM Regulation (now Article 58(1)(a)) for the class 5 goods ‘pharmaceutical preparations for immune system support, for menopause, for menstruation, for treatment and management of pregnancy, for the prevention, treatment and management of stress, for the prevention, treatment and management of stress [caused by] ill-balanced or deficient nutrition’, but only for dietetic substances adapted for medical use.

The EUIPO Board of Appeal had found that genuine use of the mark had been shown for the aforementioned goods regarding medical category of pharmaceutical goods. The revocation applicant argued that the evidence submitted showed that the goods covered by the mark were dietetic substances and not pharmaceutical preparations.

The General Court agreed with the revocation applicant. The judges explained that it was necessary to examine whether the goods for which use of the mark had been shown were indeed pharmaceutical preparations in the subcategory defined by the EUIPO Board of Appeal. Notably, the revocation applicant had not disputed that genuine use of the mark had been proven in respect of dietetic substances adapted for medical use.

The General Court also stated that the fact that the definitions of ‘food supplements’ and ‘medicinal products’, as reflected in acts of secondary EU law, may overlap was irrelevant, since the evidence submitted did not support the conclusion that the goods were not only food supplements but also pharmaceutical preparations.

Further, nutritional or food supplements included in Class 5 were not intended to serve as ordinary food, but were consumed to prevent or cure medical problems in the broadest sense or to balance nutritional deficiencies (citing BIONECES, T-262/14). It was also apparent that the goods for which genuine use could be shown were not intended to treat or prevent a disease, but to address nutritional deficiencies resulting from normal physiological processes. Even the exclusive sale of certain goods in pharmacies did not mean that they are necessarily pharmaceutical preparations or medicinal products.

As a result, the court annulled the decision of the EUIPO’s Board of Appeal, in so far as it had maintained registration of the EUTM for ‘pharmaceutical preparations for immune system support, for menopause, for menstruation, for treatment and management of pregnancy, for the prevention, treatment and management of stress, for the prevention, treatment and management of stress [caused by] ill-balanced or deficient nutrition’ in Class 5.

**The Swiss perspective**

From a Swiss perspective, the decision is surprising. Swiss courts and the Swiss trade mark office follow what they refer to as the ‘extended minimum solution’ when determining for which goods a trade mark has been genuinely used. If a trade mark owner proves that he used its mark for certain goods (or services), genuine use is not only considered proven in respect of such specific goods (or services), but the very same proof of use can also be suitable to prove use of broader generic terms or even Class headings. According to the well-established case law, the perspective of the relevant public is decisive to determine whether use for specific goods (or services) also constitutes use for a broader generic term or Class heading. The general rule is: the more ‘common’, ‘representative’ or ‘characteristic’ such specific goods (or services) are in regard to the generic term or Class heading, the more likely is use for such specific goods (or services) suitable to establish genuine use for the entire generic term or Class heading (e.g., use for ‘cheese’ was considered common and representative for ‘dairy products’, because it is apparent that producers of cheese products may also produce yogurts, butter or other dairy products, see Commercial Court of Berne, Case HG 06 5 dated 18 December 2006.

**Comment:**

From a Swiss perspective therefore, the decisive question is: Is use of FEMIBION for ‘dietetic substances adapted for medical use’ a common, a representative or characteristic also for ‘pharmaceutical preparations for immune system support, for menopause, for menstruation, for treatment and management of pregnancy, for the prevention, treatment and management of stress, for the prevention, treatment and management of stress [caused by] ill-balanced or deficient nutrition?’

In the Gadovist/Gadogita decision, the Federal Administrative Court held that ‘contrast agents’ are ‘uncommon’ pharmaceutical products, and therefore concluded that the proof of use submitted by the right holder for contrast agents was not sufficient to establish genuine use of the Class heading ‘pharmaceutical products’. One of the court’s main arguments was that contrast agents do not serve therapeutic functions and that contrast agents are applied differently from ‘pharmaceutical products’. Therefore, the Swiss approach would ask whether ‘dietetic substances adapted for medical use’ are more ‘common’ than contrast agents for pharmaceutical products? Arguably yes. Dietetic substances adapted for medical use such as FEMIBION contain certain ingredients which are essential for the health development of the embryo’s cognitive and visual functions – they serve preventive therapeutic means and taken in supplement form before conception and continuing through the first trimester of pregnancy, reduce the risk of spina bifida and other neural tube defects. Defects, which are treated with pharmaceuticals. Accordingly, it is at least not unreasonable to argue that use for these specific goods would have been considered sufficiently ‘common’ and therefore suitable to establish use for the generic term ‘pharmaceutical products’, in particular for ‘pharmaceutical products for treatment and management of pregnancy’.

In contrast, the General Court’s approach seems to be based on a natural reading of what pharmaceutical products are. They are for medical treatment and the FEMIBION product in question was a preventive product for pregnant women. However, it is at least conceivable that there can be cases where a specific dietetic product is sufficiently focused on treating a medical condition so that it could be treated as both a dietetic product and a pharmaceutical product so that both approaches may not be that different after all.
In December 2015, the European Parliament approved a long-awaited package of reforms to the laws governing trade marks within the European Union. The last of the approved reforms affecting EU-wide trade mark rights came into effect on 1 October 2017, and some of the resulting changes are reviewed below.

**Graphical representation**

The legal definition of an EU trade mark has been amended to remove the requirement that the mark be capable of graphical representation. Instead, marks the subject of EU registration applications can now be represented in ‘any appropriate form using generally available technology’, provided that the representation is deemed ‘clear, precise, self-contained, easily accessible, intelligible, durable and objective’.

This change naturally paves the way for an increased uptake in the filing of certain non-traditional marks such as sounds and moving images/holograms, which may now be represented with MP3 and MP4 files (inter alia). However, of more interest to pharma companies may be marks concerning taste or even smell. It is unlikely that these will fare significantly better under the new provision than they did previously, unless future advancements in technology provide a more reliable means of representing their characteristics. This is because the amended provision does not introduce a new standard for representations; its wording is directly lifted from a decision of the EU’s highest court in the 2000 Sieckmann case (C-273/00), which has been applied to the assessment of (graphical) representations ever since.

Likewise, for more traditional types of mark such as words, logos, colours and shapes, the amendment is unlikely to have significant practical implications; indeed, the new legislation gives direct guidance as to the representation requirements for particular types of mark, and in several cases (such as for colours per se) specifies that a ‘reproduction’ is required, which will necessarily take a graphical form.

**EU trade mark procedure**

A number of changes affecting the administration of EU trade marks have been introduced, with many serving to enhance the efficiency of proceedings at the EUIPO, and bring them in line with advancements in technology. For instance, communication with the Office may now extend to new types of media, and certain information required in inter partes proceedings can be substantiated by reference to online sources.

There have also been changes to examination procedure. Notably, where a trade mark is refused on the basis of a lack of inherent distinctive character, many applicants wish to respond not only by arguing against this finding, but also by filing evidence that the mark has acquired distinctive character through use. It had previously been necessary to pursue both claims concurrently. However, applicants may now exhaust their right of appeal on the issue of inherent distinctive character, before pursuing an alternative claim that the mark has acquired distinctive character. In some cases this could result in considerable cost savings owing to the high evidential burden in establishing acquired distinctive character.

**Certification marks**

The legislation has also introduced a new type of mark under the EU regime – the certification mark. Certification marks indicate to the public that the goods or services in relation to which they are used comply with certain quality standards or possess a particular characteristic. They must however be distinguished from conformity marks, such as the European CE mark, used to indicate that certain products (e.g. medical devices) comply with applicable regulatory requirements.

As I write it is almost a year ago since Bob Lee retired from his role as Assistant General Patent Counsel at Eli Lilly and, consequently, from the PTMG Committee. Bob had been an active and highly respected member of the Group since the mid 1990’s. He was a great ambassador in the US and helped considerably to raise our profile there, especially within the US pharma industry. His wise counsel and great sense of humour will be sorely missed.

Bob’s appointment to the Committee continued Eli Lilly’s involvement with the Group since its foundation back in 1970 when PTMG Hon. President, Derek Rossitter, was Trade Mark Advisor at Lilly Industries in the UK. Since Bob’s retirement we are delighted that Bruce Longbottom, his successor at Lilly, has joined the Committee, thus continuing the connection.

We were delighted that Bob and his wife Maureen were able to attend the Autumn conference in Toronto. This gave us the opportunity to thank Bob in person for his contribution and commitment to the Group throughout his time as a Committee member.

We wish Bob a long, happy and healthy retirement!

Lesley Edwards
Updated Guideline for non-use as defence in opposition proceedings

Özlem Fütman, OFO.VENTURA

Since 10 January 2017 Turkey has a New IP Code no 6769. With the New IP Code, the applicant has the right to request their opponent(s) to prove serious and genuine use of its mark in Turkey in the last 5 years or submit justified reasons thereof, if the opponent’s mark passed the 5 years use term on the filing/priority date of opposed mark. If such use cannot be proven, then the opposition would be dismissed regarding the argument based on opponent’s earlier registered mark, yet other arguments such as bad faith, well-known marks, company name etc. can still be examined.

In June 2017, the TPTO published a Guideline indicating how the ‘request for proof of use’ can be claimed by the Applicants, and how ‘evidence of use’ should be submitted by the Opponents.

Then, on 29 September 2017, an updated version of the Guideline covering more detailed information about non-use as a defence practice was published. In the Guideline, the TPTO clearly indicated that the new practice aims to harmonise Turkish practice with the laws and jurisprudence of the European Union.

Some main points in the first and updated Guideline are as follows:

1- Non-use as a defense can only be applied to applications filed after 10 January 2017. If the mark is partially/entirely refused by the TPTO after examination, applicant cannot request proof of use from the owners of cited marks; so non-use as a defence can only be asserted when the mark is opposed by a third party upon its publication.

2- Evidence proving use can be submitted either at the time of filing the opposition with the opposition writ, or after the opposition is filed when the Applicant requests that the Opponent proves serious use in Turkey.

3- When a mark is opposed, the TPTO informs the applicant and gives him/her one month within which to submit his/her counter arguments and evidence. Within this one month time frame, applicant cannot only submit his counter arguments but with the same form can also ask the Opponent to prove use of the mark upon which the opposition is based. Alternatively, should the Applicant not submit any counter arguments, evidence of use can be requested by a letter to the TPTO using the wording provided in the Guideline.

If, within this period, proof of use is not asked for, applicant cannot request same later on during the TPTO Appeal proceedings.

4- After being notified, the Opponent has one month to provide evidence of use. The evidence submitted should be clear, understandable, reliable and should consist of enough information as to place, time and extent of use of opponent’s mark.

The evidence of use should:

a) include a list of the evidence provided, categorized by type and indicating number;

b) mark each piece of evidence with the registration number of the mark for which use is sought to be proven;

c) not exceed 100 pages;

d) be scanned in A4 format;

e) not be sent in hardcover nor stapled;

f) include but need not be limited to packages, price lists, catalogues, invoices, photographs and newspaper/magazine advertisements;

g) not include product samples-only scanned pictures are to be submitted.

Should the TPTO see any deficiencies in the evidence submitted then they will allow the Opponent one extra month to comply with the requirements. If such deficiencies are not addressed satisfactorily within one month, the relevant pieces of evidence will be disregarded.

While completing the deficiencies, the Opponent may not expand the scope of his opposition.

5- Applicant cannot assert non-use as a defence if opponent bases his claims on a well-known mark according to Paris Convention (article 6/4 in IP Code) and/or if dilution is claimed (article 6/5 in IP Code).

6- If use can be proven only for some goods/services, then opposition will be examined only for those goods/services.

7- If the mark upon which the opposition is based has been assigned to the opponent but had not been used by the previous owner, then the opponent cannot argue that this is a justified reason not to use the mark.

8- Opponent should prove that the mark is used as it is registered or in a way not altering the mark’s distinctive character. In the Updated Guideline, the TPTO dedicated a big part to ‘use not changing the mark’s distinctive character’ by giving examples to guide what could be understood as changing/not changing the distinctive character of a mark.

Some of those examples are taken from EU case law.

Surely, it is not easy to set precise rules as to what is/what is not changing a mark’s distinctive character but the criteria remain the same; even though there are some changes in the use of the mark, would consumers still point out the same product and the same entity?

9- The Updated Guideline, by referring to the CJEU Minimax case (C-40/01) explains what should be understood from the wording serious use/genuine use and how this term needs to be interpreted. It also clearly states that ‘token use’ is not acceptable. If there is a well-known mark among the marks upon which the opposition is based, evidence proving serious use still needs to be submitted upon applicant’s request.

In terms of quantity, what shall be taken into account is the related market and characteristics of goods/services in discussion.

10- Use in free zones is accepted as use in Turkey; free zones are out of the customs frontiers but they are politically within the Turkish borders.
11- According to the IP Code ‘use of the trade mark on goods or their packaging solely for export purposes shall be understood to constitute use’. If opponent can prove that the mark is put on the product or packaging in Turkey, then such is accepted as use.

12- Opponent should prove that his/her mark/s are used directly on the goods/services where registered. If such a connection cannot be established then what needs to be sought is evidence showing that the relevant public would perceive the sign as a trade mark and what distinguishes them from goods/services of others in the market. In this sense, the Guideline says that using the mark only as a company name or as a trade name cannot be regarded as direct use.

13- The Guideline exemplifies unjustified reasons such as war, financial crises, act of God, changes in Customs Laws & Regulations, import restrictions, embargo etc. Situations that are out of opponent’s control, such as not being able to obtain permission from the authorities to put the product on the market or not being able to manufacture the products due to restrictions of the competent authorities, are also regarded as justified reasons.

The following cannot be accepted as justified reasons:

a) not being in good shape;

b) incapacity or sickness of proprietor - yet if business is strictly based on personal effort of the proprietor then the situation might be evaluated differently;

c) non-use of licensee - if it is a non-exclusive license, then the licensor could also use the mark. If the license is exclusive then the licensor could terminate the contract, if the licensee has not used the mark;

d) bankruptcy. However, if the opponent went bankrupt due to a general crisis or if his/her production facility is expropriated, then such can be evaluated.

In 7 years as of 10 January 2017, Turkey will have administrative cancellation proceedings; namely the TPTO will handle non-use cases. It looks like the TPTO is already starting to get prepared for this new task!

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**Multiple reasons for confusion between MULTIPHARMA and MUNDIPHARMA**

Chris McLeod, Elkington and Fife LLP, London

In Case T-144/16 (7 November 2017), Mundipharma AG v Multipharma SA, the General Court of the Court of Justice of the European Union has held that the mark MULTIPHARMA is similar to MUNDIPHARMA, overturning decisions to the contrary by the EUIPO Opposition Division and its Board of Appeal.

Multipharma SA (Multipharma) filed an EUTM application for the word mark MULTIPHARMA in international classes 5, 35 and 42 in November 2010, subsequently limited to classes 5 and 35. On publication in January 2011, Mundipharma AG opposed the application on the basis of an earlier EUTM registration of the word mark MUNDIPHARMA in international classes 5 and 35.

In September 2015, the EUIPO Opposition Division rejected the application for all goods and services. In November 2015, Multipharma appealed against the decision and in January 2016, the EUIPO Board of Appeal overturned the first instance decision. The Board of Appeal held in particular that there was no likelihood of confusion, considering the increased level of attention of the relevant public, the clear conceptual differences between the mark and the low level of inherent distinctiveness of the earlier mark.

In April 2016, Mundipharma appealed to the General Court. The court agreed with the Board of Appeal that the respective goods and services were identical or similar. In relation to the marks, the court followed the customary visual, phonetic and conceptual analysis.

Visually, the court held that although the element PHARMA, common to both marks, was weak because it was descriptive, it should not be disregarded in the context of a visual comparison, and therefore concluded that the visual differences arising from the letters “LT” in the MULTIPHARMA mark and the letters “ND” in the MUNDIPHARMA mark were insufficient to eliminate the high overall visual similarity between the marks.

Phonetically, the court made the same finding in relation to the element PHARMA and again concluded that the identical pronunciation of the common elements MU and IPHARMA made the marks phonetically similar to a high degree.

Conceptually, the court held that neither mark had a clear and definite meaning which would enable the public to understand them directly, such that it was impossible in turn to find a conceptual difference between them. Accordingly, the court concluded that even if the MULTIPHARMA mark might have a conceptual meaning, this was insufficiently clear to counteract the high degree of visual and phonetic similarity between the marks. Accordingly, the court held in relation to global appreciation that the Board of Appeal had concluded in error that there was a clear conceptual difference between the marks which was sufficient to outweigh the visual and phonetic similarities. It therefore overturned the Board of Appeal decision on the basis that there was a likelihood of confusion between the marks.

It is worth noting that in this case, Mundipharma submitted evidence of national court proceedings in Germany relating in essence to the same marks. In these, the Landgericht Berlin rejected Mundipharma’s application for cancellation of a German registration of a figurative mark containing the word MULTIPHARMA, but on appeal to the Kammergericht Berlin, the latter found in favour of Mundipharma. The court did not expressly take this judgment into account, but stated that it was entitled to do so, and that a party may refer to such decisions for the first time before the General Court if the party is claiming that the Board of Appeal’s decision was contrary to the provisions of Regulation 207/2009. The court’s findings in relation to conceptual comparison do indeed refer explicitly to the judgment of the Kammergericht Berlin. It would therefore be reasonable to conclude that it is good practice to refer to relevant national court judgments in the context of appeals to the General Court.
Where were you brought up and educated?
I grew up in Cincinnati, Ohio, but I travelled south to go to college in North Carolina at Wake Forest University. In a display of decisiveness, I returned to Cincinnati for law school at the University of Cincinnati College of Law and then promptly moved back down to North Carolina, where I have lived ever since.

How did you become involved in trade marks?
I am an amateur musician, and when I became a lawyer, I set out to practice entertainment law. This started me working in the IP field, and I soon discovered that I enjoyed working with brands more.

What would you have done if you hadn’t become involved in intellectual property?
I would probably be a radio announcer or an out-of-work musician.

Which three words would you use to describe yourself?
Noisy, positive and energetic.

Complete the following sentence.
If I have time to myself . . .
I will seek out other people to spend it with.

What did you want to be as a child?
I wanted to be a garbage collector. My brother and I always loved the one day a week that the garbage truck came up our street. It was the most excitement in our quiet neighborhood.

What do you dream of?
Although I am sure that I dream, I never remember my dreams when I’m awake. I prefer to focus on what’s happening right now.

What is a common misperception of you?
I’m not actually George Clooney’s brother. We just grew up in the same town.

What is the best age to be?
I’ve liked all of them, so far.

What would be your ideal night out?
Dinner and a concert with a group of friends.

What is your philosophy in a nutshell?
Be yourself in all situations. It’s too tiring to be anyone else.

What is your favourite children’s book?
Winnie the Pooh. You can learn everything you need to know about people in those stories.

What music is in the CD player in your car / what is your iPod set to at the moment?
Ben Folds – “The Luckiest”.

How do you relax?
Lots of ways. A good walk with a good companion or a cigar and playing music top the list.

Which sport do you play and/or enjoy?
I enjoy golf, but it may simply be the conversation, the time outdoors and the cigars.

What is comfort eating for you?
A cheeseburger (with bacon, if possible).

What is your favourite drink?
Gin and Tonic, but only if the gin is Hendricks.

Which word or sentence do you most often say?
Dude!

What is your favourite holiday destination?
Home for Christmas.

What is your most treasured possession?
My alto sax.

Do you have any unfulfilled ambitions?
I’m not sure I have any ambitions, so I’ll have to say no.

If you could save only three things from your burning home, what would they be?
My family, my saxophone and a beer to enjoy while we watch the fire.

What do you wish you’d never worn?
A tie.