



Editorial: Resilience...

To have survived so long on a planet we seem hell-bent on destroying, humans undoubtedly have an inbuilt capacity for resilience. Neanderthal remains found accidentally in 1994 in the Galeria del Osario in Asturias, northwestern Spain revealed that approximately 50,000 years ago, our ancestors were already using

medicines to combat everyday illnesses such as tooth decay and a stomach infection. Laura Weyrich, leading author on the study from the University of Adelaide, writes that DNA from poplar trees (parts of which contain salicylic acid, historically used in aspirin), and penicillium mould (the source of penicillin) turned up on one individual's teeth.

Archaeological finds are providing genetic scientists with a treasure trove of information to understand our biological and environmental shared past and the rate of discoveries in the past 10 years has led many to understandable but false hopes of wonder drugs and preventative measures to end suffering. The death of my son's classmate from leukemia last week brought a stark reminder that we certainly do not have all the answers today and probably never will, at least in my lifetime. Julian's ten year battle with the disease taught us all only one thing : that

resilience in the face of adversity coupled with joie-de-vivre can reap extraordinary love within a community. A truly human trait.

Meanwhile, in what is becoming an annual event at this time of the year, the hurricane season brought destruction to parts of the globe which in some cases are barely rebuilding after previous natural disasters. As ever in these situations, the sick are the most vulnerable, as countries face challenges regarding access to electricity and clean water. In addition to the Caribbean islands affected, the United States Federal Emergency Management Agency reported 17 deaths due to Hurricane Irma. According to the WHO website, eleven hospitals remain closed and 204 healthcare facilities have been evacuated in Florida. Over 22,000 people are occupying 195 shelters throughout seven affected states. And yet, human beings will once again show extraordinary resilience in getting their lives back together and in continuing their everyday tasks.

Is this therefore the definition of the human condition ? Resilience in the face of adversity ? In which case, long may PTMG organise conferences such as the upcoming one in Toronto where we may learn of new developments within the pharmaceutical world and offer opportunities for enjoyable human interaction. I look forward to seeing many of you there.

Vanessa

US Update

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

When selecting marks for use or registration in the US, words should be avoided that suggest an ingredient or component that does not actually exist in the goods. The ground for objection to the registration of such marks is Section 2(a) of the Lanham Act, which prohibits registrations of marks that comprise deceptive matter. The Trademark Trial and Appeal Board in the ex parte appeal *In re Monsterops LLC* (TTAB May 15, 2017), discussed this provision when it upheld an Examiner's rejection of applications to register PLAZMA and PLAZMA REACTIVE PUMP for dietary and nutritional supplements on deceptiveness grounds. While the decision is not citable as precedent, it does outline the Board's views on the issue and some pitfalls to avoid.

The Board first found that consumers would perceive the word PLAZMA, despite the deliberate misspelling, to mean plasma—the liquid portion of blood in which blood cells are suspended. The Board then analyzed the meaning of plasma in the context of nutritional and dietary supplements. The applicant's products contained no plasma. The Board noted that third-party evidence submitted by the Examiner revealed that animal blood plasma was a component of some nutritional and dietary supplements. The applicant asserted that the reference to PLAZMA merely suggested 'a possible route of action' and that the reference suggested that the products would increase nutrients in blood plasma. The applicant also argued that the use of pump in PLAZMA REACTIVE PUMP describes a

muscle engorged with blood plasma.

In deciding the case, the Board followed the Federal Circuit's three-part test for deceptiveness outlined in *In re Budge* and as applied by *In re Tapco Int'l Corp.*, (TTAB 2017):

- (1) Is the term misdescriptive of the character, quality, function, composition or use of the goods?
- (2) If so, are prospective purchasers likely to believe that the misdescription actually describes the goods?
- (3) If so, is the misdescription likely to affect the purchasing decision of a significant portion of relevant consumers?

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Having returned from our summer vacations (in my case on the wonderful Île de Ré close to La Rochelle in France), we are confronted again with reality: President Trump still rules the world with Tweets but meanwhile had to fire half his team. The Caribbean islands and Florida are extremely hit by the worst hurricanes ever seen and still some so-called experts have serious doubts whether there is any noticeable climate change. IS terrorists have hit again, this time killing innocent people in beautiful Barcelona where some of us only a few months earlier had attended the INTA conference in May. In a nutshell, it still feels as if the world has gone crazy.

On the Brexit level it seems that the British Government and the EU do not seem to make big progress in defining the conditions of the Brexit in March 2019. At least the EU Commission has recently published a position paper requesting in the interest of IP right holders, that unitary rights owned by holders prior to the Brexit should not be undermined. Such unitary EU rights should be automatically recognized as enforceable intellectual property rights in relation to the UK territory. Whether the parties involved in the Brexit negotiations can at least agree on that has to be seen.

In the meantime we are preparing for our Autumn conference in Toronto. I think we have again prepared an exciting program with excellent speakers and cool evening events. Don't miss it!

Frank Meixner

Sensor, Ready, Go

Eva-Maria Strobel, Baker McKenzie Zurich

The Swiss Federal Administrative Court recently had another opportunity to rule on the scope of protection for weak trade marks (i.e., those of low degree of inherent distinctiveness), in the medical sector – and applied a rather strict view.

Facts

The trade mark SENSIGO covering injectors for medical use in class 10, was opposed by the owner of an earlier word mark for SENSOREADY, registered for self-injectors to dispense pharmaceutical preparations in class 10. The opponent argued that both marks were visually and aurally highly similar, in that they overlapped in the first four letters and that their second elements (READY v GO) referred to the same concept.

Decision

The Swiss Federal Institute for Intellectual Property (FIIP) rejected the opposition. Bearing in mind the low degree of distinctiveness of the earlier SENSOREADY mark, the increased level of attention of the relevant public in the field of medical devices, the different meaning of the signs and their clearly different vowel sequence, the FIIP concluded that there was no likelihood of confusion.

The opponent appealed the decision and reiterated its point of view that the earlier SENSOREADY mark was of at least average distinctiveness, and that there was a high conceptual similarity between both signs. The opponent further argued that the shared prefix SENSI- would be perceived as the Italian plural of *senso* (meaning senses), and that GO would be interpreted as a colloquial term for green light or start shot. The opponent further stressed that both signs were conceptually close since both referred to sense(s) and the fact that the injectors were already pre-primed for use (READY or GO). The conceptual overlap was dominating both signs.

Upon further appeal, the Federal Administrative Court confirmed the decision of the lower instance and stressed that the scope of protection for weak marks was diminished when

compared to that of marks of strong inherent distinctiveness. In the case of comparing weak marks therefore, even moderate deviations between both marks are sufficient to rule out likelihood of confusion. The Court explained that a trade mark was considered to be weak where its elements lean on commonly used terms. In this context, commonly used terms are in particular those elements which contain a reference to the characteristics of the goods and services covered, provided that this inherent meaning will be immediately perceived by the relevant public. The Federal Administrative Court stressed that, as a general rule, the scope of protection of such marks was limited even if they described only a part of the goods or services covered by the heading for which they are registered.

Nonetheless, the Federal Administrative Court confirmed the FIIP's assessment according to which a substantial part of the relevant public would immediately recognize the elements SENSOR and READY in the earlier mark. The judges took the view that the elements SENSOR and READY both referred to the characteristics of the claimed goods: SENSOR referred to a potentially integral component of the goods covered and READY was used to express their immediate availability for use. The scope of protection of the earlier weak mark was therefore reduced.

While the Court agreed that the marks corresponded in their first four letters, and that there was a conceptual overlap, it did not find a direct or indirect likelihood of confusion. The conceptual overlap was not obvious, but required an analysis of the conceptual structure of the marks. The aural and visual differences however, lead to a different overall impression.

Comment

The decision provides helpful guidance as to when a trade mark may be considered of low inherent distinctiveness in Switzerland and thus be considered a weak trade mark with a reduced scope of protection. The case also reminds us that Swiss practice is strict when it comes to distinctiveness.

Court of Appeal finds no appeal in purple combination

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Following the June 2016 High Court judgment in *Glaxo Wellcome UK Limited and Glaxo Group Limited v Sandoz Limited*, reported in the September 2016 edition of *Law Lore & Practice*, and Glaxo's appeal, the Court of Appeal issued its judgment on 9 March 2017, dismissing the appeal.

In the High Court judgment, the court had held that Glaxo's EUTM registration, of a colour representation of an inhaler in conjunction with wording claiming a combination of the colours dark purple and light purple, was invalid because it was insufficiently precise, uniform, clear or unambiguous. This case was in the context of Glaxo's claim that Sandoz had infringed the EUTM registration, to which Sandoz counterclaimed for a declaration of invalidity.

The basis of Glaxo's appeal was that HHJ Hacon had failed to interpret the trade mark properly and that if he had done so, he would have concluded that it could only mean that it consisted of the colours in the proportions and arrangement shown in the representation. Glaxo added that the wording in the registration was merely descriptive and did not broaden the scope of the registration. The judgment of the Court of Appeal considered and dismissed as follows the possible interpretations of the mark put forward by Glaxo:

- i. The mark consisted of the precise arrangement of the colours shown in the representation – this could not be the case because the wording referred to 'an inhaler' i.e., without limit to the form of the inhaler in the representation;
- ii. The mark consisted of the precise arrangement of the colours without limitation to a particular inhaler shape – this would not be acceptable, primarily because of the lack of clarity as to the degree of abstraction which should be applied to the representation of the inhaler and because the verbal description was so broad;

- iii. The mark consisted of any proportions of dark and light purple, provided that, in accordance with the verbal description, the colour dark purple was applied to a significant proportion of the inhaler and the colour light purple was applied to the remainder – this was the 'least bad' of the three interpretations, but still failed the requirements of clarity, intelligibility, precision, specificity and accessibility.

Lord Justice Kitchin, leading the three appeal judges, concluded that the mark 'would not be perceived unambiguously and uniformly by the public', offended 'against the principle of fairness because the uncertainty...gives Glaxo an unfair competitive advantage' and that none of the proposed interpretations had the precision and uniformity required by Article 4 EUTMR. He therefore issued a summary judgment dismissing the appeal, with the agreement of Lord Justice Floyd and Sir Geoffrey Vos.

Lord Justice Kitchin also considered whether any issues in the case should be referred to the CJEU, but decided that they did not because the relevant principles of law had been established by the CJEU and were well settled.

Comment

Considering the robust nature of the High Court judgment, it seemed unlikely that Glaxo would persuade the Court of Appeal that its mark did not fall foul of Article 4 EUTMR, despite the complex and inventive arguments advanced on behalf of Glaxo at the Court of Appeal. It remains to be seen whether the relaxed criteria of the new Trade Mark Directive, which will dispense with the requirement of graphical representation, replacing it with the requirement that a mark is 'represented on the register in a manner which enables the competent authorities and the public to determine the precise subject matter afforded to its proprietor', will make it any easier to register shape and/or colour marks at the EUIPO.

US Update cont

Here, the Board found that plasma protein derived from animal plasma is a known ingredient in dietary and nutritional supplements. The applicant's products 'could plausibly contain, but do not in fact contain' blood plasma protein from animals, and therefore applicant's marks are misdescriptive under the first element of the Budge test. Under the second element, the Board found that consumers are likely to believe this is an ingredient based on its review of third-party evidence submitted by the Examiner. Finally, under the third element of the Budge test, materiality, the Board found that a significant number of relevant consumers would be affected by the misdescription in the applicant's marks. Bodybuilders and athletes recognize performance benefits that are touted by supplements in the industry containing plasma protein as compared to the supplements that do not incorporate such an ingredient.

Therefore, the Board upheld the Examiner's refusal to register the marks on the ground that they consist of or comprise deceptive matter within the meaning of Section 2(a) of the Lanham Act. In dicta, it also upheld the refusal on other alternative grounds.

In selecting a mark in the pharmaceutical field, companies should consider the broader, and possibly unintended, connotations of terms like plasma and how they may be perceived by patients/consumers as well as medical professionals. The Budge test should be applied to any prospective marks with somewhat descriptive terms to determine if they might be subject to a deceptiveness objection.

**PTMG 95th
Conference,
October 4th - 7th,
Toronto**

International Update

RUSSIA

PETOSEVIC

On 14 July 2017, Russia's Federal Antimonopoly Service (FAS) issued written admonitions to four companies – Daimler AG, Renault S.A., YD Diagnostics and KYB Corporation, for not issuing permission letters or failing to respond to requests for such letters from unauthorized importers of related goods to Russian Federation.

FAS considers such actions as acts of unfair competition and believes that companies cannot prohibit importation of authentic products even if they are imported by unauthorized importers.

On 17 July 2017, through an official statement, FAS reconfirmed their position stating that a right holder can successfully initiate civil proceedings against a parallel importer only if the latter did not request a permission letter.

The new FAS practice regarding parallel importers and permission letters is de facto 'repealing' Art. 1484 of the Russian Civil Code, according to which parallel imports constitute trade mark infringement. This practice, if confirmed by the courts and eventually the legislature, would preclude any efforts from right holders to control parallel importers, because it would be possible to prevent any civil action against a parallel importer by arguing that no permission letter was issued, despite being requested, and parallel importers would be even able to counterclaim based on unfair competition.

The only exception would be companies with manufacturing sites in Russia. These companies will (continue to) be able to prevent parallel imports into Russia.

The companies in question can appeal against written admonitions within 30 days of receipt.

SLOVENIA

PETOSEVIC

On 15 February 2017, the Slovenian Parliament unanimously adopted the new Act on the Restriction on the Use of Tobacco and Related Products (Tobacco Act) that came into force on 11 March 2017. With the new Tobacco Act, Slovenia has implemented the Directive 2014/40/EU (Tobacco Products Directive) into its legislation. Although the plain packaging provisions of the Tobacco Products Directive are not mandatory, Slovenia opted to introduce them and joined the group of countries with restrictive tobacco legislation. Plain packaging will become obligatory in Slovenia as of 1 January 2020.

The most important novelties that might have a negative impact on intellectual property rights with respect to tobacco products are labeling and packaging

provisions of Articles 13 to 23 of the Tobacco Act.

The new Act strictly prescribes health warnings, general warnings and information messages that will have to cover large parts of the unit packet and outside packaging surfaces (Articles 13, 14 and 15). It prescribes the texts, font and size of general warnings and information messages and the dimensions of the combined health warnings.

Article 17 prohibits certain elements and features (which may include symbols, trade marks and figurative elements) on the unit packets, the outside packaging or the tobacco products themselves that could create a false impression about the characteristics and health effects of the product.

The plain tobacco packaging provisions are contained in Article 18 (cigarette packaging), Article 19 (roll-your-own tobacco packaging) and Article 20 (cigarette appearance). Article 18 prescribes uniform appearance of the unit packets, the outside packaging (including surfaces inside these packages), and any other element of a cigarette packaging, which must be of the uniform colour and appearance that will be specified by the bylaws adopted by the Ministry of Health.

Moreover, a trade mark and the type of cigarettes may appear only once on certain surfaces of the unit packet or the outside packaging, which are (1) the front surface, (2) one of the smallest surfaces and (3) the surface opposite the smallest surface.

As regards the cigarette appearance, the Tobacco Act stipulates a uniform colour of the cigarette paper and cigarette filter and limits the reference to trade marks and types of cigarettes only to instances when they are in accordance with detailed conditions which will be prescribed by separate bylaws of the Ministry of Health to be adopted within six months of 11 March 2017.

Interestingly, Article 21 of the Tobacco Act states that the above provisions do not prohibit trade mark registration and will be a legitimate reason for not using a trade mark.

The provisions of Articles 18, 19 and 20 (plain tobacco packaging and individual cigarette appearance) will apply as of 1 January 2020.

For newly regulated health warnings, general warnings, information messages and combined health warnings that came into force on 11 March 2017, the Tobacco Act prescribes a transitional period. Tobacco products that were manufactured before 11 March 2017 can be offered for sale until 20 May 2017. Following this date, tobacco products not containing the prescribed health and other warnings must be withdrawn from sale.

UKRAINE

PETOSEVIC

The new Law on State Support of Cinematography entered into force in Ukraine on 26 April 2017, amending the Law on Copyright and Related Rights.

According to the new Law, copyright owners can combat online copyright infringement by directly addressing website or webpage owners and/or Internet service providers, who, in turn, have to block the infringing material related to the use of certain works protected by copyright law, namely audiovisual and music works, computer programs, videograms, phonograms and broadcast programs.

Previously, Ukrainian legislation did not provide for any specific procedures on dealing with online infringement. Rights holders had to initiate court proceedings or submit complaints to law enforcement bodies, which made combating online infringement unnecessarily complicated, long and costly.

Website owners are now required to publish their name, address, and contact details on their websites and/or ICANN's WHOIS Lookup. The Law also introduces liability for the refusal to block illegal content as well as for unfounded demands for blocking, including a fine in the range of EUR €300-€1200.

The new Law also introduces definitions for Internet-related terms such as website, webpage, website owner, webpage owner, hyperlink, electronic (digital) information, camcording, card sharing, account, and hosting service provider.

The new Law is crucial for improving Ukraine's position in the Special 301 Report, which identifies countries whose inadequate intellectual property protection laws present trade barriers to U.S. companies and products. Ukraine has been continuously listed as a top offender mainly for copyright-related issues such as the failure to implement an effective system to combat online piracy.

UAE

Bassel El Turk, Rouse

Telemarketing has become a fast-growing medium of advertising across the region. In the UAE in particular, a consumer may receive several calls on the same day from real estate agents, banks, financial advisors, tourism and travel agencies, telecommunications service providers and many other sales agents, all seeking to market or sell products or services over the phone. Such calls rely on information already gathered about the specific consumer on one side, and also seek to obtain further information from the consumer on the other. Relevantly, the UAE Federal National Council (FNC)'s members have recently met to consider

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International Update continued

whether telemarketing should be outlawed in the country. Telemarketing calls were described by one FNC member as 'annoying invasion of privacy' and called for the Telecommunications Regulatory Authority (TRA) to discuss with the FNC means to protect consumers' privacy. This leaves brand owners and their marketers with questions on how telemarketing is regulated in the UAE, and what data protection laws and regulations may apply to information being used or arising from such activities.

The Current Legal Framework

There is currently no UAE legislation or regulation being consistently applied in relation to telemarketing activities. Several parts of different pieces of legislation may apply to some aspects of telemarketing.

For example, Article 21 of The Cybercrime Law (Federal Decree Law No. 5 of 2012 on Combating Cybercrimes), Article 378 of the Penal Code 1987 and Article 31 of the Constitution variously prohibit the invasion of privacy of an individual without the individual's consent unless otherwise authorised by law. While telemarketing does not clearly fit as 'an invasion of privacy', it has been described as such at least by one of the FNC members as set out above. If seen as such, telemarketing activities may even give rise to criminal liability.

Telemarketing & the TRA

In a more industry related regulatory framework, the TRA issued a specific policy on unsolicited marketing communications.

Under this policy, licensed telecommunications providers in the UAE are required to minimize spam and take all reasonable steps to ensure that spam is not being sent over their networks. Therefore, if a licensed telecommunications provider fails to take all practical steps to prevent spam from being sent over its network, then the regulator can take action against the licensee.

The policy also requires licensees to implement 'opt-in' consent processes for all electronic marketing provided to customers including SMS.

The TRA has also published an Anti-Spam Policy which provides that any marketing SMS must only be sent for receipt between 7am and 9pm UAE Time. The policy does not however explicitly deal with telemarketing. Having said this, the intention behind the provisions gives rise to the view that similar restrictions could be put in place to govern telemarketing in the future.

Telemarketing & Data protection

As discussed above, telemarketing may also be a medium through which data is collected, stored and possibly transferred. The UAE does not have a specific federal

data protection law or regulation but individuals have various statutory protections afforded to them on data protection contained within domestic and federal legislation.

There are different ways in which a business may deal with data collected via telemarketing. The call may be recorded, and therefore, the data is being processed via recording. The consent of data subjects is required before processing (including recording) personal data. For example, Article 378 of the Penal Code prohibits the recording and or transfer of telephonic conversations. Further, Article 21 of The Cybercrime Law (Federal Decree Law No. 5 of 2012 on Combating Cybercrimes) prohibits the invasion of privacy of an individual without the individual's consent and unless otherwise authorised by law.

No rules concerning the form and content of the consent are specified. Consent can be implied or inferred if the personal data is processed in the presence of the person without any objection by that person. Given this absent specific legislation on consent given over the telephone, it is likely that explicit oral consent needs to be obtained. Given that in telemarketing it is more likely that recording will already have begun, such consent should be worded so as to be retrospective.

If the data is collected by telephone from an individual in the UAE and recorded in a different country, there is a reasonable assumption that the data is being transferred. This also requires express consent specific to the transfer of data. Under Article 378 of the Penal Code, data subjects must provide express consent to the transfer of personal data to third parties inside or outside the UAE. The failure to comply with Article 378 above constitutes a criminal offence.

In summary, although telemarketing is still an unregulated medium, businesses should be careful in the way data is being collected and processed. Moreover, we should keep an eye open to see how this medium will be further regulated in the future, in light of the calls to outlaw telemarketing.

UZBEKISTAN

PETOSEVIC

On 18 April 2017, the Uzbek Parliament approved the Law on Amendments and Additions to Certain Legislative Acts of the Republic of Uzbekistan, amending the Uzbek Civil Code, the Law on Trade Marks and Appellations of Origin and the Law on Competition. The amendments entered into force on 19 April 2017.

With these amendments Uzbekistan brings its IP legislation in line with that of Russia and other neighbouring countries. The main IP-related changes are outlined below.

Principle of Exhaustion of Trade

Mark Rights

While the principle of exhaustion of trade mark rights has been applied in practice, the Uzbek legislation did not specifically provide for it. The amendments introduce the principle but it is not clear whether exhaustion is international or strictly national, because the provisions leave room for interpretation whether right holder's consent relates to the sale in the country of origin or the commercialisation of the product in Uzbekistan. Certain Uzbek courts have already accepted parallel importers' arguments in favour of international exhaustion, causing discrepancies in court practice. However, the Uzbek competition regulator stands behind the national exhaustion interpretation.

Non-Use Cancellation Action

According to the amendments, a trade mark is subject to a non-use action if it has not been used in the last five years. Previously, a trade mark could be cancelled due to non-use for any uninterrupted period of five years after registration.

When proving trade mark use in court, rights holders now have more options as the definition of trade mark use was expanded to include the following types of use (apart from trade mark use on products):

in advertisements; in printed materials; on signboards; in business documentation; on product labels; on product packaging; exhibiting the product in local exhibitions and trade shows in Uzbekistan; in documentation related to the introduction of products into free circulation; and in domain names.

Counterfeit Products

The amendments introduce a definition of counterfeit products as 'products, labels, or packaging on which a trade mark or a confusingly similar mark is used illegally'. Uzbek legislation did not have a definition of counterfeit products, so rights holders had to formulate it in court each time; now rights holders are able to refer to the law.

Unfair Competition

The major novelties brought by the amendments are:

- expanded definitions of 'incorrect (faulty) comparisons', 'sale of goods with illegal use of results of intellectual activity' and 'misleading the consumers';
- prohibition of unfair competition through the acquisition of exclusive rights to the means of individualization of a legal person or goods;
- prohibition of the registration of an identical or confusingly similar trade mark – previously the law prohibited registration of identical trade marks only; and
- clearly defined prior user rights.

Australia : All roads lead to the TGA

Helen Macpherson and Lauren Holz, Norton Rose Fulbright

The Reform Agenda

The Australian Government has recently announced that, from 1 July 2018, the Therapeutic Goods Administration (TGA) will assume responsibility for handling all complaints about therapeutic goods advertisements directed to the public. After three years the model will be independently reviewed.

This announcement is the culmination of a process which began in October 2014, when the Australian Government announced an expert review of the regulation of medicines and medical devices. One of the recommendations which came out of this review was the recommendation to implement a more transparent and efficient complaints management process, and specifically that the current complaints management system be disbanded in favour of a single-agency approach. The Government accepted this recommendation and announced that it would consult with stakeholders as to the design of the new model.

As a result, in November 2016 a review into the regulatory framework for the advertising of therapeutic goods was commenced. The purpose of the review was to ascertain the preferred design of the new complaints handling process, and in particular, whether the role should be taken on by the TGA, another Commonwealth agency or a third party service provider. The TGA sought, and received, comments from interested parties including the Advertising Standards Bureau (ASB) and the Australian Competition & Consumer Commission (ACCC). The ASB recommended that it take on the role of managing complaints, while the ACCC supported the TGA taking full responsibility for the process. The ACCC specifically preferred the TGA to the ASB because it considered that:

- non-regulatory bodies like the ASB lack the technical or investigative expertise to effectively deal with complaints that require assessment of conduct or practices against technical or specific criteria; and
- non-regulatory bodies lack the capacity to take follow-up action in

the case of repeat offenders or where the conduct in issue contravenes the law.

In addition to the ACCC, the Australian Medical Association and the Pharmaceutical Society of Australia supported concentrating the responsibility for complaints management in the TGA's hands. The reforms continue to treat therapeutic goods as a separate class for advertising purposes by ensuring that regulatory review is handled by a body with specialised experience. However, the reform may drive the TGA to specialise more specifically in marketing and advertising, which at least one submission saw as a dilution of and distraction to its main role.

The Current System v the New System

Under the current system, complaints about the advertising of therapeutic goods to the public are handled by a variety of bodies, including the Complaints Resolution Panel (Panel), various peak therapeutic goods industry associations and the TGA. This is a less than ideal arrangement as:

- while the Panel and the TGA handle the majority of complaints, the Panel is not sufficiently equipped to handle ongoing non-compliance (this is over seen by the TGA instead);
- neither the TGA nor the Panel are able to handle complaints about the advertising of all types of therapeutic goods in all types of media; and
- the various peak industry associations are generally only able to deal with complaints about their members' advertising practices.

The TGA anticipates that the new system will simplify the complaints mechanism for sponsors, in particular because:

- it is intended that a single online portal for lodging complaints be established;
- advertisers will benefit from improved consistency in decision-making thanks to the single body system; and

- complaints can be consolidated to minimise the burden on the advertisers, sponsors and the TGA itself.

So What Next?

This is not the end of the reform agenda for the advertising of therapeutic goods in Australia.

The expert review made several other recommendations aimed at streamlining the advertising of therapeutic goods, and the TGA has announced that it intends to implement these further reforms in 2018.

These reforms include:

- greater consistency in advertising requirements to simplify the process for sponsors;
- removing pre-approvals for medicines to improve consistency in the requirements for medicines as opposed to medical devices across all advertising media. Currently, pre-approvals for medicines advertising are required for advertising on some media platforms, such as on free-to-air broadcasting, but not on the internet. Sponsors, currently, may also need to submit applications for pre-approval to multiple agencies, depending on the advertising media intended to be targeted by the medicines advertisements. Medical devices, on the other hand, do not generally require pre-approval;
- a formal advertising compliance education programme to assist advertisers in complying with the new framework; and
- broader and enhanced enforcement and compliance powers in relation to inappropriate and misleading advertising of therapeutic products, which will mitigate any potential risks associated with removing the pre-approval requirements.

And then there are potentially more reforms to come, with the TGA currently considering submissions in relation to the Schedule 3 Advertising Guidelines which relate to the advertising of pharmacist-only medicines.

So, stayed tuned.

Myanmar IP Steps Forward –The Revelation of a New Trade Mark Bill

Denise Mirandah and Sharifah Alsri, Mirandah

Myanmar has yet to produce its own specific legislation on trade marks. As a member of the World Intellectual Property Organization (WIPO) and the World Trade Organization (WTO), the nation is expected to deliver its IP laws in the near future to provide protection for trade marks, copyright, patents, and other intellectual property.

From 8-10 August 2017, the draft of Myanmar's Trade Mark Law has recently been published in newspapers for public comment. The bill is now being reviewed by the concerned Draft Law Committee of the Parliament – its approval is expected by the end of this year.

When the Trade Mark Law comes into force, Myanmar's IP regime may finally become a smooth and formal system of registration for IP rights.

This article serves to provide an overview of the existing system of trade mark registration procedures, and the proposed new Trade Mark Bill.

Current System of Trade mark Laws

In the absence of any statutory rights, there are no formal laws of what is deemed registrable other than the definitions of trade marks provided in the Penal Code of Myanmar and the Private Industrial Enterprise Law. In practice, searches are done prior to the applicant's filing of a Declaration of Ownership (also known as DOO). Trade mark searches are conducted by manually reviewing the publication of Cautionary Notice advertisements in Myanmar newspapers.

Without proper trade mark laws, registration procedures are presently administered under the Office of the Registration of Deeds. Applications must be filed using one DOO for each mark, pursuant to Section 18 of the Registration Act. Moreover, for foreign applicants, another document that is required for trade mark registration is a notarised and legalised Power of Attorney (PoA) in favour of a local trade mark agent with an address for service in Myanmar.

Having completed the legal procedures for trade mark registration, the registered mark shall then be published in Myanmar newspaper as a Cautionary Notice to

keep third parties on notice of the mark holder's ownership.

Subsequently, a trade mark renewal may be declared with the submission of a Declaration of Renewal of Trade mark and a further Power of Attorney to the local agent. Nevertheless, if an applicant does not renew, there will be no invalidation of their trade mark since, upon registration, it is valid indefinitely. However, it is advisable to renew every 3-5 years and also to republish the Cautionary Notice every 3 years.

New Trade Mark Bill

In an effort to sustain and facilitate further economic growth, the Myanmar government has been working for some years to establish a business-friendly legal framework. A key component of this is the new Trade Mark Law, anticipated to be phased in by the end of 2017, which will bring Myanmar's IP laws into line with the Trade Related Aspects of Intellectual Property Rights (TRIPS) Agreement. The salient points of the proposed new Trade Mark Bill are set out below.

First-to-file ownership

In the existing system, given the lack of case law precedent, mere registration of a trade mark in Myanmar is not sufficient to signify mark ownership - the system provides that the right of ownership is determined by the commencement of actual use of the mark (first-to-use ownership). The new registration system will recognise trade mark owners on a first-to-file basis. This means that - irrespective of prior use - it is possible for someone else to validly register a mark and prevent anybody else from future use. Foreign businesses will be able to apply to register trade marks under the new rules – however, their application must still be made through local agents.

IP Office

Currently, in the absence of a governmental IP office in Myanmar, trade mark applications are forwarded to the Registrar of Deeds and Assurances. Under the new law, the Myanmar Intellectual Property Office (MIPO) will be established under the Ministry of Education (Science & Technology).

Registrable marks

Under the Draft Law, a more liberal definition of registrable marks - to include trade marks, service marks, collective marks and certification marks – will be adopted. It will also protect geographical indications and well-known marks. Opposition and cancellation actions will become available, and trade mark infringement will become a criminal offence under the new law.

Validity

Registration of marks under the new Law will be effective for ten years, with the option to renew indefinitely at the end of every ten-year term. Non-use of a mark for three consecutive years will be sufficient grounds for cancellation.

Transitional Laws

Persons holding marks under a Declaration of Ownership under the current system will need to re-file such declarations under the new framework within three years of the law's commencement. The Draft Law also states that all existing marks would have to be re-examined for registration once the new law has come into force.

There have been preliminary discussions on introducing stronger IP enforcement provisions, such as special IP courts to administer civil and criminal penalties (including prison sentences of up to 3 years) for trade mark infringements, or possible access to court injunctions and customs detention or suspension orders, to prevent the import or export of infringing merchandise. However, nothing has come to light in the Draft Law which concerns conflicts between marks recorded under the current system.

Myanmar's steps towards establishing a concrete system for the protection and enforcement of rights like trade marks are significant, considering there is currently no IP legislation. An important thrust in the country's economic development is the growing number of foreign investors; these investors need established IP laws to protect their interests. When passed, this new law will be a step in the right direction for innovation in ASEAN business.

Members News

New Members

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

Olivia Gregory of Appleyard Lees, Leeds, UK Olivia.gregory@appleyardlees.com

John Rudolph of Eli Lilly and Company, Indianapolis, USA
Rudolph_john@lilly.com

Sharon Groom of McMillan LLP, Toronto, Ontario, Canada
Sharon.groom@mcmillan.ca

Jacqueline Lesser of Baker & Hostetler, Philadelphia, USA jlesser@bakerlaw.com

Nicole Rizzo Smith of Seqirus Inc., Cambridge, Massachusetts, USA
Nicole.rizzo_smith@seqirus.com

Vanessa Ignacio of Lowenstein Sandler LLP, Roseland, New Jersey, USA
vignacio@lowenstein.com

Adrian Kaplan of Piatsetzki Nenninger Kvas LLP, Toronto, Canada
akaplan@pnklaw.ca

Cheryl Foytlin of Johnson & Johnson, New Brunswick, New Jersey, USA
cfoytlin@its.jnj.com

Laurence Rickles of Teva Pharmaceuticals, Horsham, Pennsylvania, USA
Laurence.rickles@tevapharm.com

Sebastian Tegethoff tegethoff@24ip.com and **Christian Fortmann** fortmann@24ip.com both of 24ip Law Group, Munich, Germany

Deirdre Clarke of Leason Ellis LLP, White Plains, New York, USA
Clarke@leasonellis.com

Moves and Mergers

Following the recent retirement of **Barbara Vogt**, PTMG Committee member **Maria Fernandez Marques**, has been appointed Global Head of Trade Marks at Grünenthal in Aachen, Germany. Maria can be contacted at maria.fernandezmarques@grunenthal.com

We wish Barbara very best wishes for a long and happy retirement and Maria good luck in her new role.

Mark Peroff has moved from Manatt Phelps & Phillips LLP to Wilson Keadjian

Browndorf LLP in New York, USA. Mark can be contacted at mark.peroff@wkbllp.com

Adrian Dykes is now with Allen & Overy LLP in London, UK. Adrian can be contacted at Adrian.dykes@allenoverly.com

Brannon Cashion is now with Leaderboard Branding in Charlotte, North Carolina, USA. Brannon can be contacted at bcashion@leaderboardbranding.com

Bruno Barrette now has his own firm, Barrette Legal Inc., in Montreal, Quebec, Canada and can be contacted at bbarrette@barrettelegal.com

Bharat Dube, formerly with IP Gurus, has joined Strategic IP Information Pte Ltd., in Singapore. Bharat can be contacted at bharatdube@sipi-ip.com

Julie Barrett-Major, formerly Head of IP at Norgine in the UK, has joined AA Thornton & Co., London, UK, as a consultant. Julie can be contacted at jbm@aathornton.com

Adam Tracey is now with Nelligan O'Brien Payne LLP in Ottawa, Ontario, Canada. Adam can be contacted at adam.tracey@nelligan.com

Nils Bings has left Vossius & Partner to join DWF Germany in Köln, Germany. Nils can be contacted at nils.bings@dwf.law

Womble Carlyle Sandridge and Rice have opened a new office in Boston, Massachusetts, USA and member **Sarah Anne Keefe**, has moved there from their North Carolina office to be managing partner. Sarah can be contacted at skeefe@wcsr.com.

Elkington & Fife, based in Sevenoaks, Kent, UK, have opened a new office in Munich, Germany. Member **Chris McLeod** can be contacted at chris.mcleod@elkfife.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

OCTASA v PENTASA an update

Rose Franckeiss, Mishcon de Reya, LLP

On 21 June 2017, following a long-running dispute, the EU General Court upheld a finding of a likelihood of confusion between the marks OCTASA and PENTASA (*Tillotts Pharma AG v EUIPO, Case T-632/15, 21 June 2017*). Whilst the Class 5 goods were found to be identical, there was only a low degree of aural, visual and conceptual similarity found between the marks (and the differences were at the beginning rather than the end of the marks). However, even with a higher level of attention in their capacity as medical patients, the Board's finding (which the applicant did not challenge before the General Court) that a significant number of end users would not be able to identify the descriptive character of the identical -asa suffix element, whereas it would be descriptive for medical professionals, had a significant impact on the assessment of similarity of the marks. The decision demonstrates the importance of ensuring that evidence relates to the views of end users, as well as medical professionals.

On 20 March 2009, Tillotts Pharma AG applied for an EUTM for the word mark OCTASA in Class 5, namely for preparations and substances for preventing and treating diseases and disorders of the gastro-intestinal tract. Ferring BV filed an opposition based on its earlier word marks for PENTASA in Benelux (registered for pharmaceutical preparations in Class 5) and in Germany (registered for medicinal products). It relied upon Article 8(1)(b) and 8(5) of Council Regulation (EC) No 207/2009. The Opposition Division, in a decision upheld by the Fourth Board of Appeal, rejected the opposition.

In April 2014 however, the General Court annulled the Board of Appeal's decision, finding it had not carried out a global assessment of the likelihood of confusion between the marks, nor had it been able to determine that end users (in contrast to medical professionals) would immediately understand the element asa to be descriptive of the active ingredient in the products, namely, mesalazine, 5-aminosalicylic acid or 5-ASA. When the case returned to the Board of Appeal, it now reached the opposite result, finding that there was a likelihood of confusion.

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Medicinal cannabis lays down roots in Australia

Jackie O'Brien (partner) and Lauren Holz (Graduate), Norton Rose Fulbright

It looks like growth season for Australian medicinal cannabis. Not only were the first private licences for medicinal cannabis issued this year, but in February the Federal Government also announced a plan to temporarily loosen importation controls to boost Australia's supply until local growers can catch up to demand.

The market, meanwhile, has reacted quickly: two high performers from recent IPO listings have ties to medicinal cannabis and various international companies announced their intention to apply for Australian licences. But this rare new space in our crowded pharmaceutical market comes with its own range of regulatory and IP challenges.

Prescriptions

Medicinal cannabis is not approved by Australia's Therapeutic Goods Administration (TGA), so only doctors who are authorised providers or who obtain medicinal cannabis on a patient-by-patient basis through an access scheme can prescribe it.

Both avenues require multiple stages of review by the TGA, and approval is also subject to the laws of the states and territories, some of which restrict access far more heavily than others.

Local cultivation and manufacture

Companies looking to enter the Australian market should monitor local demand for, and access to, medicinal cannabis, because Australian-grown cannabis cannot yet be exported. Interested parties can apply for a medicinal cannabis licence – covering cultivation, production or both – from the Office of Drug Control (ODC).

The application process requires a good deal of forward planning. For example, applicants are required to provide very specific proposed operational details, including security measures, detailed site and floor plans, and evidence that product would only flow on to other licence-holders. Mixed-use cultivation is not allowed, so medicinal cannabis must be kept strictly separate from any industrial hemp crop.

An equally stringent licence is also required for the manufacture of narcotic drugs involving cannabis. This is in addition to a requirement that manufacturers hold a Good Manufacturing Practice licence from the TGA and comply with any licensing requirements imposed by the state or territory in which the manufacturing site is located.

Applicants for cannabis-related licences are also subject to a fit and proper person test, which extends not only to the applicants themselves, but also to anyone who could substantially influence the conduct of activities under a licence. This list potentially includes business associates and family members. Corporate applicants can expect a wide-ranging review of the body corporate's directors, officers, shareholders and staff, plus the body corporate itself, on issues including criminal history,

potentially risky associations, regulatory compliance, business experience and financial history.

Importation

Importation of medicinal cannabis is usually on a per patient basis and only after the prescription has been approved. Importers require both a licence (valid for 12 months) and a permit (for each importation) to proceed with shipment.

However, in February the Federal Government agreed to process import applications ahead of prescription approvals. This is a temporary measure intended to reduce waiting periods before the Australian product hits the market.

Before lodging those bulk orders though, there are a few things to keep in mind. Importers are required to comply with the conditions applied to drug imports under the Customs (Prohibited Imports) Regulation 1956 (a serious undertaking in itself), as well as some specific conditions set out in the Therapeutic Goods Regulations 1990. These include requirements that the supply be securely stored and any unused material destroyed after 12 months. The TGA also imposes quality control standards for cannabis products, including imported products, through the Therapeutic Goods Order No. 93.

Protect your plants

Although current advertising restrictions may somewhat inhibit brand recognition as the industry develops, companies looking to enter the medicinal cannabis market should think proactively when it comes to IP. Several pharmaceutical companies have already lodged Australian patent applications in respect of medicinal cannabis products, including for a medicinal edible.

Companies should also think strategically about trade marks while the Australian register remains relatively clear of cannabis-related marks. The stringent licensing requirements are likely to limit the competitive field for the time being, but these may not last forever. As well as helping to stake out a brand identity during the crucial early stages of the Australian medicinal cannabis industry, a well-planned set of trade mark registrations would assist in preserving that identity in the event of deregulation.

As with all prescription medications, companies should plan for the possibility that medicinal cannabis could migrate to the over-the-counter market, for example by conducting comprehensive clearance searches to ensure proposed branding will not infringe existing marks in the OTC space.

IP protection in Australia should, hopefully, prove more straightforward than in the US, where the illegality of cannabis under federal law restricts trade mark registration opportunities. It will be worth observing how our first generation of licensees establish their IP portfolios as their products approach market-readiness.

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Having found the goods to be identical, the Court went on to consider the similarity of the signs. The Court decided that, whilst these were below average, there were visual and phonetic similarities between OCTASA and PENTASA. Visually, the marks were of a similar length (six and seven letters respectively) and the last four letters were identical (TASA). Phonetically, the marks had the same number of syllables and the last two syllables were identical, namely TA and SA. Whilst the Court noted that the first part of a sign may be more likely to catch the consumer's attention, for end-users that did not perceive the descriptive character of the suffix asa, the difference between the first parts of the sign would not negate the visual and phonetic similarity.

The Court also decided there was some (albeit again low)

conceptual similarity between the marks, in that the elements OCTA and PENTA are both Greek numbers, which would be understood by some end users. Again, end users who did not identify asa as descriptive could be led to believe that the marks identified pharmaceutical goods from the same economically linked undertaking due to the construction of the marks (a Greek number + suffix asa).

This decision demonstrates the significant role medical patients play in the legal assessment of likelihood of confusion in cases involving pharmaceutical trade marks with allusive elements, and the importance of evidence relating to their perception. In this case, end users' understanding of the descriptiveness of the 'asa' element was the decisive factor when assessing the likelihood of confusion between OCTASA and PENTASA.

PROFILE: Gordana Pavlovic

Gordana Pavlovic, of Cabinet Pavlovic Belgrade and Brussels, is an IP attorney who specialises in the protection of patents and trademarks in Central & Eastern European countries. Gordana assists her international clients with both the registration and the enforcement of IP rights, including border measures. Many of Gordana's clients are in the pharmaceutical industry.

Gordana frequently speaks at conferences and contributes to various IP publications. In addition to her long standing membership in PTMG, she is a member of numerous other international organizations, including INTA, MARQUES, FICPI and AIPPI. She was a member of INTA Board of Directors (2006-2008), co-chaired a Forum in Prague in 2004 on IP protection in Central Europe and was the Chair of the Well-Known Marks Subcommittee for Eastern Europe (2006-2011). She served on the Nominating committee in 2014/2015. She is currently the coordinator of the INTA Resources Group, involving 12 committees. In 2004 Gordana was awarded with the INTA Volunteer Services Award for the Advancement of Committee Objectives.



Where were you brought up and educated?

I was brought up in Belgrade, Serbia (at that time Yugoslavia) by a Slovenian mother and a Serbian father. I went to school there and afterwards obtained my law degree at the University of Belgrade. As part of my education I spent a year in California which was a life changing experience.

How did you become involved in trade marks?

My father was a patent and trademark attorney and I was exposed to IP from an early age. IP was an optional class at the University, but it looked like an obvious choice to me. After my studies I joined my father's firm and when my father unexpectedly passed away in 1985, I took over his role of managing partner of the firm. In 1992 I moved to Brussels and opened a firm dealing with IP protection in Eastern European countries. I started with ex-Yugoslavian countries at first and later expanded beyond that.

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

Become an architect, designer, journalist... but those were all the ideas before I started Law School. Once I graduated, the choice was between pursuing an academic career or going into my father's firm.

Which three words would you use to describe yourself?

Joyful, dedicated, energetic.

Complete the following sentence.

"I wish"

there were more than 24 hours in a day.

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

Mathematics and English.

What do you do at weekends?

Spend time with family and friends, listen to music or travel.

What's the best thing about your job?

Combining intellectual challenge and learning about different businesses while meeting generally very interesting people from all over the world.

What does all your money get spent on?

Education, travelling and shoes.

What is the soundtrack to your life?

I love classical music but also jazz and pop. I have a true admiration for people who play music.

What do you dream of?

A trip around the world.

What is the most surprising thing that ever happened to you?

That I share my time between Brussels and Belgrade. Thirty years ago this thought had not even remotely crossed my mind.

What would be your ideal night out?

Good piano or violin concert as a serious option; nice dinner and dance party as a

fun option.

What is your philosophy in a nutshell?

Always do the best you can!

Which book or books are you currently reading?

Les Désorientés by Amin Maalouf

How do you relax?

By going for a long walk on a beach.

Which sport do you play and/or enjoy?

Skiing - my uncle taught me how to ski when I was 6.

Which word or sentence do you most often say?

Super!

What is your favourite holiday destination?

Paris, New York, beaches in Croatia and Corsica, ski resorts in France.

What is your favourite item of jewellery?

A necklace – I have many of them in various shapes and sizes

Which modern convenience could you not live without?

My smartphone – which I use more as a camera.

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

CD-s.

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