

Law Lore & Practice

PTMG



Pharmaceutical
Trade Marks Group

May 2019



Editorial: The power of Mother Nature

As we all watched in horror at the fire ravaging Notre Dame cathedral in central Paris on Monday April 15th, few could have ever imagined that the colony of honey bees that had been introduced to the rafters in Spring 2013 would ever survive. And yet, some 180,000 bees kept in hives on the lead roof that collapsed are alive! Satellite photographs have shown that three of

the hives did not burn whilst the bees themselves have been seen buzzing around one of the gargoyles. This variety of bees, Brother Adam, is particularly adapted to urban beekeeping and the cathedral management had been keen to participate in this biodiversity experiment on the rooftops of the French capital.

In a less spectacular fashion but closer to home, imagine my delight when our old apple tree produced blossom again earlier this Spring, after being partially consumed by flames in our own fire last November. At the time, the fireman seemed somewhat more concerned with preserving this natural heritage than our

rickety garden shed, but watching the bees buzz around and pollinate our future crop of cooking apples, I fully comprehend for the first time how resilient Nature can be.

Unfortunately, this resilience does not always produce positive results. The recent upsurge in measles epidemics which killed 110,000 people in 2017 worldwide is a reminder of the power of Mother Nature. Unicef recently revealed that more than 500,000 children in the UK have not been vaccinated against measles and first reports for 2019 are showing that cases are up 300% on last year, thus continuing the trend of the past two years. Measles is a highly contagious disease which, even if caught early, can lead to complications including blindness and loss of hearing. Negative press around the two dose vaccination in many high-income countries is causing the return of this virulent childhood disease.

As we head towards the holiday season in the Northern hemisphere, I do hope that you will all find time to enjoy the positive power of nature, enjoying some peaceful, sunny moments in which to read this edition of Law, Lore & Practice.

Vanessa

US Update

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

The recent case of Align Technology, Inc., v Strauss Diamond Instruments, Inc., examines the doctrine of 'nominative fair use' in the context of social media advertising. The United States Court of Appeals for the Ninth Circuit, which includes California, originally coined the phrase to describe an alternative test for analyzing likelihood of confusion where the defendant uses [plaintiff's] trade mark to describe the plaintiff's product, rather than its own... provided [the defendant] meets the following three requirements: First, the product or service in question must be one not readily identifiable without use of the trade mark; second, only so much of the mark or marks may be used as is reasonably necessary to identify the product or service; and third, the user must do nothing that would, in conjunction with the mark, suggest sponsorship or endorsement by the trade mark holder.

Other courts may consider additional or different factors, or treat nominative fair use as an affirmative defense.

Here, Align asserted its well-known INVISALIGN and ITERO registered marks for teeth-straightening devices and

procedures against Strauss's competing dental device called 'MagicSleeve'. Align brought suit over Strauss's use of the hashtags #itero, #iteroscanner, #iteroelement and #invisalign in advertising for its MagicSleeve device on Facebook, LinkedIn, Instagram and YouTube. Strauss had placed these hashtags next to photographs showing its MagicSleeve demonstrating, along with ad copy, that the MagicSleeve product could cover the wand of Align's iTero scanner.

Align moved for a preliminary injunction. Strauss defended by asserting its use of Align's marks in the hashtags constituted nominative fair use, and therefore was not actionable. The court rejected this argument, however, because Strauss had in some instances used Align's marks to identify Strauss's own products, not Align's. This contradicted 'the foundational assumption of nominative fair use' that the use must refer to the mark holder's product. The court also found that Strauss had used more of Align's marks than necessary. The hashtags, appearing near the ad's text, were superfluous and did not even identify Strauss's product. The court suggested an effective and

lawful ad might have referenced how Strauss's MagicSleeve interconnected with Align's products, but that was not done here.

The court also distinguished the role of hashtags in advertising from earlier cases finding nominative fair use in metatags, concluding: '[m]etatags function behind the scenes to direct an internet searcher to a webpage, but hashtags are visible to consumers in advertising.' Thus, the visible nature of hashtags cut against the analogy to metatag cases.

Ultimately, after disposing of the nominative fair use issue, the court found Align had established likelihood of confusion and granted the preliminary injunction against the hashtag use, while granting and denying this remedy as to other conduct alleged in the case.

The case provides some guidelines on how pharma companies may lower their risk in attempting to make fair use of their competitors' marks. Of note, the incorporation of the marks in hashtags, per se, did not dictate the result. The court applied the basic principles of nominative fair use in this social media context in the same way as it would for marks appearing in any other media.



Springtime in Rome in 2019, I guess there are worse places to visit at this time of the year! We again had a wonderful PTMG Spring Conference in Rome. From our perfectly located hotel we had a stunning view on the eternal city. The Gala Dinner was a great event in the lavishly decorated Palazzo Brancaccio. Once again we were very happy with the high quality of the presentations from our speakers. They took us on a journey which covered topics such as Brexit, Italy as a Safe Harbour for Pharmaceutical Manufacturers, the crossover between designs and trade marks and enforcement of design rights, just to name a few....

Meanwhile we have all returned home and have woken up only to learn that Brexit has already been postponed twice. And nobody really knows what will happen next in this endless drama. A lot of us have followed the news coverage directly from the House of Commons prior to the last EU summit which then granted another delay until the end of October 2019. That seems to prove that politicians and business leaders on the continent are rather nervous about the potential negative economic impact. But will it be the last extension of time prior to Brexit (with or without a deal)? Or will the thing be called off? Or new elections or a second referendum? A lot of open questions and no answers available...

In the meantime we are preparing for our PTMG Autumn Conference in Berlin. We are very much looking forward to going back to the German capital which in the last 30 years has changed dramatically and has become something of a trendy hot spot for tourists from all over the world. We have again secured a good number of experienced speakers taking us through what will be an exciting programme. After finalising the programme, registration for the conference will commence early in June.

Until then I wish you a wonderful spring and summer season. Hope to see many of you in Berlin in October!

Frank Meixner

Members News

New Members

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

Tina Bond from Takeda Pharmaceuticals International AG, Zurich, Switzerland
tina.bond@takeda.com

Tiago Reis Nobre from Inventa International SA, Lisbon, Portugal
treis@inventa.com

Kfir Luzzatto from Luzzatto & Luzzatto, Omer, Israel
kfir@luzzatto.co.il

Zhanqing Tang from Chofn Intellectual Property, Beijing, China
tangzhanqing@chofn.cn

Juliane Messner from Geistwert, Vienna, Austria
juliane.messner@geistwert.at

Markus Rouvinen from Thomsen Trampedach GmbH, Copenhagen, Denmark
mmhr@thomsentrampedach.com

Marco Martinelli from Thomsen Trampedach, Malmö, Sweden
marco@thomsentrampedach.com

Daniel Hunt from Brand Institute, Miami, Florida, USA
dhunt@brandinstitute.com

Claudio Intrieri from Brandstock AG, Munich, Germany
cintrieri@brandstock.com

Elena Galletti from Brandstock Services AG, Milan, Italy
egalletti@brandstock.com

Alberto Pelosi from Bugnion SpA, Milan, Italy
pelosi@bugnion.it

Sunmi Lee from Y.P. Lee, Mock & Partners, Seoul, South Korea
smlee@leemock.com

Fatima Arrad from SMAS IP, Casablanca, Morocco
fatimaarrad@smas-ip.com

Gonçalo de Magalhães Moreira Rato from Magalhães Associados, Lisbon, Portugal
gmr@magalhaes-adv.pt

Judith Bussé from Crowell & Moring, Brussels, Belgium
jbusse@crowell.com

Leonor Magalhães Galvão from Magellan IP, Rio de Janeiro, Brazil
Leonor.galvao@magellan-ip.com

Ludovico Megalini from Darts-ip, Brussels, Belgium
lmegalini@darts-ip.com

Julia Matheson from Hogan Lovells US LLP, Washington, DC, USA
Julia.matheson@hoganlovells.com

Cheryl Small from Astellas Pharma Europe Ltd., Chertsey, Surrey, UK
Cheryl.small@astellas.com

Amanda Agati from Fross Zelnick Lehrman & Zissu P.C., New York, NY, USA
aagati@fzlj.com

Hakan Pehlivan from Istanbul Patents A.S., Istanbul, Turkey
hakan@istanbulpatent.com

Helena Granado from Carlos Polo y Asociados, Alicante, Spain
helenag@carlospolo.com

Richard Pringle from Reckitt Benckiser Corporate Services Ltd., Slough, Berkshire, UK
Richard.pringle@rb.com

Sebastian Taylerson from Addison Whitney, London, UK
Sebastian.taylerson@addisonwhitney.com

Carolina Calderon
ccalderon@herrero.es and **Jose Antonio Cabanillas**
acabanillas@herrero.es both from Herrero & Asociados S.L., Madrid, Spain

Nick Redfearn from Rouse, Jakarta, Indonesia
nredfearn@rouse.com

Zac Casstevens from TrademarkNow, Kilkenny, Ireland
zac.casstevens@trademarknow.com

Alessandro Fiammenghi from Fiammenghi-Fiammenghi s.r.l., Rome, Italy
fiammenghi@mclink.it

David Davis from Baker McKenzie, Chicago, USA
david.davis@bakermckenzie.com

Talal Khan from United Trademark & Patent Services, Dubai, UAE
talal.khan@unitedtm.com

Manuela Bruscolini from Interpatent Srl, Turin, Italy
m.bruscolini@interpatent.com

Gioia Perucci from Società Italiana Brevetti S.p.A., Rome, Italy
gioia.perucci@sib.it

Maria Antonietta Botti from Studio Ferrario Srl, Rome, Italy
info@studioferrario.it

Members News

Ronit Barzik-Soffer from Reinhold Cohn Group, Tel Aviv, Israel
robarzik@rcip.co.il

Victoria Gyles from Wiggin LLP, London, UK
victoria.gyles@wiggin.co.uk

Phuong Nguyen from Novartis, East Hanover, NJ, USA
phuong-l.nguyen@novartis.com

Moves and Mergers

Mark Peroff has established the new firm Peroff Saunders P.C., New York, USA and can now be contacted at
mark.peroff@peroffsaunders.com

Renata Piekarz has joined Polservice, Warsaw, Poland and can be contacted at
renata.piekarz@polservice.com.pl

Emilia Zubornyak has left Alfa Wassermann to join EGIS Pharmaceuticals PLC, Budapest, Hungary. Emilia can now be contacted at
zubornyak.emilia@egis.hu

Erika Kremeike has left Shop Apotheke B.V. to join LIOC Patents & Trademarks, Eindhoven, Netherlands. Erika can now be contacted at
e.kremeike@lioc.nl

Sergio Gonzalez and **Angeles Moreno** have set up their own firm, Iberian IP, Madrid, Spain. They can be contacted at
sgonzalez@iberianip.com and
amorenos@iberianip.com

Julie Barrett also known as Julie Barrett-Major, has left AA Thornton to set up her own consultancy, Purposive Step Consulting, in London, UK. Julie can be contacted at
Julie.Barrett@PurposiveStep.com

William (Bill) Hansen has moved to Powley & Gibson, New York, USA. Bill can now be contacted at
wrhansen@powleygibson.com

Lisa Iverson has left Neal & McDevitt to join Friedmann Law Group, Chicago, USA. Lisa can now be contacted at
liverson@marketing-law.com

Jordi Güell has left Curell Sunol to set up his own firm, Güell Intellectual Property SLP, Barcelona, Spain. Jordi can be contacted at
Jordi@guell-ip.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

It's a wrap! UK IPO finds no likelihood of confusion between AniWrap and ACTI-WRAP

Allister McManus and Chris McLeod, Elkington & Fife LLP

The UK Intellectual Property Office (UK IPO) has held that there is no likelihood of confusion between the marks AniWrap and ACTI-WRAP, despite considering the respective goods to be identical. This decision is notable for the Hearing Officer's (HO) assessment of the respective goods, which is a reminder that medical goods aimed at different fields may still be considered identical.

Background

L&R Medical UK Limited (the opponent) opposed J.A.K Marketing Limited's (the applicant) application for the word mark 'AniWrap' for bandages [supportive] for veterinary use in class 10, based on its earlier UK trade mark registration of ACTI-WRAP in class 10 covering support articles for surgical or medical use; bandages, cohesive bandages, support bandages. In its opposition, L&R Medical argued that the respective goods were identical or similar and that the marks were visually, phonetically and conceptually similar, resulting in a likelihood of confusion.

In response, J.A.K Marketing denied the opposition claims and requested that L&R Medical provide proof of use of its registration which had been registered for more than five years before the publication date of the application.

Both sides filed evidence, with the opponent producing evidence of use. The applicant filed evidence and submissions, which included internet evidence of the term 'vet wrap' to try to distinguish its goods from those of the opponent, and internet evidence of other 'cohesive bandage' products using the word WRAP, in an attempt to demonstrate that WRAP was a descriptive element in the sector.

Decision

The HO provided a detailed analysis of the parties' evidence and was particularly critical of the opponent's evidence of use, because much of it fell outside of the relevant five-year period. Nevertheless, the HO considered that it was sufficient to demonstrate genuine use, but only for bandages, cohesive bandages, supportive bandages. The HO was also unimpressed by the applicant's limited reference in its evidence to other WRAP brands.

Despite the applicant's attempts to draw a distinction between the medical and veterinary sectors, the HO found the

respective goods to be identical, citing the cases of Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors [2016] EWHC 3103 (Ch), and Gérard Meric v OHIM Case T-133/05. Importantly, the HO held that the applicant's 'bandages [supportive] for veterinary use' fell within the scope of bandages, and were therefore identical to the opponent's goods.

The HO also found that the word WRAP was not descriptive of the goods but was strongly allusive, noting that whilst the 'prefixes ACTI and Ani respectively play a slightly greater role in the overall impression of the marks, the word wrap still contributes to the overall look and feel of the marks when their respective totalities are considered'.

However, fortunately for the applicant, when comparing the marks as a whole, the HO found that overall the shared elements of the marks (A..I.WRAP) did not create a likelihood of confusion, including no possibility of direct or indirect confusion. This was because, although both marks contained the word WRAP, the prefixes ACTI and Ani were phonetically and conceptually dissimilar. The opposition was therefore unsuccessful.

Other notable parts of the decision include the useful summary in paragraph 36 of the case law and principles for proving use of a trade mark registration in Walton International Ltd & Anot v Verweij Fashion BV [2018] EWCH 1608 (Ch) and the reference in paragraph 37 to the scope of word marks in Bentley Motors Limited v Bentley 1962 Limited (BL O/158/17).

Conclusion/Comment

The HO's decision, although perhaps not wholly surprising, is interesting on various levels and appears well-reasoned and explained. The HO's comments on the opponent's evidence of use are a useful reminder that all evidence should be within the relevant period, and that the level of overall use does not need to be significant. The decision highlights the weight given to the beginning of marks, and that elements of marks which a party may discount as descriptive may nevertheless contribute to the overall impression of the marks.

The decision also reminds us that, particularly in the context of medical goods, attempts to argue that goods are dissimilar because they relate to different industries will rarely be of assistance.

PTMG Spring Conference Report March 11th and 12th, Rome Pharmaceutical Trade Marks MMXIX - La Dolca Via è Finita

Catherine Zheng, Deacons

Re-elected Chairman Frank Meixner welcomed delegates to the beautiful city of Rome and gave an update on the continued growth and success of PTMG before handing over to the first speaker to



Jonathan Jennings

kick off the conference. Jonathan Jennings of Pattishall McAuliffe opened the conference on Monday afternoon with a round-up of recent trade mark cases that

reveal international trends regarding the struggle to register non-traditional trade marks, the growth in anti-counterfeiting enforcement and remedies, and the increasing reliance on bad faith as a ground for challenging the use and registration of trade marks. An entertaining tour of cases that ranged from shoes, to chocolate, to car tyres and crash boards for spinal support, revealed that, whilst there is growing acceptance of non-traditional marks, the boundaries are still unclear and risks remain as the court and trade mark registries find their way. Jonathan also discussed international anti-counterfeiting initiatives, with many countries promising enhanced remedies and more action, in response not only to the growing threat from pirates but the recognition of the political importance of fighting counterfeiting. Jonathan also noted that challenges based on bad faith grounds are gaining ground, illustrated by many case studies.

Tania Clark of Withers & Rogers, currently President of CITMA, then took the delegates through Brexit - The Trade Mark Perspective. Tania explained the implications on

trade marks of the UK's exit from the EU and the key agreed intellectual property provisions of the Withdrawal Agreement. Of particular



Tania Clark

relevance is that existing EU registered trade marks will automatically be 'cloned' in the UK free of charge and will continue to be protected. However, pending EU applications designating the UK will need to be re-filed in the UK within 9 months after the end of the transitional period. She discussed the implications of a 'no-deal' Brexit which is looking more likely and highlighted some ongoing enforcement and jurisdictional issues that are still unresolved including parallel imports. Tania also covered the post-Brexit implications on the rights of representation, opposition, invalidation and infringement proceedings and shared some much-needed action points in light of the current uncertainty.

In the last session of the day, a different perspective on Brexit was provided by Sunayana Shah of Pharma Consulting Mondial Ltd in her presentation on the regulatory impact of Brexit on the health and pharmaceutical sector. Sunayana gave a



Sunayana Shah

detailed account of the UK's difficult journey to exiting the EU which highlighted the huge task ahead. She provided delegates with a sobering summary of

the practical impact of Brexit, the relocation of the European Medicines Agency to Amsterdam, and the key risks in the health industry if there is no deal, including the clear threat of disruption to the supply of medicines throughout the EU and the UK, and the attempts to address this. Sunayana shared the Medicines and Health Care Products Regulatory Agency's response detailing its preparations in the event of a no-deal Brexit, the fact that the UK Government is stockpiling certain medicines in preparation, and the implementation of the Serious Shortage Protocol to allow pharmacists to substitute medicines different to the one prescribed in the event of a serious shortage.

The Cocktail Reception and Gala Dinner were held in the magnificent Palazzo Brancaccio in the historic centre of Rome between the Colosseum and the basilicas of San Giovanni and Santa Maria Maggiore. Drinks were held in the stunning Hallway of Mirrors and the delicious gala dinner took place in the Gala Hall of the Brancaccio Palace. The evening was made even special with the performance of local folk songs by a mandolin quartet and the exciting news that London will be the venue for the 2020 Spring Conference.

After a few remarks from the Chairman about our delightful previous evening, Laura Pedemonte of Barzano & Zanardo opened the day's proceedings with a presentation on Is Italy a Safe Harbour for Pharmaceutical Manufacturers and Trade Mark Owners? Laura shared interest-



Laura Pedemonte

ing facts and figures to show how Italy became the leading producer of pharmaceuticals in the EU as well as the framework for drug names and regulatory approval in Italy. The

discussion of parallel imports of pharmaceuticals was of particular interest, focussing on the recent BILASKA/ROBILAS case, which indicates that the Italian courts follow European Court principles that require objective justification for repackaging. The delegates learned that Italy has a very active parallel import market but, interestingly, the majority of decisions are in favour of the manufacturers. Laura went on to cover how Italian opposition proceedings have become a useful tool for trade mark owners in recent years, explaining the alignment between Italian and EUIPO proceedings, whilst highlighting crucial differences in practice.

The theme of parallel trade was continued by Ulf Grundmann's presentation on Parallel Importation of Medical Devices, an issue which raises the challenge of trying

Continued on next page

to protect public health, whilst adhering to the principle of free movement of goods within the EU and reconciling the interests of the trade mark owner and the parallel importer. Ulf explained the legal framework governing parallel imports of medical products as set out in the landmark Bristol-Myers Squibb trade mark case and the requirements of the EU Medical Devices Directive and Regulation, with interesting real-life examples of unacceptable repackaging which could compromise patient safety, highlighting areas of particular note for parallel importers. Following a discussion of relevant case law, Ulf looked at the requirements of the new EU Medical Devices Regulations and the impact on parallel importation of medical products.



Ulf Grundmann

Thomas Frydendahl of Gorrissen Federspiel opened the afternoon session with a thought-provoking presentation on the Crossover between Designs and Trade Marks. Thomas examined recent EU case law, illustrating the difficulty of determining the perception of the relevant public, raising issues of natural law and legal philosophy. He discussed design law, highlighting the different legal standards for assessing the distinctiveness of trade marks and designs and for assessing infringement. Trade marks remain a very powerful right but designs are relatively easy to register and have a presumption of validity, making designs a useful but under-utilised tool; although there are risks if the design is weak. He suggested practitioners consider parallel application strategies, so that the design rights (although limited in time) may be relied upon whilst building up use in a trade mark. An interesting discussion followed on appreciating the legal risks and benefits of trade marks versus designs, which are not always handled correctly when designs are filed by an in-house patents department.



Thomas Frydendahl

Thomas Frydendahl of Gorrissen Federspiel opened the afternoon session with a thought-provoking presentation on the Crossover between Designs and Trade Marks. Thomas examined recent EU case law, illustrating the difficulty of determining the perception of the relevant public, raising issues of natural law and legal philosophy. He discussed design law, highlighting the different legal standards for assessing the distinctiveness of trade marks and designs and for assessing infringement. Trade marks remain a very powerful right but designs are relatively easy to register and have a presumption of validity, making designs a useful but under-utilised tool; although there are risks if the design is weak. He suggested practitioners consider parallel application strategies, so that the design rights (although limited in time) may be relied upon whilst building up use in a trade mark. An interesting discussion followed on appreciating the legal risks and benefits of trade marks versus designs, which are not always handled correctly when designs are filed by an in-house patents department.

Roger Staub of Walder Wyss presented next on the Enforcement of Design Rights in Switzerland and also other countries as he noted that there were not many published design cases in Switzerland. He took the delegates through the challenges of enforcing design rights in particular, dealing with prior art and the difficulties of conducting a prior art search, as the scope can be very wide. Roger looked at the different approaches of EU and Switzerland in the test of infringement, and explained the defence of fair use, the procedural aspects of a design infringement case and the remedies. There was an interesting discussion of alternatives to relying on designs, in particular copyright, although there can be evidentiary challenges to establishing chain of title, especially with old works. Trade marks can be a strong alternative but often cannot be obtained. Unfair competition is also a very interesting tool in some countries but there is a lack of harmonisation and it is unreliable due to its subjective nature.



Roger Staub

Martine Roth of Novartis then gave a presentation on Trade Marks in Divestments, Takeovers and Mergers, discussing the transformation of the pharmaceutical industry, the impact on trade mark portfolios and the changing role of trade mark attorneys. Martine noted the impact of emerging technologies and health apps as a key area of development in the industry, which led to an interesting discussion of how to define and handle digital assets. She shared her personal experience of the divestment process, emphasising the need for a strong divestment procedure, the importance of collaboration with other departments and the involvement of the trade mark function at every step of the process. She discussed the significance of knowing your portfolio, how it fits into the business and how it will develop in the future, noting that it is sometimes like being a detective



Martine Roth

Martine Roth of Novartis then gave a presentation on Trade Marks in Divestments, Takeovers and Mergers, discussing the transformation of the pharmaceutical industry, the impact on trade mark portfolios and the changing role of trade mark attorneys. Martine noted the impact of emerging technologies and health apps as a key area of development in the industry, which led to an interesting discussion of how to define and handle digital assets. She shared her personal experience of the divestment process, emphasising the need for a strong divestment procedure, the importance of collaboration with other departments and the involvement of the trade mark function at every step of the process. She discussed the significance of knowing your portfolio, how it fits into the business and how it will develop in the future, noting that it is sometimes like being a detective

to determine what is relevant to the trade mark function in a complex business environment.

The final presentation of the conference was given by Frances Drummond of Norton Rose Fulbright, amusingly titled 'Siri: How can I use technology to manage my portfolio?'. The fascinating session took the delegates from the early days of typewriters and telexes, to current technologies in the IP field that help with prosecution and maintenance of IP, the tracking and management of infringements, and the



Frances Drummond

commercialisation of IP. Frances noted that massive changes and disrupters are coming and encouraged delegates to investigate the possibilities. She shared her own experiences of how machine tools can be used to help with low level work and save valuable time by condensing tasks that used to take months to almost no time at all. She also discussed the huge efficiencies in using technology to assist lawyers in the areas of contract review, drafting and management, and even gave a live demonstration of creating a co-existence agreement using a chatbot. Delegates were warned to make sure that their portfolio covers their innovation activities and were given plenty of food for thought on the rise of artificial intelligence, its ethics and regulation.

The Chairman thanked the Speakers for their presentations and wished delegates a safe journey home, until we meet again in Berlin.



International Update

BRAZIL

Andre Provedel, Baker & McKenzie

Brazil is finally on its way to joining the Madrid Protocol. On 4 April 2019, the Chamber of Deputies allowed the country to adhere to the Protocol, passing the legislative decree to the Federal Senate for final voting. If approved, the last step towards accession would be its ratification by the Brazilian President.

In preparation for adhering to the Madrid Protocol, the Brazilian Patent and Trademark Office (BPTO) has taken several measures over the past few years which has resulted in a substantial time reduction in the examination of trade mark applications. The BPTO has invested in new technology, improved internal procedures and adopted a home-office program for Examiners aiming at complying with the examination deadlines set by the Protocol.

As a result, the time frame between the filing and the substantive examination of trade mark applications was reduced in 2018 as follows: (i) applications without opposition from 24 to 12 months; and (ii) applications with opposition from 48 to 13 months. Looking at the big picture, the backlog of trade mark applications decreased from 358,776 at the end of 2017 to 191,535 at the end of 2018, which represents a drop of 46%.

It is indisputable that the Madrid system offers the great advantage of efficiently registering a trade mark through the filing of a single application, in one language, covering multiple territories. Besides, it also enables trade mark holders to save time and money with reduced fees and a centralized system. However, authorities, scholars and Industrial Property organizations in Brazil have identified that accessing the Madrid Protocol without amending the legislation currently in force may cause varying legal standards for national and foreign applicants.

With the purpose of adjusting the Brazilian IP Law (Federal Law No. 9,279/96) to the Madrid system, a new bill is expected to be enacted before, or at the same time as, the ratification of the Madrid Protocol. The main goal is to create compatible legal standards in connection with the following issues: (i) automatic allowance of trade mark applications not examined within the time limit of 18 months counted from the filing date; (ii) granting of powers to receive summons by applicants domiciled abroad to a Brazilian attorney, which should also

be required for international applications; (iii) extension of the requirement that applicants may only request the registration of a trade mark relating to the activity they effectively and licitly exercise directly or indirectly to applications governed by the Madrid Protocol; (iv) joint ownership of trade mark registrations, currently not allowed under the Brazilian IP Law; (v) multi-class application system, also not permitted nowadays under the Brazilian IP Law; (vi) adoption of the Portuguese language for opposition purposes and in official documents to comply with Brazilian constitutional rules; (vii) demonstrate use or non-use throughout the lifecycle of the trade mark; and (viii) repeal Article 135 of the Brazilian IP Law, which states that assignments must include all registrations or applications for identical or similar trade marks covering identical, similar or related products or services, under the penalty of having the non-assigned registrations cancelled or the applications rejected.

Accession to the Madrid Protocol is likely to bring positive economic and social impact in Brazil and the amendments to the legislation currently in force will be crucial for providing equal treatment for national and foreign trade mark owners. After years of hard work involving major players in the Industrial Property sector, Brazil is now very close to joining the Madrid Protocol. The next round of discussions in the Federal Senate will be decisive for a positive outcome in this lengthy and challenging process.

EURASIAN ECONOMIC UNION

PETOSEVIC

Two documents were recently signed in the Eurasian Economic Union (EAEU) moving forward the process of establishing the unified IP system – detailed regulations on running the EAEU Customs Register and the Agreement on EAEU Trade marks, Service Marks and Appellations of Origin.

EAEU Customs Register

The Realization Plan establishing the rules of operation of the EAEU Customs Register, adopted by the Eurasian Economic Commission (EEC) on 30 October 2018, entered into force on 6 December 2018.

The Realization Plan describes the procedures to be followed by the EEC, EAEU member states' customs authorities and rights holders, as well as any

interested parties wishing to obtain information on a particular trade mark, service mark or appellation of origin.

While the Realization Plan is a technical document which does not contain new information for rights holders, it is important because it is the last regulation which had to be adopted for the EAEU Customs Register to become operational, which is now expected to happen soon.

Agreement on EAEU Trade Marks, Service Marks and Appellations of Origin

On 6 December 2018, the Council of the EEC signed the Agreement on EAEU Trade marks, Service Marks and Appellations of Origin. The Agreement will become effective after the EEC adopts additional regulations governing its implementation, which is expected in 2020.

The signing of the Agreement confirms that the final text passed internal approvals in all EAEU member states and concludes the negotiation stage. It is now only a question of technicalities that need to be completed before we see EAEU trade marks, service marks and appellations of origin become the new standard for the region, some time in 2020. No. 37 dated 8 October 2018.

HONG KONG

Karan Sit and Theresa Mak, ROUSE

In the recent case of PCCW-HKT Datacom Services Limited & Ors v Hong Kong Broadband Network Limited, the Hong Kong Court dismissed a trade mark infringement claim brought by the PCCW-HKT group of companies (PCCW) against Hong Kong Broadband Network Limited (HKBN), accepting a defence which permits honest comparative advertising.

The dispute

The advertisements that PCCW complained about contain the English and Chinese straplines 'PCCW Home Telephone and eye Communications Service customers Say goodbye to bloated monthly fees' and '電訊盈科家居電話' 'eye' 用戶 唔駛再忍受咁大食嘅家居電話用費 (meaning PCCW Home Telephone and 'eye' customers no longer have to bear/endure gluttonous home telephone fees).

PCCW alleged that HKBN's use of PCCW's trade marks constituted infringement and HKBN relied on section 21 of the Trade Marks Ordinance (Cap. 559) as a defence.

Under section 21 of the Trade Marks Ordinance, comparative advertising is a defence to trade mark infringement provided that the comparative advertising

International Update

is in accordance with honest practices in industrial or commercial matters, determined by factors considered by the Court as relevant, and in particular the following:

- whether the use takes unfair advantage of the trade mark;
- whether the use is detrimental to the distinctive character of repute of the trade mark; or
- whether the use is such as to deceive the public.

The dispute turned on whether HKBN's use of PCCW's trade marks was in accordance with honest practices.

The average consumer in Hong Kong

The Court commented that the average consumer in Hong Kong is savvy to advertising language, exaggeration and trade puffery, bearing in mind the colloquial and often colourful and exaggerated terms frequently and commonly used in the Chinese media in Hong Kong.

The Court went on to provide the example of a reasonable consumer and reader of advertisements in Hong Kong who would be sceptical and impervious to Hong Kong real estate advertised against a 'backdrop of the French Riviera' or straplines describing a residential unit 'with unrivaled sea view' for sale, well knowing that in reality, this would mean 'no more than a narrow view of water, seen through gaps in buildings fronting the unit in question'.

The decision

The Court concluded that HKBN's use of PCCW's trade marks in the advertisements were in accordance with honest practices.

The Court accepted HKBN's evidence that PCCW's prices for fixed line telephone service were more expensive than those of HKBN and took the view that the average reasonable reader hardened to advertising language in Hong Kong will not consider the use of the words 'bloated' or "大食" (meaning gluttonous in English) to carry any derogatory meaning of PCCW overcharging or cheating their customers.

To the average consumer in Hong Kong, the words 'bloated/大食' simply means expensive. Referring to PCCW's service as being more expensive is not disparaging, as a higher price tag may denote prestige and

exclusivity. In fact, the evidence shows that PCCW seeks to distinguish themselves from other players who 'basically work on price reduction'.

Relevance

Given the serious consequences that may result from the administering of a wrong pharmaceutical product, end users of pharmaceutical products generally show a high degree of attentiveness, with a higher than average level of care and attention. It appears that so long as a fair and honest comparison is drawn, comparative advertising campaigns relating to pharmaceutical products would unlikely constitute trade mark infringement and should therefore be allowed. Having said this, particular care should be given when comparing different pharmaceutical products to ensure that the advertisement is in no way misleading.

INDIA

Aaina Sethi, Chadha and Chadha,

In the case Curewell Drugs & Pharmaceuticals Pvt. Ltd. & Anr. v Ridley Life Science Private Ltd & Anr., the main question of law taken into consideration was to find a way to reduce the duality of similar named medicines on the Trade Marks Register and avoid confusion in the pharmaceutical sector due to similarity/identity between names.

Background

The Plaintiff manufactured pharmaceuticals, including a multivitamin supplement called BEVITAL which was being infringed by the Defendants. The Defendant, a known habitual violator of trade marks, was found to be selling drugs with branding and packaging similar and, in some cases, identical to those of various pharmaceutical companies, including, the Plaintiff's. The High Court of Delhi granted permanent injunction against the Defendant for infringement of the Plaintiff's trade mark and unauthorized adoption of its trade dress. The Plaintiff was entitled to damages of INR 2,00,000 (approximately USD \$2,894) from the Defendant, to be paid within 3 weeks from the order date and a refund of 50 percent of the court fees. Since the Defendant was a habitual infringer, the court directed that any future violation of the Plaintiffs' trade marks by the Defendant would make it liable to pay INR 10,00,000 (approximately USD \$14,468) to the Plaintiffs without disputing the liability.

In addition, the Court took into notice the fact the Drug Authorities had approved

the Defendant's mark BEVITAL even though it was identical to the Plaintiff's pre-existing mark BEVITAL, both for multi-vitamin supplements and the competing product labels were also identical.

The issue of identical brand names being registered and the role of Drug Controller General of India (DCGI) and the state FDAs were the focus points of discussion.

It was observed that as per the dictum of the Supreme Court in Cadila Health Care Ltd. v Cadila Pharmaceutical Ltd., authorities ought to demand from the Applicants who seek drug approvals to submit a search report issued by the trade mark authorities prior to giving them registration. However, there was no mechanism to implement this procedure mandated by the Supreme Court till date.

The High Court of Delhi reiterated that if products are sold with identical brand names, the basic purpose stands defeated. It opined that the DCGI and the state FDAs ought to implement an action plan in which drugs with identical or near identical brand names or marks are not given licenses.

The court further suggested that the drug inspector who inspects the manufacturing facilities of various pharmaceutical companies should be provided with a database of the brand names already registered and their packaging in order to ensure that imitative packaging is not permitted to be manufactured, printed and sold in the market.

In compliance with the above order, a meeting was held where it was discussed that the brand name/trade name in case of pharmaceuticals is neither controlled by the Licensing Authority under the Drugs and Cosmetic Act 1940 and Rules 1945, nor the Trade Marks Office. Therefore, it was suggested to amend the Drugs and Cosmetics Rules 1945.

In view of the above, the Ministry of Health and Family Welfare via a notification on 26 February 2019, proposed to amend Drugs and Cosmetics Rules, 1945 and released draft Drugs and Cosmetics (Amendment) Rules, 2019. The key highlight was four new conditions for the grant/renewal of various licenses under Drugs and Cosmetics Act, 1945 have been proposed to be inserted. They imply that, in case the applicant intends to market the drug under a brand name or trade name, the applicant will have to furnish an undertaking to the licensing authority, that such or similar brand name or trade name is not already in existence

International Update continued

so that the brand name or the trade name to be used by the applicant does not lead to any confusion or deception in the market.

In addition to the above proposed amendment, the High Court of Delhi also issued the following non-exhaustive directions:

- Creation of a secured platform, to be under the supervision of the DCGI, accessible to all State FDAs, both for access of data and for uploading of data;
- Creation of a 'master electronic database' of all the approved brand names for manufacture and sale of drugs issued both by the DCGI and the State FDAs and making the same available to all state FDAs and Drug Controllers through a secured platform;
- List of registered trade marks under Class 5 for pharmaceutical and medicinal preparations be obtained from the Controller General of Patents, Trade Marks and Designs and be made available to the approving authorities at the Central level and State level. The said list ought to be updated bi-annually i.e., on 1st January and 1st July every calendar year;
- Access to the data to be given to Drug Inspectors/Drug Controllers across the country;
- Drug Inspectors/Drug Controllers to conduct regular and periodic inspections to ensure that the drugs that are being manufactured are duly licensed for. The reports of the said inspections to be submitted through the secured platform;
- Periodic and regular reports of Drug Inspectors should be compulsorily submitted to the respective licensing authorities on the secured platform and a mechanism be set up for review of the said reports at the State level;
- Periodic meetings ought to be held at the central level, to review the status of manufacture and sale of drugs across the country, under the aegis of the DCGI;
- Strict action in accordance with law ought to be taken against those manufacturers who manufacture drugs without licenses, who indulge in adulteration or contamination of drugs etc. A periodic report as to the number of actions taken, ought to be uploaded on the secured platform of the DCGI.

Thus, in line with the mandate of the High Court of Delhi, draft rules have been suggested to make the process of registration of trade marks/brand names in the pharmaceutical sector clearer. Once finalized, these rules need to be notified in the official gazette by 31 December 2019.

INDONESIA

Tania Lovita, ROUSE

Fake medicines are commonplace in Indonesia. In 2017 the discovery of a counterfeit vaccines network across Indonesia caused a public outcry that meant politicians, bureaucrats and health organisations had to take action.

The Indonesian National Food and Drugs Agency (BPOM) issued Regulation No. 33 of 2018 on Implementation of 2D Barcode for the Supervision of Food and Drugs (Regulation) that came into effect on 7 December 2018. Any food or drug (including traditional medicines, health supplements, cosmetics and processed foods) which is locally produced or imported for circulation in Indonesia must have a 2D barcode affixed on the product label. The purpose of the Regulation is to improve BPOM food and drug circulation standards through the utilisation of track and trace technology and digital reporting.

There are two types of barcode - Authentication and Identification barcodes. Identification barcodes are issued by BPOM and will include the distribution permit number and validity period. This is required for over-the-counter (OTC) medicines, traditional medicines, health supplements, cosmetics and processed foods.

Authentication barcodes will include more details such as the distribution permit number, batch number/production code, expiry date and serial number of the product. They are required for prescription drugs (biological products, narcotics, psychotropics, certain types of OTC medicines and processed foods). The barcode can be issued by BPOM or by the business itself in the form of a QR code which can be read by BPOM's track and trace application.

To obtain a barcode, a business must first apply to access the BPOM track and trace application by submitting company documents. Once access is granted, the request for the issuance of BPOM barcodes must be submitted no later than

10 business days prior to the commencement of production. BPOM will then assess and issue the barcode within 5 business days.

In addition, there is a reporting obligation. Businesses, distribution facilities and pharmaceutical service facilities must submit utilisation reports relating to their 2D barcodes and distributed products to BPOM through the track and trace application. Non-compliance will attract administrative sanctions.

Interestingly, anyone can scan and report 2D Barcodes using the BPOM Mobile Application to participate in the supervision of food and drugs. This will enable consumers to check the authenticity of medicines and foods.

This might seem like a burdensome additional requirement for the food and drugs industry. However, given the prevalence of fake products this will help both businesses to check for fakes in their distribution chain, as well as government and consumers.

KOSOVO

PETOSEVIC

On 7 November 2018, the Court of Appeals in Prishtina issued a ruling confirming the right of the trade mark holder to ban the unauthorized importation and sale of goods bearing his/her trade mark, regardless of the goods' authenticity and the fact that they were purchased from a dealer authorized to sell them outside Kosovo.

This decision is in line with Article 8 of the Kosovo Law on Trade Marks, which states that it is sufficient to ascertain that the importation and placing of the goods on the market occurred without the rights holders' authorization. However, local case law has been inconclusive and such cases have rarely reached the appellate court. This ruling is significant because it will allow rights holders to invoke it in their struggle against this type of trade mark infringement.

In May 2015, the defendant in this case imported apparel goods bearing the trade mark of a well-known multinational fast fashion company from Bangladesh to Kosovo. Kosovo customs officials detained the goods, suspecting they were counterfeits. The trade mark holder confirmed that the goods were indeed counterfeits, and the Commercial Matters Department of the Basic Court of

International Update continued

Prishtina ruled in favor of the plaintiff.

The defendant filed an appeal stating that the goods were purchased from an authorized dealer, but the Court of Appeals ruled that the trade mark holder may request third parties to refrain from unauthorized importation and sale of goods bearing their trade mark regardless of their authenticity and even if they were purchased from an authorized dealer. The court underlined that Kosovo applies the principle of national exhaustion of rights and that, in case at hand, plaintiff's trade mark rights are exhausted only if the plaintiff places the goods on the market.

TURKEY

Selma Ünlü, NSN Law Firm

Intellectual Property Law allows the applicants to request the proof of use of the opponent's trade mark(s) in the event that the opposition is filed on the basis of 'likelihood of confusion' providing that the opponent's trade mark(s) is/are registered more than 5 years at the time of the application or priority date of the conflicting application. Upon the request of the applicant, Turkish Patent and Trademark Office requires the submission of use evidences or justifiable reasons for non-use. If the use cannot be proven by the opponent, the opposition is rejected. If the use is proven only for a part of the goods and services, the opposition is reviewed for the same/similar goods and services to used ones.

It should be noted that, the proof of use request should be submitted in a very strict and non-extendable deadline of one month as of the notification of the opposition to the applicant. However, the Office does not notify the applicants of IR applications filed through WIPO with the designation of Turkey with third party oppositions since Madrid Protocol does not contain such notification system. The Office notifies the applicant with the decision if it partially or totally accepts the opposition and the applicant has a right to appeal such decision. The problem here is that the applicants of IR applications cannot claim non-use defense at appeal stage and they thus encounter the rejection of their applications despite the fact they have chance to save the applications with the non-use defense.

In order to not lose the right to claim non-use defense and save the application with this defense argument, we advise the

applicants of IR applications to follow up the status of their applications and once detected the third party opposition, to file a counterstatement by claiming the non-use defense if the conditions are met as soon as possible before the issuance of TPTO's decision. At TPTO's meeting with the IP industry, the President of the Office has orally told that there will be an amendment at Madrid Protocol to allow the national offices to notify the third party oppositions in a near future which will procedurally solve this problem. Until this amendment, the Office will take the non-use defenses of the IR applications' applicants into consideration even if they do not notify the oppositions.

UAE

Margaret Campbell and Samantha Grainger, ROUSE

The United Arab Emirates (UAE), looking to cement itself as one of the world's top destinations for quality healthcare, has seen rapid growth in medical tourism in recent years. With healthy levels of government and private sector investment, the Dubai Health Authority plans to attract 500,000 international medical tourists to the city annually by 2020. Behind the scenes the UAE is working hard to develop and implement plans, policies and legislation to bring it up to speed with global standards. The latest legislation which comes into effect in May 2019 is the Health Data Protection Law - Federal Law No.2/2019: On the Use of the Information and Communication Technology (ICT) in Health Fields. The UAE currently does not have a general, federal data protection law, nor a single national data protection regulator. There are protections in place under the UAE Constitution and regulations which impose obligations of confidentiality on healthcare practitioners and the collection of data, but this new legislation looks to provide all encompassing protection of healthcare data across the UAE, including its free zones.

All healthcare entities which provide services related to health – health treatment, health insurance and IT must comply with the new regulations. With the ever-growing advances in medical technology, this will impact on a wide range and number of companies, including one of the latest additions to the medical world, health advice provided by

telemedicine companies. On top of the usual data protection protections - not using the information other than for the purpose of the provision of health services (except with the prior consent of the patient), accurate and reliable processing and adequate security measures - the Ministry of Health and Prevention will also establish a new, centralised system to allow for the collection, storage and exchange of all health information and data. The law prohibits the transfer of health data outside the UAE, unless authorisation has been granted by the relevant health authority. Cloud solutions hosted outside the UAE, outsourcing IT services overseas, remote IT support within multi-national companies and remote collection of any patient data within the UAE, from outside the UAE may be significantly impacted. Breaches of this provision shall be met by financial penalties ranging from USD \$140,000 - USD \$200,000.

Implementing regulations will be issued in August 2019 and the practical application of the legislation will be seen more clearly then. Healthcare providers, insurers, administrators and technology companies in the healthcare space will, in the meantime, need to review and audit their current practices and comply with the law. It is expected that there will be a grace period to achieve compliance with the law.

The law is unique insofar that it is the first federal privacy law relating to healthcare data and protection of personal and sensitive data in the UAE and with its aim to raise the protection of health data in the UAE on a par with best international practice, it will also work to strengthen the UAE's health regulation framework and position on the global map of medical tourism.

UZBEKISTAN

PETOSEVIC

On 8 February 2019, the Uzbek Government signed a Resolution 'On Measures to Improve Public Administration in the Field of Intellectual Property', intended to improve the IP protection system in the country.

The text of the resolution identifies inadequate public service system, insufficient inter agency cooperation, failure to detect and tackle IP infringement in a timely manner, high official fees and lack of qualified personnel as major impediments to enforcement efforts.

International Update continued

Under the resolution, the Agency for Intellectual Property, which operated as an independent government agency, was recently transferred under the wing of the Ministry of Justice.

The main highlights of the new resolution are the following:

- The Agency now publishes information on pending trade mark applications on its website within one business day from receiving the applications; before, information on pending trade mark applications was obtained through an availability search which involved a special request and fee, while the Agency only published information on registered trade marks;
- Manufacturers, suppliers, vendors or their representatives may submit official written observations and oppositions before the Agency against pending bad faith trade mark applications; before, such observations were considered as unofficial requests;
- Exclusive trade mark rights are now active from the moment of official registration, not the moment of official publication as stipulated by the previous law;
- The five-year non-use grace period has been reduced to three years.

By 1 July 2019:

- The Ministry of Justice and the Department for Combating Economic Crimes under the Prosecutor General's office will have to review all trade marks registered in Uzbekistan, identify all well-known trade marks registered in bad faith (probably meaning famous trade marks and brands; this is yet to be clarified) and take measures to cancel such registrations;
- The Agency, in partnership with the Customs Committee and the Department for Combating Economic Crimes, needs to develop and implement a single integrated and constantly updated IP database which will allow online and real time tracking of IP rights that have received or lost legal protection, and automatic inclusion and exclusion of IP rights from the Customs IP Registry upon receipt or loss of legal protection, respectively.

The main reason behind the need to review all registered trade marks is that there have been numerous cases of companies with globally known brands encountering difficulties when entering the Uzbek market, because their trade marks were already registered in the name of Uzbek citizens and legal entities. However, in Uzbek legislation the legal notion of a 'well-known trade mark' does not necessarily encompass all famous foreign brands, which is why the Ministry of Justice will have to come up with specific amendments to the legislation in force.

Starting from 1 September 2019, it will be possible to file trade mark applications in electronic form through local centres of the State Services Agency under the Ministry of Justice or through the Single Portal of Interactive State Services; before the Resolution, trade mark applications could only be submitted in paper form directly to the Agency for Intellectual Property in Tashkent.

The resolution also envisages a step-by-step reduction of trade mark and industrial design related official fees from 1 January 2020.

VENEZUELA

Ricardo A. Antequera, Antequera Parilli & Rodríguez

On 1 February 2019, Venezuelan PTO (SAPI) published a new resolution only affecting foreign IP owners with the obligation of payment of official fees in PETROS, a crypto currency created by Mr. Nicolás Maduro's administration in 2018 as a way to collect US dollars while avoiding US sanctions. Since 2018 fees had been suspended and this resolution is the only way to proceed with payment.

SAPI gave a 60 day term to pay matters pending since February 2018 –when fees were suspended- but for foreign IP owners, especially for US, the use of PETROS is banned which creates serious issues for them.

On 19 March 2018 US President Donald Trump banned transactions involving 'any digital currency, digital coin, or digital token, that was issued by, for, or on behalf of the Government of Venezuela on or after 9 January 2018', by Executive Order N°. 13827.

This prohibition is applicable (unless exempted by a license granted by US authorities) to:

- a. United States citizens, permanent resident aliens;
- b. Entities organized under the laws of the United States or any jurisdiction within the United States (including foreign branches of such entities);
- c. Any person within the United States.

For US brand owners it seems possible to apply for a license from the Office of Foreign Assets Control (OFAC) if they decide to proceed with such payment in PETROS, as stated in section 1.(b) of the executive order No. 13827: 'The prohibitions in subsection (a) of this section apply except to the extent provided by statutes, or in regulations, orders, directives, or licenses that may be issued pursuant to this order, and notwithstanding any contract entered into or any license or permit granted before the effective date of this order.' It may be possible as well that a US law firm may obtain such a license in order to protect the IP interests of their clients in Venezuela. However, whether the OFAC may grant such licenses is yet to be seen.

After 30 days of the resolution being published, Venezuelan law firms are filing petitions before the local IP agency to obtain a 60 days extension, as mentioned in the conflictive resolution and demanding clarification regarding which matters are part of this situation.

This situation is well known to international associations related to IP, hoping to increase awareness and concern so that the International IP community can act as *amicus curiae* in any proceeding whether requiring a general or specific license from OFAC (for US IP holders) for the payment of official fees in PETROS, or a change in the resolution in general. These associations may also address this issue to WIPO or WTO as it would be considered as a discriminatory practice when only applied to foreign IP owners, infringing the national treatment principle.

For those foreign IP owners who might consider themselves outside the reach of the US executive order, it would be highly advisable to consult on this issue with their compliance team before proceeding with any payments in PETROS, since there is a lot of uncertainty about the validity of this so called crypto currency on the international markets.

Non-Use Defence in Opposition Proceedings in Turkey

Güldeniz Doğan Alkan and Dicle Doğan, Gün + Partners

In 2017, both the Industrial Property Code No. 6769 (the IPC) and the Regulation on the Implementation of the IPC (the Regulation) were published and entered into force, uniting all IP rights in one Code which were previously regulated by different decree-laws.

The non-use defence in opposition proceedings was introduced with the IPC. According to the IPC if the trade mark claimed to be similar to the application is registered for more than 5 years as of the application date (or priority date) of the opposed application, upon request of the applicant, the Turkish Patent and Trademark Office (the Office) shall ask the opponent to prove the effective use in Turkey on the relevant goods and/or services within the scope of the trade mark relied upon the opposition.

Upon an opposition to an application, the Office has to notify the applicant that an opposition has been filed. The applicant is entitled to submit responses within one month as of the notification date of the opposition. Together with the responses, the applicant may also request the proof of use of the opponent's trade marks, if the opposition is based on likelihood of confusion argument (Article 6/1 of the IPC). The Office shall then notify the opponent and inform that such proof of use can be submitted within one month.

The trade marks for which use could not be proven will not be taken into consideration in the evaluation of the opposition based on similarity. If it is proved that the trade mark is used only for some goods/services within the scope of the registration, the opposition will be reviewed only on the basis of goods/services for which use has been proven.

Since the counter non-use claim in opposition proceedings is a whole new concept, to clarify the use and role of the concept, the Office published the Proof of Use Guidelines (the Guidelines) on 28 April, 2017 and updated it on 30 September, 2017. In the Guidelines, among other explanations, the Office explains the qualifications of proof of use evidence and lists the evidence materials which can be used to prove the genuine use of a trade mark in Turkey.

According to the Guidelines : invoices, price lists, catalogues, product codes, products, packaging, signboard visuals, advertisements, promotions and their invoices, marketing surveys, opinion researches, information about the commercial activity and any additional documents/statements regarding Turkey

can be submitted to prove the genuine use of the trade mark. While assessing the genuine use, the following factors are taken into account by the Office: time, place, nature, extent of use and use for the goods/services for which the trade mark is registered.

All evidence should be linkable with the trade mark, should be dated and should demonstrate the genuine trade mark use in Turkey in the last 5 years (retrospective from the date of application/priority of the opposed trade mark).

Under Turkish regulations no medicinal product for human use can be sold and marketed unless it obtains a marketing authorization from the Turkish Ministry of Health. Such applications can be made only by real or legal persons residing in Turkey. In addition, it is strictly forbidden to advertise all type of drugs to the general public. Only authorized products can be promoted to healthcare professionals. Drugs cannot be sold directly from the pharmaceutical company to patients. Pharmaceutical companies sell their drugs to warehouses, which then sell to pharmacies.

Due to these special regulations, pharmaceutical trade mark owners face some difficulties to prove the genuine use of their trade marks in Turkey, when requested. As it is mentioned above, among other materials, the genuine use of a trade mark may be proven by catalogues, advertisements and promotions. The Guidelines state explicitly that submitting visuals or videos of advertisements and promotion materials and the invoices thereof constitutes great importance.

Pharmaceutical trade mark owners cannot submit any evidence showing the advertising of their products to the general public in Turkey. It is possible however to submit promotional materials intended for healthcare professionals and information and documentation regarding scientific meetings held in relation to their products.

Due to this legal impediment faced by trade mark owners to prove the genuine use of the trade mark, submitting other types of documentation will be particularly important. However, since in most of the cases the trade mark is registered on behalf of the foreign entity, the link between the Turkish entity holding the marketing authorization of the product and the foreign trade mark owner should also be explained and supported by documents. If the invoices and other documents proving the use of the trade

mark are issued by another entity, even if this entity is affiliated to the trade mark owner, we see that the Office does not directly accept such evidence and seeks license or sublicense agreements as well as franchise and/or merchandising agreements in order to accept the relationship between the companies and the use of the trade mark. Therefore, submitting documentation which will satisfy the Office showing the link between the entities is very important to prove the use of a trade mark. Hence evidence showing the sale of the product by the marketing authorization holder to a warehouse might not suffice to prove that the trade mark has been genuinely used by the trade mark holder or by an authorized representative.

The maximum sale prices of pharmaceuticals are set by the Ministry of Health and are published in the Ministry's official website as well as the number and date of the marketing authorization of the product. This information is available to the public and may be used as evidence supporting the retrospective use claim.

In a recent case where the trade mark relied on in the opposition was used on pharmaceuticals, the Office accepted that the trade mark was used based on invoices and other evidence showing the use of the trade mark and did not seek further documentation showing the advertisement or promotion of the goods. It was explained in the proof of use petition that due to regulatory reasons, only invoices and documents regarding the proceedings before the Ministry of Health such as MA, price listings, etc. could be submitted. This decision also proves that the Office will tailor the proof of use implementation, depending on the type of goods and taking into consideration other laws and relevant legislation.

Although the proceedings and examinations related to the non-use defence can still be considered as quite new, we see that the Office has already adapted its examination procedures according to different industries and their specific regulatory requirements. The Office accepts that evidence related to the advertising of pharmaceuticals is not available due to regulatory prohibitions. Therefore any other kind of evidence showing the retrospective use of the trade mark is accepted; thus allowing pharmaceutical companies to benefit from a fair examination made by the Office which relies on the knowledge of the specific conditions and requirements related to the industry.

PROFILE: Christian Schalk

Since 2007 Christian Schalk is Senior Counsel Trademarks in Bayer AG's trademark department in Monheim, Germany. Before, he was Head of Global Trademark Center at Schering AG in Berlin (now Bayer). Christian leads a team of fine trademark experts in charge of managing Bayer AG's global pharma trademark portfolio which supports strategic marketing teams in global trademark development processes and advises internal clients in all trademark related legal and regulatory matters including licensing and M&A matters as well as in the field of Copyright. Christian leads also the trademark subcommittee of the German research based pharmaceutical manufacturer association VFA.



Where were you brought up and educated?

I was born in Mainz (Germany), spent my childhood in a rural area near Idar-Oberstein (somehow half-way between Frankfurt and Luxembourg) and my youth in Worms (an old town at the Rhine river) where I finished school. After military service at the navy, I studied law in Mannheim, Toulon (France) and Saarbrücken.

How did you become involved in trade marks?

Given my specialisation in International public and European law I wanted to work for European Institutions. While bridging their long-lasting selection processes I got hired as a lawyer at the trademark department of Schering in Berlin (now belonging to Bayer). There, I learned quickly how trademark law is influenced by International and European law. Furthermore, it allowed me to work in an International environment. I had found what I was looking for.

Apart from that I was exposed to pharmaceutical trademarks already as a child since my father as a physician, provided me when needed with pens and other writing utensils he regularly received from pharma representatives. When trashing out my room at my parent's house many years later I kept an 'ULTRAVIST' pen, still one of 'our' trademarks.

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

Before studying law I considered to study medicine or political science in order to become a journalist.

Which three words would you use to describe yourself?

Optimistic, circumspect, loyal.

Complete the following sentence:

"I wish that ..."

public discussions would be based more on facts and less on emotions...."

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

History, Biology and Latin

What do you do at weekends?

Hiking, biking, reading, gardening, cooking Italian and Levantine cuisine and jams.

What's the best thing about your job?

Working in an evolving field of law, which connects me with people from all over the world within my organization but also outside of it. Each day in the office is different and exciting.

What did you want to be as a child?

A sailor, discovering new territories (but born 200 years too late).

What is your biggest regret?

Not having continued piano and singing lessons.

What is your favourite work of art?

The sun-drenched drawings of Lorrain and Turner but also those of the painters who got inspired by the very special light of the Mediterranean such as van Gogh and French impressionists, Picasso, Léger and others.

What is the best age to be?

Any part of our life where we are in good health, like what we do and are surrounded by friends and beloved ones. It can be every single day.

Whom do you most admire and why?

Those who have taken even high risks to save the lives of others, for their courage and humanity.

Which book or books are you currently reading?

Canale Mussolini by Antonio Pennacchi and Navid Kermani's Along the trenches.

What is your favourite drink?

A glass of good white or red wine and port wine.

What is your favourite holiday destination?

There are so many nice places still to be visited but among others the Azorean Islands, Sicily, the wide beaches of French Aquitaine and the Northern Italian lake district deserve further visits.

What is your favourite building / piece of architecture and why?

All buildings where people went to the limits of the techniques of their time, such as the Pantheon in Rome, Gothic churches, 'industrial cathedrals' and bridges crossing valleys and estuaries.

What's your favourite mode of transport and why?

FridaysForFuture kids may criticize me for that but I love travelling in a window seat on a plane, watching out all the time and taking photographs!

What's the best invention ever?

The discovery of vaccines since they have (and hopefully will) eradicate dangerous illnesses and antibiotics (and I hope our industries try harder to invent new ones!)

Which modern convenience could you not live without?

Electricity (and what has been made out of it) and the freedom of press and information.

© 2019 The Pharmaceutical Trade Marks Group

Circulated for information only to PTMG Members. The Group takes no responsibility for the contents

Editor: Vanessa Parker

Tel.: +33 679 316 860 email: vparkercordier@wanadoo.fr