Law Lore & Practice

PTMG Pharmaceutical Trade Marks Group

May 2023

Editorial: Heigh-ho, heigh-ho, it's off to work we go!

Recent political events in France centered around the changes to retirement age rights and the fast approaching summer holiday time in the Northern hemisphere could lead one to believe that today, the only reason for having a job is to acquire a legitimate reason to stop working. On Saturday May 6th, more than 227 million people worldwide tuned in to watch King Charles III attain the job he has been apprenticed to for more than 70 years.

Meanwhile, UNICEF brings to our attention that 160 million children are still working around the world. Amnesty International raises concerns that child labour in the Democratic Republic of Congo digs for cobalt necessary for our ever-improving mobile phones. The 'uberisation' of the nature of work, exacerbated by the post-pandemic desire for more flexible working, is forcing many sociologists to wonder if more than 70 years of Taylorism principles of 'just-in-time' production will ultimately lead to a total break-down of the social model we have built.

The International Labour Organisation, a United Nations body that won the Nobel Peace Prize in 1946 on its 50th anniversary, published its 2030 Agenda for Sustainable Development shortly before the global pandemic. World leaders committed the 187 member states to end extreme poverty and to set the world on a path for sustainable development. The 2030 Agenda is also a universal call for global social justice, addressing poverty, inequality, inclusion and a commitment to leave no one behind.

In many ways, the IP profession is unique. As seen again recently at our Brighton conference, it seems fair to say that many colleagues still look forward to their workload with an ethos embodied in the 1937 Disney® movie. Long may it continue!

Vanessa

US Update

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

In a recent precedential opinion, the Trademark Trial and Appeal Board (TTAB) affirmed the refusal to register the mark DXPORTAL for 'providing an Internet website portal in the healthcare field to provide a patient and caregivers with the patient's drug prescription information' in Class 44 on the grounds of mere descriptiveness. In re NextGen Management, LLC, 2023 WL 111145 (TTAB). The decision underscores the importance of careful brand selection to avoid classic pitfalls.

The TTAB found that both components of the mark, DX (as a common abbreviation of diagnostic) and 'portal' were descriptive. The applicant, NextGen, itself referred to a 'portal' in its identification of services, which the Board noted 'strongly suggest[ed]' that the term is merely descriptive. The combination of these two descriptive components did not add any extra meaning to the mark, or make the combined term distinctive rather than descriptive.

The Examining Attorney had relied on NextGen's website in support of her objection. The website showed NextGen's portal featuring diagnostic information. NextGen argued the website was not a proper evidentiary basis for the rejection because it was just a mock-up. However, the TTAB rejected this argument because the site was publicly available, and NextGen submitted no evidence (other than mere arguments from its attorney) to support the assertion that it was a mock-up.

NextGen also contended that in assessing descriptiveness, the Examining Attorney improperly considered services beyond those specified in the application. The TTAB rejected this argument as well, finding that the reference to 'drug prescription information' inherently and inevitably included 'diagnostic information on which a prescription is based.'

The decision is a cautionary tale for pharma brand owners. First, be cautious about relying on a combination of descriptive terms to overcome descriptiveness and add meaning resulting in a distinctive mark. Second, avoid mentioning an element of the applied-for mark in the specified services, as this immediately red flags a potential descriptiveness objection. Third, vet your website – even if it is only in beta form - to remove trade mark-descriptive content. It will be considered by the USPTO as evidence of descriptiveness if it is publicly accessible and interactive. Finally, remember that the USPTO will view the specified goods and services broadly and realistically when determining how they will be seen by viewers and patients. It may not avoid descriptiveness issues to say the specified services do not literally mention parts of the mark. The USPTO will look beneath the surface.

Words from the Chair

Dear members of PTMG,

Firstly, I would like to extend my heartfelt thanks to all of you who attended the Spring Conference in Brighton. It was fantastic to see so many familiar faces, as well as many new ones. I am delighted that we are continuing to attract new members to our community, and I hope that this trend will continue in the future.

I would like to take a moment to highlight the recent celebration of World IP Day. This year, the celebration focused on Women Creating and Accelerating Innovation and Creativity. It was truly inspiring to see how our industry has picked up on this topic, and how more and more female talent is being attracted to the scientific area and reaching higher ranks in law firms. At PTMG, we are fortunate to have many female leaders on our Management Committee, which greatly contributes to our diverse representation.

While most of us are privileged to live in societies where efforts are being made to reduce inequalities, we must not forget that not everyone enjoys the same privilege. As members of PTMG, we have the opportunity to be role models and to walk the talk every day. We must strive to promote diversity in all aspects, including working styles and ways of thinking. Let us be reminded that diversity, in all its forms, is one of the most important elements of our community.

As we look ahead to our next event in Athens, I am excited to see all of you once again.

Thank you for your ongoing support.

Best regards,

Myrtha Hurtado Rivas

Members News

New Members

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

Joseph Letang from Dehns, London, UK jletang@dehns.com

Rosalia Ballester Cañizares from Ballester IP, Alicante, Spain rballester@ballester-ip.com

Eduardo Zamora from Giro Martinez, S.L.P., Barcelona, Spain eduardo.zamora@giromartinez.com

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Denise Nestle-Nguyen from Stolmár & Partner, Munich, Germany d.nestle-nguyen@stolmar-ip.com

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Claudia Badejo Miranda from Norgine Limited, Harefield, Middlesex, UK cbadejomiranda@norgine.com

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Sally Britton sally.britton@mishcon.com and **Justin Lambert** justin.lambert@mishcon.com both from Mishcon de Reya, London, UK

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Stefanos Tsimilikalis from Tsimikalis Kalonarou, Athens, Greece s.tsimikalis@athenslegal.gr

Members News

Vera GaNun from Clarivate, New York, USA vera.ganun@clarivate.com

Rebecca Dart from GSK, Brentford, Middlesex, UK Rebecca.a.dart@gsk.com

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Anas Qureshi from H K Acharya & Company, Ahmedabad, India info@hkindia.net

Moves and Mergers

Martin Schneider is now with Keller Schneider Ltd., in Zurich, Switzerland. Martin can be contacted at m.schneider@kellerschneider.com

Zac Casstevens formerly with Trademark Now, is with Corsearch in Dublin, Ireland and can be contacted at zac.casstevens@corsearch.com

Gunars Gaikis has left Smart & Biggar and is now with Norton Rose Fulbright LLP, Toronto, Canada. Gunars can be contacted at gunars.gaikis@nortonrosefulbright.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

Opt Out of Trade Mark Battles

Joshuanne Enning-Gyebi and Allister McManus Elkington + Fife

On 17 November 2021, OmniVision (the holder) applied for an international registration designating the UK for the marks OCUZOPT and BRINZOPT (the designations) for 'Pharmaceutical preparations for veterinary use; pharmaceuticals; dietary supplements and dietetic preparations; medical preparations'. On publication, Novartis AG (the opponent) opposed the designations under sections 5(2), 5(3) and 5(4)(a) of the Trade Marks Act 1994 on the basis of its earlier UK registration for AZOPT in class 5 for 'Ophthalmic pharmaceutical product for the treatment of glaucoma.'

https://www.ipo.gov.uk/t-challenge-decision-results/t-challenge-decision-results-bl?BL_Number=O/0301/23

Section 5(2)

Upon comparing the goods, the Hearing Officer (the HO) found that the majority of the holder's goods must be considered as covering identical goods, apart from 'dietary supplements and dietetic preparations', which are dissimilar.

Comparing the marks, the HO found that there was no likelihood of direct visual or phonetic confusion between the earlier mark and the designations.

As to indirect confusion, the HO found that a significant proportion of the relevant public would believe that OCUZOPT is a brand extension used by the same undertaking that markets AZOPT, heightened by the fact that the relevant public are likely to recognise OCU as the beginning of the word ocular, evoking a connection with the eye/vision. However, the same could not be said for the mark BRINZOPT.

Section 5(3)

The opponent's evidence of use of AZOPT in the UK was limited. At best, the HO found that the evidence established that the earlier mark had a modest reputation in the UK as of May 2021.

The HO concluded that use of BRINZOPT would not cause any significant proportion of the relevant public to call AZOPT to mind. However, use of OCUZOPT was likely to.

The section 5(3) opposition ground against OCUZOPT therefore succeeded in relation to pharmaceuticals for the treatment of conditions of the eyes and/or vision. By contrast, any mental association the relevant public makes between BRINZOPT and AZOPT would be unlikely to give BRINZOPT an unfair advantage or be detrimental to the reputation/distinctive character of AZOPT.

Section 5(4)(a)

The HO found that goodwill in the AZOPT mark had been established. Use of the OCUZOPT designation would lead to misrepresentation, but BRINZOPT would not. Consequently, there would be damage caused by OCUZOPT in relation to pharmaceuticals for the treatment of conditions of the eyes and/or vision.

In conclusion, the opposition to the BRINZOPT designation failed on all grounds. The opposition to the OCUZOPT designation partially succeeded. As both sides achieved a measure of success, the Hearing Officer directed each side to bear its own costs.

Comments

It is generally held that consumers attach more weight to the beginning of marks than the end when comparing marks, but this case is interesting for demonstrating that this is not always the position. In this case, the end of the respective marks had the most significance. The holder asserted that the different prefixes to the respective marks were sufficient to avoid confusion, but the conceptual similarity between OCUZOPT and AZOPT prevailed in addition to the visual and phonetic similarities when considering the end of the respective marks. The link between OCU (ocular) and the opponent's goods for use on the eye was a determining factor of the opponent's partial success. The most significant lesson here is that when seeking an international registration, it is important to conduct a detailed search for similar marks in countries of interest to avoid third-party objections and to consider marks with similar suffixes as a potential risk.

Interview with Sophie Bodet, Vice President, Head of Intellectual Property, Legal Haleon

Former PTMG Chair, Board Member

What role do you now have within Haleon? How big is your team? Where is it based?

For those who might not have followed industry changes in the last year, let me start by saying that in July 2022 Haleon demerged from GSK and listed on the London and New York Stock Exchanges as an independent company, 100% focused on consumer health. This was the biggest company demerger in Europe for more than 20 years. We have an exceptional portfolio of consumer health brands, many of which you may well have at home – such as Sensodyne, Voltaren, Centrum, Advil, Panadol, Tums, Emergen-C, Polident and Eno. We brought together the best of legacy GSK, Pfizer and Novartis consumer health products to create Haleon. Now as an independent business we will continue to launch new innovations backed by trusted science to meet consumer needs.

I have the privilege of being the Head of Intellectual Property (IP) at Haleon. I report to Bjarne Tellmann, our General Counsel, and am part of the Legal, Compliance and Corporate Secretariat Leadership Team. We support the business for all IP-related activities, whether in relation to protecting our brands or our innovation. We have 40 people in the IP team with colleagues in the UK, US, India, Dubai, Switzerland and Shanghai. The team is split into four different complementary groups: the Brand Rights group (led by Chehrazade Chemcham), the Anti-Counterfeiting group (led by Oliver Zopo), the IP-Operations group (led by Helen Wheeler), and the Patents group (led by Mike Lubienski).

Can you tell us about the name creation process for Haleon? How was the name chosen? Who made the final decision? Any other trade mark work in relation to becoming an independent company?

Our name is inspired by the merging of the words 'hale', which is an old English word that means 'in good health', and 'leon', which is associated with the word 'strength'. Choosing a new company name is never an easy exercise, but from planning through to execution, working on the project to name our new company was really exciting. The project was truly global, covering all aspects of branding and guided by our purpose which is to deliver better everyday health with humanity. A steering committee team was established with only a handful of people on it, including the CEO, Head of Marketing, Head of Corporate Affairs, Head of Transformation, the General Counsel and myself. We worked on a couple of thousand names and ultimately managed to secure the preferred one: Haleon.

The CEO made the final decision following a recommendation from the steering committee. The name and entire branding were well received externally and internally which was fantastic to witness.

As I was focused on building the IP team for Haleon and naming the company, other colleagues in my team were dealing with other critical activities required for becoming an independent company. Collectively we worked on numerous complex international trade mark issues for a long period of time, enabling Haleon to own and operate a worldwide portfolio of well-known and trusted brands. This encompassed a huge level of due diligence, audits, and complex transactional work, as well as working on the IP aspects of the Shareholders' Prospectus.

Were there confidentiality issues to manage within the IP team? Can you expand on these at all?

We wanted the name to be announced to all stakeholders on the same day; within the company first and externally shortly after. We knew from the start of the project that we had to maintain strict confidentiality and created a bespoke process on our IP platform and within our network of External Counsel to ensure confidentiality remained absolute. We also tailored our filing programme to fit the specific situation.

Are there any aspects of TM clearance / regulatory etc that you will miss by no longer working at GSK and wholly prescription pharma?

No, I don't think so. I really enjoyed working on pure pharmaceutical matters at GSK and Sanofi, but I love change. Having the opportunity to be part of a truly once-in-a-career moment through the creation of Haleon isn't something I wanted to miss.

Have you found a change in the culture of the new company?

Each company has its own culture. What I find interesting in the corporate world isn't necessarily the taglines which describe the culture; they always look nice, don't they? What matters is the actual culture: what you can feel as an employee and what you want your consumers, customers, and partners to feel when it comes to their relationship with you as an organisation. The culture did change almost instantly after the separation. Our new branding is part of that and I'm really enjoying it.

HALEON
For Health. With Humanity.

Spring Conference Report – 20-21 March 2023 Piers, Pavilions & Pharmaceuticals in the Post Modern Brighton

Duncan Maguire, Spoor & Fisher Jersey

The Chairperson, Myrtha Hurtado Rivas welcomed delegates to the popular coastal city of Brighton and extended a very warm welcome to first-time attendees.

Jeremy Blum

Jeremy Blum of Bristows kicked off the conference with an international case round-up of several recent cases across Australia, China, Europe, India, United Kingdom and USA.

The cases included:

- MSD v Abacus CJEU decision concerning parallel imports and the interpretation of the Falisified Medicines Directive (FMD). The FMD permits the use of a replacement anti-tamper device on original packaging as long as it is replaced with an equivalent. If a relevant market has a strong resistance to relabelling of medicinal products, or to purchasing of products whose packaging bears visible traces of having been opened, due to the replacement of the existing 'anti-tamper device', then repackaging of these products would be viewed as necessary and could not be opposed. Jeremy highlighted that the importer cannot rely on a presumption of consumer resistance.
- UK Court of Appeal case of Combe International LLC v Dr August Wolff GmbH where the Court of Appeal did not accept the acquiescence defence and upheld the High Court's ruling that VAGISAN infringed VAGISIL.
- The US case of Jack Daniel's Properties, Inc. v VIP Products LLC concerning the Bad Spaniel's dog toy. The First instance decision found dilution by tarnishment. The Ninth Circuit reversed the First instance decision as humorous parody entitled to First Amendment protection. The Supreme Court will have to decide later this year on the following questions:

  (a) is humorous use on a commercial product subject to usual likelihood of confusion analysis?; and

  (b) whether humorous use on one's own commercial product is 'non commercial'.

Jeremy mentioned that we also have the case of Sky Ltd and others v Skykick, UK Ltd and another to look forward to in the United Kingdom Supreme Court later this year. The Supreme Court will consider whether the lack of intention to use a trade mark in relation to certain types of goods and services falling within a broader category of goods / services is considered an application in bad faith.

Stuart Baran of 3 New Square then provided the delegates with insight into the work of a UK IP barrister. Stuart compared the relationship between UK IP solicitors and barristers to that of general

Stuart Baran

physicians and surgeons. Barristers are more narrowly specialised as are surgeons. The key specialisation of barristers is the art of cross-examination, bearing in mind that the United Kingdom has the most oral-focussed submissions in the world. UK IP solicitors on the other hand enjoy the whole spectrum of the IP lifestyle whilst of course specialised within the IP field.

Stuart is on an approved list of two UK barristers to the UK Intellectual Property Office providing advice on appeals from the UK Intellectual Property Office's decisions. He has represented the UK Intellectual Property Office in the Supreme Court in London. Stuart described a visit to the Supreme Court in London as a great day out and it is quite rare that one has the opportunity to stand up and present submissions in the Supreme Court. Stuart shared his experience of representing the UK Intellectual Property Office before the Supreme Court in a landmark case about whether artificial intelligence can own patents. He also discussed another case he handled concerning the Seretide Accuhaler and the colour purple in a passing off case.

Finally, Stuart briefly also mentioned the Sky Ltd and others v Skykick, UK Ltd and another case where he will be before the UK Supreme Court in June 2023 and looks forward to another great day out.

Julie Barrett of Purposive Step Consulting turned our attention to Diversity and Inclusion (D&I) and discussed the impact of D&I in our workplace.

Julie emphasised the need to focus on operating inclusively to achieve equality. In particular, inclusivity in career

Julie Barrett

development, decision-making and work allocation for minorities. Julie said the majority also have a role to play and should embrace a wide range of styles and voices making people feel safe to express themselves. People should understand that vulnerability is okay. Any differences should be communicated and considered and can be reframed as a learning resource in the workplace.

Julie highlighted that we all have a role to play in striving for EDI in policies and strategies and when considering a diverse workforce we should use diverse employees as resources to obtain a general understanding across organisations. She concluded by saying that we also need more data to assess what works.

To complement Julie's presentation, Lisa Jakob of Merck Sharp & Dohme, Rahway, NJ USA provided guidance on how to build a DEI Program for an in-house Legal Department. Lisa explained we have to start with ESG – Environmental Social & Governance and ensure that DEI Programs fit within the rubric of our ESG goals. The focus is on the 'S' for Social in both external facing corporate commitments to the world and internal corporate commitments to employees.

We should look at ESG focus areas and goals considering access to health, employees, environmental sustainability and ethics and values. We should also consider Diversity, Equity and Inclusion.

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Lisa Jakob

Strategic goals must be set. Look at talent acquisition, development and retention and define areas of focus. Create a culture of inclusion making employees feel safe. Conduct employee surveys to obtain feedback. We should also look at external partnerships and drive accountability in engaging legal partners. Lisa concluded that data must be recorded to track progress and judge metrics.

The Cocktail Reception in the Pavilion of The Grand Hotel was a wonderful opportunity to catch up with colleagues, friends and meet first-time attendees identified with gold star badges. The delegates also enjoyed listening to a classical string quartet while sipping cocktails. A sumptuous Gala Dinner followed in the Ballroom with the exciting news that Valencia, Spain will be the venue for the 2024 Spring Conference.

After dinner, delegates regrouped at the bar for a nightcap. The Chairperson greeted delegates on Tuesday morning and reflected on a wonderful Gala Dinner the previous evening before introducing the first speaker of the day.

Nick Wood of Com Laude presented a very topical presentation entitled 'Reality check for IP in the Metaverse'. Nick touched on the four Internets that exist today and considered how Web 3.0 and the Metverse will impact this model.

Nick Wood

Nick said that in Web 3.0 which is arriving now, the Token Economy evangelists promise to bring us an Internet which is a digital facsimile of the real world and soon the virtual will feel physical but protection for IP and avenues for enforcement are not there. He reflected on user statistics. The uptake of users is not as much as we would expect for decentralised True Metaverses / NFT Worlds. The user numbers are more impressive for controlled Managed Metaverses or Cloud Games.

There are many roadblocks before universal acceptance. Nick highlighted that NFTs are misunderstood and over-hyped. Naïve buyers often think they own copyright in the associated virtual art, music or photographs. Security of data is also an issue with many NFT platforms having been hacked.

There are a lot of questions to be considered for IP experts. Nick mentioned that it is worth obtaining blockchain domains '.eth' for the company name of a business as well as its main brands. Blockchain domains do not require renewal so once they have been obtained Nick said companies can simply hang on to them.

Nick also provided thoughts on an approach that could be adopted by pharma companies to a Metaverse for Pharma IP. He concluded that the metaverse of the imagination will eventually become something more predictable but it will take time and highlighted the need for us to act together to develop best practice and lobby for improvements.

Anthonia Ghalamkarizadeh

Anthonia Ghalamkarizadeh of Hogan Lovells provided a comprehensive overview of the Digital Services Act (DSA). The DSA covers all intermediary services active in the EU regardless of place of establishment. Anthonia discussed key themes and core obligations for intermediary services, hosting services and online platforms. Very Large Online Platforms have additional obligations with additional transparency reporting, audits and data sharing.

An intermediary would gain liability for illegal third party content once it has actual knowledge and does not act quickly. Anthonia said it is prudent to create harmonized notices so that action can be taken and brand holders must engage with intermediaries. She also discussed notice and action and transparency obligations of recommender systems and online advertising provided for under the DSA.

The EU Member States have primary oversight and each EU Member State must appoint a Digital Services Coordinator. An independent authority must be established in each member state for supervising the intermediary services and coordinating with special sectoral authorities. There will also be coordination via the new European Board for Digital Services. Non-compliance with decisions can lead to fines of up to 6% of global annual turnover and / or periodic payments and as a last resort: temporary access restrictions.

Yixian Chen of Jones & Co. then discussed the complexity of litigating trade marks in China and presented an informative paper on trade mark-related administrative procedures in China.

Yixian explained that China is a first-to-file country with a civil law system based on Germany. Sub-classes of the Nice classification exist in China and these sub-classes are applied by examiners. If the identical mark is in the same class but a different sub-class of that class, the respective trade marks can co-exist. It is therefore important to file defensive trade marks in China.

Yixian Chen

Yixian described the proceedings and forum for trade mark–related administrative procedures as a '2+2+1 system' and went on to describe the various steps in some detail.

The Trade Marks Office considers trade mark applications, trade mark oppositions and non-use cancellation proceedings. The Trade Mark Review and Adjudication Board (TRAB) considers invalidation applications and administrative reconsideration cases decided by the Trade Marks Office, such as trade mark refusals, non-use cancellation decisions and the Trade Marks Office's ex-officio invalidations.

The Courts hear administrative litigation proceedings based on a level-based trial system made up of the Court of First Instance and Second Instance. Additional remedies are available by way of a re-trial or administrative protest. First instance administrative litigation is considered by the Beijing IP Court which hears appeals against reconsideration cases made by TRAB. Second instance administrative litigation is considered by the Beijing High People's Court which hears Beijing IP Court's decisions.

There is provision for a re-trial before the Beijing High People's Court or Supreme People's Court. If the applicant has objections with the facts or evidence recognised by the Second Instance Court, the re-trial must be filed with the Beijing High People's Court. If the applicant has no objections with the facts but only disagrees with the application of law, the re-trial must be filed with the Supreme People's Court. A re-trial, either before The Beijing High People's Court or Supreme People's Court must be filed within six months after the Second Instance decision.

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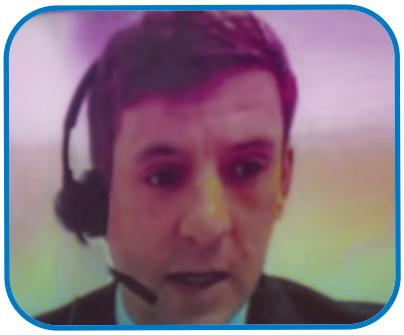
A protest can be filed before the People's Procuratorate. The People's Procuratorate has the power to protest a ruling made by the Beijing High People's Court and request the Court to re-try the case. A protest must be filed within six months after the re-trial decision or rejection of the re-trial application.

Yixian also discussed challenges and solutions within the framework of trade mark–related administrative procedures and emphasised that a proper due diligence must be undertaken, as well as consideration of practical difficulties which may be encountered within the current framework and the sub-class system in China.

Matt Bowling of Greater Manchester Police then presented on the Greater Manchester Police's efforts in setting up a task force and enforcement measures taken against perpetrators of prescription drug crime and illicit prescription drug crime in the Greater Manchester Area.

Matt explained the illicit prescription drug market in the Greater Manchester area is driven by demand for Benzodiazepines and Gabapentinoids. The most common illicit prescription drugs are Diazepam and Alprazolam, Pregabalin, Tramadol and Zopiclone. There is growth in popularity among under 25's, linked to increased availability and affordable prices. He said the sources of supply are theft from factories and pharmacies, UK-based fake pharmaceutical laboratories or via air and freight from laboratories overseas.



Matt Bowling

Matt shared examples of fake and genuine products, statistics of Border Force seizures destined for Greater Manchester and success stories of raids and dismantling of local laboratories. Matt said an important part of the success they have achieved is through testing of seized illicit and counterfeit medicines with valuable data collected and the intelligence shared.

Matt discussed Operation Vulcan at Cheetham Hill, just north of Manchester City Centre and close to Salford. Cheetham Hill has a long-standing reputation as being the capital for counterfeiting in the UK. In the week running up to Christmas 2021 there were multiple reports of violent disorder on Bury New Road linked to disputes between drug dealers and spotters/shop owners. This occurred again over the weekend of 23 to 25 April 2022. The Task Force worked with various partners including monthly meetings with NHS chemists to collaborate and identify new trends enabling better data collection on what was seized to help identify the source of products. The results already achieved through Operation Vulcan are very impressive with 257 stop searches, 41 warrants executed, 75 individuals arrested, 35 vehicles seized, 257 tonnes of counterfeit products seized with an estimated street value of over GBP £39 million and 1.2 million tablets of Class C drugs recovered.

After a lovely lunch break where the sun finally made an appearance through the huge windows of the hotel, we moved into the final double session of the conference.

David Degen of Novartis and Kristiane Vandborg of Lundbeck presented a very interesting and comprehensive paper on parallel trade of medicines entitled 'Parallel trade of medicines: where are we and how and why did we end up here?'

David Degen

Kristiane explained that parallel trade of medicines exploits price differences in the European Economic Area (EEA) where parallel traders purchase products at lower prices in one EEA Member State, and then re-sell them at higher prices in other EEA Member States. It is a big business and accounts for about Euros €5.5bn per year. The tendency is to buy in the South and sell in the North. Approximately 25% of medicines sold in Denmark are by way of parallel trade of medicines.

Kristiane and David talked us through the legal background for the free movement of goods in the EU, the exceptions and CJEU decisions with the evolution of case law governing parallal trade. In particular, the BMS Conditions in balancing free trade and trade mark rights and the interpretation of objective necessity of re-boxing and re-branding.

David provided examples of re-packaging of products due to different languages and regulations and how parallel traders change products in considering the impact on branding and trade dress.

Kristiane and David explained that the FMD was implemented to deal with safety issues whereby parallel traders can replace an anti-tampering device under two conditions:

- by verifying that the product is legitimate and not been tampered with; and
- by replacing those safety features with equivalent safety features.

Kristiane Vandborg

There was no common interpretation on the topic of re-labelling and re-boxing. The FMD and EU Commission Guidelines accept replacement of the anti-tampering device with an equivalent anti-tampering device when re-labelling whereas the Danish Medicines Agency imposed a general rule that parallel importers must re-box the products into new packs.

Kristiane discussed the FMD cases and questions referred to the CJEU and said the outcome of the CJEU Ruling is that the FMD does not affect trade mark rights and the applicability of the BMS conditions have been re-confirmed. Re-labelling of packaging remains possible and re-boxing is not safer than re-labelling. National guidelines requiring re-boxing of products are contrary to EU law and therefore unlawful and do not hinder infringement claims. The use of the product name only without the original corporate brand can damage a trade mark's reputation and its function of indicating the origin of a product.

Kristiane concluded that we now have enhanced guidelines and the Danish Medicines Agency has revised its rules regarding mandatory re-boxing of parallel import packaging.

The Chairperson, Myrtha Hurtado Rivas thanked the speakers for their very interesting presentations and wished all the delegates a safe journey home.

102nd PTMG Conference Athens

4 - 7 October 2023

Registration begins in June

Proving Genuine Use

Fabienne Marshall, Allen & Overy

Summary

On 11 January 2023, the General Court (GC) upheld a decision that Gufic BioSciences Ltd (Gufic) had proven genuine use of its trade mark for 'medicinal products'. The judgment stated that illegal use of a trade mark did not preclude genuine use. The judgment also discussed how the GC determined whether goods as issued aligned with the Nice Classification of 'medicinal products'.

Background

Gufic BioSciences Ltd., a manufacturer of ayurvedic medicines, registered the mark Gufic in classes 3, 5 and 29. After a dispute with Hecht Pharma GmbH (Hecht) over the contested mark, the Board of Appeal upheld Gufic's trade mark in relation to the 'medicinal products' in Class 5 only.

Hecht appealed this decision on the following grounds:

(i) The use of the trade mark was insufficient to demonstrate public and external use;

(ii) the sign was not being used as a trade mark; and

(iii) the goods for which the trade mark was registered do not fit the criteria of 'medicinal products'.

The use of the trade mark was insufficient in demonstrating public and external use

Hecht claimed, under paragraph 73(3) of the Medicinal Products Act (AMG), that medicinal products can only be allowed to be imported into Germany and onto the market through pharmacies. As such, the use of the mark can only be proven through invoices between pharmacies and consumers. As the invoices that Gufic had produced came from a wholesaler who acted as an intermediary between Gufic and the pharmacies, Hecht argued that this does not demonstrate genuine use.

Hecht further asserted that Gufic supplies its goods to an entity that forms a part of its selective distribution system which does not constitute the placing of the goods on the market by an independent third party. The evidence which stemmed from this relationship could therefore not prove genuine use. Hecht submitted that the invoices produced by Gufic were non-public documents and that the wholesale intermediaries' affidavits could not be seen as objective as the wholesale intermediaries are dependent on Gufic's business.

Finally, Hecht submitted that as Gufic was not authorised to advertise its products under German law, it could not demonstrate use.

The GC dismissed all of the arguments brought by Hecht and held that:

- public use did not only mean selling to customers. It could also mean selling to businesses;
- the alleged unlawful nature of the distribution system does not preclude genuine use of the contested mark and, further, that the EUIPO is not authorised to rule on the compliance of Gufic with the AMG;
- with regard to the affidavits of the intermediaries, the GC held that the existence of contractual links between two entities does not prevent one of the entities from being a third party; and
- whilst advertising can be used to prove genuine use of a trade mark, the absence of advertising cannot automatically lead to a finding that the trade mark has not been genuinely used.

The sign was not being used as a trade mark

Hecht claimed that (i) Gufic had added elements to the sign which meant that the trade mark was not used in its registered form and (ii) Gufic was used as a trade name rather than a trade mark.

The GC rejected these arguments.

The GC held that genuine use can be shown even if the mark has extra elements, as long as they do not change its distinctive character. The GC found that the public would still perceive the sign Gufic to be an indication of the origin of the goods because it was on all packaging and it was normal for medicinal products to have trade marks with other marks such as H-15 and Sallaki.

Secondly, the GC ruled that use can be shown where the sign is used to establish a link between the trade name, sign and the goods marketed. A word mark being used in a trade name does not preclude it from being used as a trade mark.

The goods should not be classified as 'medicinal products'

Hecht stated that the Board of Appeal failed to address the question of whether the goods for which the mark had been registered constituted 'medicinal products' within EU law. Hecht argued that the marketing of a medicinal product is only possible if it meets the definition of medicinal product as interpreted in the EU and if it has a marketing authorisation in a Member State or for the whole of the EU or has documentary evidence establishing proven pharmacological action.

The GC dismissed this argument and held that EU laws affecting a sector does not necessarily influence how a trade mark is classified in relation to a good or service. The GC stated that the relevant question for the purposes of assessing genuine use was whether the goods for which the mark was used are the same type of goods for which the mark was registered. The GC asserted the relevance of both the product and the visual appearance of the goods in the eyes of the moderately well informed consumer.

Whilst the GC noted that exclusive sale of these goods in pharmacies did not mean that they were necessarily medicines, the fact that the product was supplied exclusively in pharmacies on presentation of a medical prescription was held to be a relevant factor in defining the goods as 'medicinal'. The fact that the goods did not have pharmacological effect or market authorisation was not held to be relevant as the products were deemed to be likely to be perceived by customers to be 'medicinal products.

The General Court dismissed the Appeal.

Comments

This case demonstrates that illegal use may still be used to prove genuine use. This may not be the final ruling, however, as Hecht lodged an appeal on 8 March 2023.

International Update

EUROPEAN UNION

Sophie Leppington, Mishcon de Reya LLP

The General Court of the European Union has recently given judgments on two appeals by Novartis against decisions of the EUIPO's Board of Appeal (T-174/22 and T-175/22).

The General Court concluded that the Board of Appeal had correctly dismissed Novartis' opposition to AstraZeneca's registration of the EU word mark BREZTREV and its application for a declaration of invalidity regarding AstraZeneca's registration for BREZTRI.

Novartis relied on its earlier trade marks BREEZHALER, BREZILIZER, ONBREZ and DAYBREZ and argued that AstraZeneca's marks would result in a likelihood of confusion for the average consumer (applying Article 8(1)(b) of Regulation No 2017/1001). Although the goods were identical, the General Court agreed with the Board of Appeal that there was no likelihood of confusion due to the no or low visual and low phonetic similarities. The General Court also highlighted the common practice for pharmaceutical trade marks to be 'long and complex and therefore difficult to remember'. This meant the relevant public 'will pay great attention' to make sure they obtain the correct product.

Decision

Level of Attention of the Relevant Public

The relevant public for pharmaceutical products comprised both medical professionals and members of the public, both of whom had, according to the Board of Appeal, an 'above average' degree of attentiveness. Novartis sought here to distinguish the 'quality' of the public's attention from the level of that attention, and also argued that elderly people and children impacted the level of attention of the public, but both arguments were rejected. There was no evidence to demonstrate that the level of attention of elderly persons differed; with children, the level of attention of their parents (who would administer the pharmaceutical) remained relevant.

Comparison of the Marks

To support its arguments on similarity, Novartis argued that the elements 'haler', 'lizer' and 'tri' would be understood by the relevant public to be abbreviations of inhaler, nebulizer and triple-therapy, and that therefore, the elements Brez and Breez were distinctive elements. The General Court disagreed, finding it was 'far from obvious' that the public would associate 'haler', 'lizer' and 'tri' in that way. As the marks were not composed of elements that had meaning for the relevant public, they would not break them down, meaning Brez and Breez were not distinctive elements and they would instead perceive the Novartis marks as a whole. This finding impacted on the assessment of similarity of the marks, with the General Court agreeing that there was no / low similarity, as any visual or phonetic similarities were sufficiently attenuated by differences between the marks.

Interestingly, the General Court's decision can be contrasted with decisions of the UKIPO which, in 2021, allowed Novartis' oppositions to AstraZeneca's applications for BREZTREO, BREZTRIO and also upheld Novartis' invalidity action against BREZTRI. When comparing Novartis' BREZILIZER mark with AstraZeneca's marks, the UKIPO found it significant that the marks had the same suffix Brez. The UKIPO considered that 'lizer' linked to nebulizer and AstraZeneca's marks linked to triple-therapy (both relate to Asthma / COPD treatment). The UKIPO concluded that indirect confusion was likely.

INDIA

Kritika Gandhi, CHADHA & CHADHA

The High Court of Delhi, in the case of Sun Pharmaceutical Industries Ltd v DWD Pharmaceuticals Ltd, has held that the disclosure of material facts is important since they have a significant bearing on the decision. The Court kept the public's interest at the forefront and confirmed the interim injunction restraining the Defendant from using the mark FOLZEST, which was deceptively similar to the Plaintiff's mark FORZEST.

Background

An ad-interim ex-parte injunction order was granted in favour of the Plaintiff restraining the Defendant from using its mark FOLZEST which is deceptively similar to the Plaintiff's mark FORZEST.

It was averred that the Plaintiff's predecessors, Ranbaxy Laboratories Limited, coined and adopted the trademark FORZEST and filed an application for registration in 2003. The Plaintiff came across the Defendant's application for registration of trade mark FOLZEST in Class 05 in May 2022, filed on a 'proposed to be used' basis; and opposed the same immediately. The Plaintiff asserted that its mark was cited during the Examination of the Defendant's mark.

The Defendant thereafter filed an Interlocutory Application asserting that the Plaintiff got the injunction order in its favour by concealing material facts. Further, the Defendant asserted that it has a family of ZEST trade marks and the Plaintiff was aware of the same. The Defendant contended that it had also contested the Plaintiff's marks EXEZEST and TRIOLMEZEST in 2009 and 2014 respectively. Further, it contended that during the examination of the Plaintiff's mark FORZEST, the Defendant's FERIZEST mark was cited. The Defendant also argued that the Plaintiff's mark FORZEST is deceptive and descriptive in nature, as it is a medicine used for treating erectile dysfunction.

The Plaintiff argued that the Defendant's mark having deceptive similarity and being used for a different treatment, i.e., as a multivitamin for pregnant women to lower the risk of pre-term births, can lead to disastrous consequences. The Plaintiff refuted the rights of the Defendant in its ZEST family of marks, contending that it is a dictionary word and has peaceful coexistence with other ZEST comprising marks. Further, contending that the argument of 'family of marks' is available only to the Plaintiff.

Decision

The Court noted that, the Plaintiff's marks were opposed by the Defendant and the Defendant's mark was cited in the Plaintiff's Examination Report, and as such were relevant facts for the injunction proceedings. Despite the concealment and mis-statement of the Plaintiff, the Court observed that the marks of the parties are deceptively similar, having only one letter difference. Considering the merits of the case, i.e., the prior use of the Plaintiff's mark, no exclusivity of the Defendant being established in its ZEST marks, and the fact that the medicines sold under the deceptively similar marks have different uses can lead to disastrous consequences; the ad-interim injunction order was maintained. However, the Plaintiff was penalized with the costs of INR 10,00,000 (approx. USD $12,500) for concealing the material facts.

Continued on next page

International Update continued

INDIA

Samta Mehra and Udayvir Rana, Remfry & Sagar

In a recent decision, GlaxoSmithKline Pharmaceuticals Ltd. v Horizon Bioceuticals Pvt. Ltd. & Anr, the High Court of Delhi had the opportunity to adjudicate upon the interpretation of Section 17(2)(b) of the Indian Trade Marks Act, 1999 (the Act). This section states that: 'any matter which is common to the trade or is otherwise of a non-distinctive character, the registration thereof shall not confer any exclusive right in the matter forming only a part of the whole of the trade mark so registered'.

The plaintiff (GlaxoSmithKline) is the registered proprietor of the trade mark COBADEX in respect of pharmaceutical goods in Class 5 since 18 July 1958 and alleged that the defendant's (Horizon Bioceuticals) use of the mark COMODEX amounted to trade mark infringement. The defendant argued that the suffix 'DEX' in relation to pharmaceutical products was publici juris and per Section 17(2)(b) of the Act, 'when a trade mark contains any matter which is common to the trade … the registration shall not confer any exclusive right'. To strengthen this argument, the defendant relied upon several registered trade marks in respect of pharmaceutical preparations that contained the suffix 'DEX' and co-existed on the Trade Marks Register.

Per the court, most brand names/marks in respect of pharmaceutical products are adopted in the following manner:

- use of 'part of the name of the active ingredient' in a pharmaceutical product; or
- use of 'part of the ailment or name of the organ' that the pharmaceutical product intends to cure/heal.

In the extant matter, the suffix DEX was found to be used by several registered proprietors for products which contained the active ingredient either 'dextromethorphan' or 'dexamethasone'. However, the court observed that there was insufficient evidence to hold that the 'DEX' suffix was 'common to the trade' for drugs that did not contain these active ingredients, (a category into which both the plaintiff's and defendant's products fell).

In interpreting the article 'the' forming part of Section 17(2)(b) of the Act i.e., 'common to the trade', the Court held that there is a significant difference between the said expression and the expression 'common to the register'. Marks that stand registered in the Register of Trade Marks may never see the market, or may, at best, make sporadic appearances. The Court reasoned that 'the trade' refers to actual flow of goods in the market. Thus, it was necessary for the defendant to establish that in 'the market' relating to such pharmaceutical goods, the use of the suffix DEX was common.

Noting that use of DEX by the plaintiff was arbitrary, the Court *vide* order dated 10 April 2023, prima facie held that the defendant's mark COMODEX infringes the plaintiff's registered mark COBADEX as the said marks are structurally and phonetically similar and were being used for essentially the same products – multivitamins. Also, public interest and the possibility of hazardous consequences directed by the fact that one product was a prescription drug (plaintiff's product) and the other an over-the-counter drug (defendant's product), should not be permitted to dilute a finding of likelihood of confusion.

This detailed judgement where the court has carefully examined the nature of pharmaceutical trade mark disputes and the rationale behind adoption of pharma brand names is certain to serve as a valuable reference point for future disputes of similar nature.

MONTENEGRO

PETOSEVIC

Amendments to the trade mark law entered into force in Montenegro on 18 January 2023.

The amendments are intended to harmonize national legislation with Directive (EU) 2015/2436 and with the Singapore Treaty on the Law of Trade Marks.

The graphical representation requirement has been removed, meaning that a sign can be represented in any form that distinguishes the goods or services applied for from those of other undertakings and enables the authorities to clearly establish the scope of protection that is sought. Sound marks may now be represented by audio files and not only by musical phrases shown in notation. Trade marks may now also consist of personal names and the three-dimensional features such as shape or packaging of goods, which was previously not directly specified in the law.

The list of absolute grounds for refusal has been expanded. The novelty is that a trade mark will not be registered if:

- It does not adhere to the laws of the EU or Montenegro on geographical indications and appellations of origin, traditional expressions for wines, and traditional specialities guaranteed (TSGs); or
- It consists of the earlier denomination of a plant variety registered in Montenegro or the EU or reproduces it in its essential elements, while referring to a plant variety of the same or closely related species.

If a trade mark opposition is based on an earlier trade mark which has a reputation in Montenegro, the later trade mark that is identical or similar to the earlier mark will not be registered regardless of whether the goods or services of the two marks are identical, similar or not similar. This was previously not clearly defined in the law.

Two new types of unauthorized use of a trade mark have been introduced:

- Use of a mark as a trade name or company name or part of a trade name or company name; and
- Use of a mark in comparative advertising in a manner that is contrary to the regulations on misleading and comparative advertising.

Previously, when suspending a trade mark opposition proceeding while negotiating an agreement, parties had to reach an agreement within six months. Now, they have to reach an agreement within 24 months.

Provisions relating to licensing, continuation of the procedure and correction of errors in applications and registrations have been aligned with those of the Singapore Agreement of the Trade Mark Law.

Cancellation (on absolute and relative grounds) and non-use cancellation procedures are now conducted before the Intellectual Property Office (IPO), unlike before when they were conducted before the court. This is expected to make the procedures more efficient due to the IPO's more extensive knowledge of IP matters.

Finally, the amendments introduced the simplified procedure for the destruction of counterfeit goods, which will make IP rights enforcement before the trade inspection authority quicker and more cost-effective.

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International Update continued

MYANMAR

Denise Mirandah, Lin Lixia & Jaynthi Kanesarajah, mirandah

Following updates to the Myanmar Trademark law in 2019, a soft opening to implement the updates in the law and the new electronic filing system commenced on 1 October 2020, which was expected to last for a period of 6 months until the Grand Opening.

On 12 January 2023, the Myanmar Intellectual Property Department (IPD) released the following announcement: -

(a) Grand opening date- The Trademark Law (2019) is planned to be fully enforced in March 2023.

(b) Once enforcement of the new law has commenced, applications for registration of a trade mark in Myanmar will be officially accepted including payment.

(c) A valid trade mark representative in Myanmar must have a WIPO File User Account and a completion certificate of the trade mark Registration training conducted by the IPD.

(d) Therefore, WIPO File User Account holders who have not attended the former training programs by IPD and those who wish to register as the trade mark representatives in Myanmar are required to complete the required training.

(e) To that end the Trademark Registration Representative Training Course (1/2023) will be opened in February 2023.

In the first week of April 2023, the IPD announced that the new Trademark Law will take effect from 1 April 2023, with Phase Two of the soft opening period commencing on 3 April 2023 until 25 April 2023. The Grand Opening Period starts from 26 April 2023.

During Phase Two of the soft opening:

1. Trade mark proprietors with prior registration in Myanmar by way of Declarations of Trademark Ownership (DTO) and/or publication of cautionary notices, or who have been using their trade marks in Myanmar, before 31 March 2023 could make use of this limited window period to re-file their trade mark applications before anyone else;
2. All trade marks re-filed during the soft opening period should be completed with the payment of the official filing fees and notarized Power of Attorney, which will then be designated a filing date corresponding to the Grand Opening date.

From 26 April 2023, anyone who is interested in seeking trade mark protection in Myanmar may file trade mark applications through a duly authorized local trade mark representative. Further developments are eagerly awaited, and in particular, how the re-filed applications will be processed and examined.

NIGERIA

Chinwe Ogban Jackson, Etti & Edu

Nigerian Trademark Laws recognize 'first to file' as against 'first to use' or 'international use'. In this regard, the Nigerian Trade Marks Act, 2004, grants the owner of a registered trade mark exclusive rights to use the trade mark and protect it from any form of infringement. This means that the first to register a trade mark has the right to prevent others from using an identical or confusingly similar trade mark for the same goods or services or description of goods or services in respect of which the first trade mark was registered. 'A person who has registered a name or sign as his trade mark has a proprietary right over the use of that name in that class in which it is registered'. In other words, registration is prima facie evidence of title to the trade mark and entitles the holder or proprietor of such mark to institute an action to protect its breach, Ferodo Ltd and Anor v. Ibeto Industries Ltd (2004) 5 NWLR (pt. 866).

However, there are exceptions to this where a proprietor of an unregistered trade mark can still exercise rights over his mark by instituting a passing off action against the adverse party. Section 3 of the Nigerian Trade mark Act, 2004, 'No person shall be entitled to institute any proceeding to prevent, or to recover damages for, the infringement of an unregistered trade mark; but nothing in this Act shall be taken to affect rights of action against any person for passing off goods as the goods of another person or the remedies in respect thereof'.

From the foregoing, the court has held in Omnia Nigeria Limited v Dyktrade Limited (2007) LPELR-2641(SC) that 'The Federal High Court therefore has jurisdiction to hear and determine the claim for passing-off. The Federal High Court has jurisdiction whether or not the claim arises from the infringement of a registered or unregistered trade mark'. Therefore, the court can entertain action of passing-off of an unregistered trade mark.

Also, in American Cyanamid Co. v Vitality Pharmaceuticals Ltd (1991) LPELR-461(SC), the Nigerian Supreme Court held that the rights of the owner of an unregistered identical or confusingly similar trade mark may override that of a later registered proprietor, where the owner of that unregistered trade mark proves that he had been using his mark continuously for some period before the registration of the later registered trade mark. The court held that although the mark was first registered by the Plaintiff / Appellant, the Defendant / Respondent is the rightful owner of the mark, having continuously put it to use before the registration by the Plaintiff / Appellant.

Notwithstanding the above, Brand owners are advised to register their marks rather than depend on international registration to ensure well-encompassed protection. As held by the court in PATKUN INDUSTRIES LTD v NIGER SHOES MANUFACTURING CO. LTD (1988) that 'in addition to the right of action conferred on the owner of a registered trade mark..., there is an additional right of action of passing-off in respect of the goods involved.'

TAIWAN

Kevin CW Feng, Tsai, Lee & Chen

A draft amendment to the Trade Mark Act was introduced to the Legislative Yuan (the parliament) in March 2023. The main points include:

1. An independent unit tentatively named Trade Mark Appeal and Dispute Review Committee (TADRC), modeling the TTAB of the USA, will be established to handle trade mark remedial matters.
2. Appeal (e.g. review of exam. rejection) and dispute (e.g. invalidation) cases will be reviewed by a panel of 3 to 5 members. Oral arguments, preparatory programs, intermediate disclosure of opinion, etc. will be available.
3. Opposition proceedings will be abolished since, by statistics, the grounds to raise an opposition largely overlapped with those of invalidation. Besides, the locus standi will be relaxed that anyone, instead of a party of interest, will be able to petition for invalidation under absolutely non-registrable grounds of trade marks. Third-party observation will be accepted during prosecution.
4. To reduce the hierarchy of remedial proceedings, the remedial stage of the administrative appeal between the TADRC and the court will be

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cancelled. The party who is unsatisfied with the decision of the TADRC may bring the case directly to court.

5. The procedural rules in the court will become civil procedures instead of administrative procedures. Representation in the court by attorneys-at-law will be mandatory.
6. Examination acceleration will be instituted in response to demands of further shortening the time of pendency.
7. A new system that authorizes the Taiwan IP Office to manage the qualification of trade mark agents will be introduced for the better interests of applicants.

Level of fame required to block registration

An application for trade mark registration shall be rejected if, among other grounds, the mark applied for registration is identical or similar to another's well-known trade mark, thus causing a likelihood of dilution of the distinctiveness or reputation of said well-known trade mark. According to a recent adjudication by the Grand Chamber of the Supreme Administrative Court, a well-known trade mark is eligible to block such an application for registration so long as it is well-known to the 'relevant consumers' rather than in the general public at large, as previously required in previous cases. This adjusted benchmark is inconsistent with the definition of well-known in the Trade Mark Act and also adjusts the grounds to block another's registration of an identical or similar mark due to the likelihood of confusion. The eligibility threshold of a well-known trade mark to enjoy a broader protection is reduced as a result.

TURKEY

Selma Unlu, NSN Law

International non-proprietary names (INNs) identify pharmaceutical substances or active pharmaceutical ingredients and are assigned by the World Health Organisation (WHO). As a result of the INN system, each substance can be recognised by a unique and globally available name which helps the clear identification, safe prescription and dispensing of medicines. It also makes easier the communication and exchange of information among health professionals. INNs can be used freely since they are public property.

In accordance with the aim of INNs, when creating a pharmaceutical trade mark, the pharmaceutical companies should refrain from choosing a mark that may be confused with INN. In Turkish practice, it is quite common for pharmaceutical companies to choose a mark that is derived from or similar to INN.

In the Trademark Examination Guideline of TURKISHPATENT, it is stated that applications containing INN names exclusively or in the form of essential elements, as a rule, are considered descriptive as they lack the distinctiveness and commercial reference function of the trade mark and indicate the type of product. It is also stated that in addition to these kinds of applications, the ones that are not identical with but still similar to an INN must be rejected in terms of related goods and services. However, even though the Guideline refers to similar trade marks as well, in practice, TURKISHPATENT's evaluation of the similarity to an INN is very strict and seeks for almost identity since the targeted consumers of pharmaceuticals are considered to be professionals who have a medical education and have a high level of attention. Although there is no established practice and it is evaluated case-by-case, the IP Court and the Regional Court of Justice applied a broader approach in their recent decision.

In an important case shedding light on the approach of Turkish authorizations to the similarity of pharmaceutical trade marks and INNs, TURKISHPATENT rejected the opposition filed against VORTEXIN trade mark application on the basis of the similarity with VORTIOXETINE INN. In this case, apart from the similarity between the applied trade mark and VORTIOXETINE INN, the similarity between the VORTEXIN and the stem of the subject INN, which is -OXETINE, also existed to an extent to create likelihood of confusion. Seeking for almost identity, TURKISHPATENT concluded that the VORTEXIN trade mark application is not identical with or highly similar to VORTIOXETINE INN or its stem.

Thereon, the opponent filed a cancellation action against TURKISHPATENT's decision and Ankara 2nd IP Court accepted the court action and decided the cancellation of the decision and the invalidation of the subject trade mark for the goods in class 5/1. The Court highlighted that the subject trade mark was created by removing some letters of VORTIOXETINE INN; there is 'considerable' similarity between the trade mark and INN. The Court also added that the targeted consumers are v very well-informed people and that it is possible to create a trade mark based on INN or disease name provided that there is a distinguishing additional element. Nevertheless, the Court did not find the differences enough to distinguish VORTEXIN trade mark from VORTIOXETINE INN.

Upon the appeal of the defendant, this time, the Regional Court of Justice (RCJ) reviewed the file and approved the First Instance Court's decision by rejecting the appeal. The RCJ stated that the marks similar to INNs cannot be given to the ownership of any entity and considering the considerable similarity level between the VORTEXIN trade mark and the VORTIOXETINE INN, the subject mark cannot be registered for class 5/1.

The file is now under the examination of the Court of Appeal (CoA). If the CoA approves the RCJ decision, it shall become final, thus protecting INNs from a broader approach in future cases. This decision also provides guidance to TURKISHPATENT for the evaluation of oppositions based on the similarity to an INN. Not allowing the registration of a pharmaceutical trade mark that is similar to an INN in its overall impression without seeking for almost identity serves the purposes of INN system. Preventing the confusion of a pharmaceutical trade mark with an INN is also important for patient safety. In addition, pharmaceutical companies should be very sensitive when creating trade marks deriving from INNs or their stems in order not to face rejections or invalidations as a result of objections or actions of third parties.

UKRAINE

PETOSEVIC

Ukrainian IPO Reform Explained

For a long time, Ukraine had a three-level state IP protection system comprising the Ministry of Economy, the State Service of Intellectual Property as the national IPO, and the State Enterprise Ukrainian Intellectual Property Institute (Ukrpatent) as the examining authority.

In 2016, the State Service of Intellectual Property ceased to exist, and its functions were transferred to the Ministry of Economy, while Ukrpatent continued to operate as the examining authority.

This lasted until 2020, when a law was adopted introducing a two-level IP system comprising the Ministry of Economy and

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the National IP Authority (NIPA). The Ministry is responsible for ensuring state policy formation and implementation in the intellectual property field, and the NIPA is the single national IPO performing public functions in order to implement the state IP policy. On October 14, 2020, at the initiative of the Ministry of Economy and with the support of the Ukrainian Government, Ukrpatent started performing the NIPA's functions.

On 28 October 2022, the Ukrainian Government announced that on 8 November 2022, the NIPA's functions performed by Ukrpatent would be transferred to the newly created Ukrainian National Office for Intellectual Property and Innovations (UKRNOIPI). This was done in order to complete the institutional reform by creating an effective two-level IP system and to resolve certain discrepancies in the Ukrpatent's performance of the NIPA's functions. On 8 November 2022, UKRNOIPI started performing certain NIPA's functions, accepted official fees on new bank accounts, and proceeded with the transfer of other NIPA's functions in order to fully absorb the functions of the Ukrpatent.

UKRNOIPI already takes part in court proceedings as the legal successor of Ukrpatent in IP disputes. For example, on 21 December 2022, UKRNOIPI participated in a court hearing for an appeal initially filed by Ukrpatent.

UKRNOIPI also regularly publishes announcements on the ongoing reform and explains its upcoming actions. For example, it was recently announced that IP deadlines remain suspended due to the ongoing war as provided for by the law adopted on 1 April 2022. On 25 January 2023, it was announced that UKRNOIPI was working on re-launching the attestation process for trade mark and patent attorneys and on forming the Attestation Commission. The attestation has not been conducted since 2016 when the State Service of Intellectual Property, which was responsible for it, was liquidated.

Finally, the Appeal Board, which stopped operating on 8 November 2022 when the NIPA's functions were transferred to UKRNOIPI, is also expected to resume operation soon. During recent meetings with the Ukrainian IP community, UKRNOIPI confirmed that it is working on the re-launch of the Appeal Board, but no concrete deadlines have been provided, likely due to the ongoing war in Ukraine. However, the new team is facilitating an open dialogue with the IP community and is eager to resume all operations as quickly as possible.

UNITED KINGDOM

Suzanne Power, AA Thornton

On 3 April, the UK IPO published a new guidance note (Practice Amendment Notice or PAN) on its approach to the classification of NFTs, virtual goods, and services provided in the metaverse. This note cited a need for clarity amidst an increasing number of applications for those goods and services.

Non-fungible tokens (NFTs)

NFTs are unique tokens of data that can serve as certificates of authenticity or ownership. It is envisaged that they may have diverse uses across pharma and healthcare industries. For instance, patients' medical data could be securely stored and accessed through the use of NFTs.

The UK IPO will not accept NFTs as classification terms, unless such terms are further qualified with an indication of the asset to which the NFT relates. For instance, the following type of wording would be acceptable:

- 'digital audio files authenticated by non-fungible tokens'
- 'downloadable digital files authenticated by non-fungible tokens [NFTs]'
- 'downloadable software, namely, […], authenticated by non-fungible tokens [NFTs]'

The above are all examples of digital assets authenticated by NFTs. Being digital assets, they are proper to class 9. However, NFTs can also relate to physical goods. For instance, we may increasingly start to see pharmaceuticals authenticated by NFTs. Where the NFT relates to physical goods, then the wording should be placed in the normal class of the goods. The UK IPO gives the following examples:

- 'artwork, authenticated by non-fungible tokens [NFTs]' (Class 16)
- 'handbags, authenticated by non-fungible tokens [NFTs] (Class 18)
- 'training shoes, authenticated by non-fungible tokens [NFTs]' (Class 25)

By that 'token'(!) we should expect to see wording such as 'pharmaceutical goods, authenticated by non-fungible tokens [NFTs]' accepted in class 5, or 'medical devices, authenticated…' in class 10.

The metaverse and virtual goods and services

The metaverse is a form of digital reality, where it is envisaged that people will access virtual worlds and purchase virtual goods and services within those worlds.

Virtual goods

These are goods that consist essentially of data, such as digital images or text files. They are proper to class 9. There has been a flurry of excitement around these goods in certain industries, particularly the fashion sector. Unsurprisingly, then, examples given by the UK IPO are 'downloadable virtual clothing, footwear or headgear' and 'downloadable virtual handbags'. It remains to be seen just how relevant virtual goods may be to the pharmaceutical sector, although popular US drugstore chain CVS has already filed for 'downloadable virtual goods, namely, […] prescription drugs, health, wellness, beauty and personal care products'.

Virtual services

If a service is capable of being delivered by virtual means (whether in the metaverse or not), it will typically fall within the usual class for the provision of that service. For instance, the UK IPO cites that 'education and training services delivered by virtual means' will fall within class 41. By analogy, one would expect 'medical services delivered by virtual means' (e.g., a medical consultation delivered by video-conferencing) to fall within class 44.

The same applies to such services as delivered in the metaverse. For instance, the UK IPO confirms that 'education and training services provided via the metaverse' would again fall in class 41. Perhaps, then, 'medical services provided via the metaverse' would be acceptable in class 44 – for instance, to cover medical examinations facilitated by digital reality.

Practical application

It is pleasing to see that the UK IPO seems to be taking a common-sense approach to their classification, that is broadly in step with approaches taken by other offices such as the EUIPO. This should help trade mark proprietors start to refine their filing strategies as the role of such goods and services in various industries becomes clearer.

PROFILE: Slobodan Petosevic

I was admitted to the bar in Belgrade in 1991, and Brussels, Belgium (1993 – 1997), as a foreign attorney, and speak English, French and German, as well as Serbian, which is similar to other Western Balkans languages. I also have a working knowledge of Russian language. I received initial IP/legal education at the Faculty of Law, University of Belgrade. Over the years I attended numerous courses in the US, and Western Europe and hold a post-graduate diploma in UK, US and EU Copyright from the King's College, London.

I am a member of most professional organisations that deal with IP protection, such as INTA, FICPI, ACG, MARQUES, EPI, LES, PTMG and others. I represented Serbia before the European Patent Institute as a Board member, and now I continue to serve as a member of the Professional Conduct Committee of the organisation.

I am best known for building a successful network of boutique, full-service IP firms in about 17 jurisdictions. Over the last 30 years and endless perfecting, now more than 130 people are employed in the PETOSEVIC network of IP firms. In 2023 it merged with the Middle Eastern IP firm CWB, to create one of the largest specialized IP firms to date, covering more than 50 jurisdictions.

Where were you brought up and educated?

In Belgrade, while it still was the capital of the country called Yugoslavia.

How did you become involved in trade marks?

I needed to start working early, as a student. The easiest was to work for my father who had a small IP firm at the time.

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

I have absolutely no idea. It would be interesting to find out, but we cannot turn back the time.

Which three words would you use to describe yourself?

Fair, curious and cosmopolitan.

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

English language.

What do you do at weekends?

Sleep longer, walk in the woods, cook, watch movies and almost always end up spending Sunday evening at the office.

What's the best thing about your job?

Working with great, educated people from all over the world.

What is your biggest regret?

Being born in such a troubled part of the world. It is a handicap whatever you decide to do in life.

What do you dream of?

Permanent end of all wars, violence, nuclear weapons and human stupidity.

What car(s) do you drive?

Most of the time a 2021 Toyota GR Yaris 'homologation special'. Entertains me wonderfully every single time.

Which music recording would you take with you to a desert island?

Oscar Peterson Trio – 'We Get Requests'.

Which sport do you play and/or enjoy?

I was a competitive water skier for about 25-30 years. That cost me dearly in injuries, so now I enjoy motor boating, diving and any other sport that is either on or under water.

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

David Tynan O'Mahony, a.k.a. Dave Allen, late Irish comedian.

Which is your favourite restaurant?

Mandolin Aegean Bistro – downtown Miami in the design district.

What is your favourite holiday destination?

Croatian islands. Preferably with my own boat.

Where do you see yourself in 10 years' time?

Happily retired, still commuting between the Balkans and the rest of the world.

What do you like, even though it's not fashionable?

Non-wireless headphones. They never run out of battery power.

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