

MARQUES Teams report progress in Barcelona

About 100 MARQUES Council and Team members gathered in Barcelona in February for the 6th **MARQUES** Winter Meeting. The event provided an opportunity for all the teams to meet and discuss their work, and for the team chairs to update all those attending about their activities. James Nurton reports.

The meeting, held at the Hesperia Tower Hotel, included a drinks reception and evening dinner, as well as the first multicultural etiquette and trade mark selection workshop for those members arriving early on the first day.

The Winter Meeting provides an opportunity to see the wide variety of work being done by the various teams, which now number 15 and cover everything from amicus curiae (one of the newest teams) to unfair competition. Each team comprises at least four MARQUES members, and most meet or hold a conference call three to four times a year. The biggest is the Anti-Counterfeiting and Parallel Trade Team, with 20 members.

Each issue of the **MARQUES** Newsletter contains a profile of the recent activities of one of the **MARQUES** Teams. This month, the Outer Borders Team report on their work, which includes researching the use of brands in virtual worlds, in politics and in religion. For more details, see page 11.

Designs and domains

Registered Community Designs (RCDs) and domain names are two of the fastest-developing issues for trade mark owners, and **MARQUES** is paying particular attention to both areas. The Designs Team used the occasion of the Winter Meeting to publish the second edition of their Review of RCD decisions, covering the first 300 decisions published. The Review is available to all **MARQUES** members on the website, and provides an analysis of the legal issues raised, as well as a detailed database of all

300 decisions. This database is arranged in a tabular format that makes it easy to compare different decisions.

Introducing the Review, Designs Team chair David Stone said it demonstrated the need for greater consistency in RCD decisions, as well as for better arguing of cases and presentation of evidence by representatives. He cited a number of designs whose validity was upheld, contrary to what might be expected. So far, only one case – Midas – has been appealed to the Court of First Instance, so it will be a while before there is detailed guidance from Europe's highest courts.

Egon Engin-Deniz and Nick Wood provided a report from the Cyberspace Team, which covers domain names and other online issues. They highlighted the pending launch of between 100 and 500 new generic TLDs, with no guarantees as yet about issues such as the protection of IP rights in the launch, Whois information or dispute resolution. **MARQUES** is due to be represented at the ICANN meeting in Paris in June where further decisions will be

made, as the launch of these TLDs will be of great interest to trade mark owners. The Cyberspace Team is also monitoring issues such as keyword advertising, domain tasting and cybersquatting.

New developments

A number of Teams were assembling for their first Winter Meeting. The Amicus Curiae Team has been established as a service to members, and will file briefs on behalf of **MARQUES** in cases that are of real significance, with the help of local counsel.

continued on page 2

Contents:

MARQUES report progress in Barcelona	1–2
Anti-piracy hopes up	2–3
Get your stick at Noordwijk	3
Keyword advertising under scrutiny	4
Google revises UK and Ireland procedure	5
How strong is "Bayerisches Bier"	6
New Romanian Law on utility models	7
Madrid System changes	8
A guide to INNs in India	9
Interview: Susanne Skov Nilsson	10
Three areas of focus on the borders	11
Sticter test in Malaysia	12

“The Designs Review shows the need for greater consistency in RCD decisions, as well as for better arguing of cases and presentation of evidence by representatives.”

Its members will liaise with Team chairs, and other **MARQUES** members, to decide which cases to take part in. Its first activity was an attempt to file a brief in the *Boehringer* case, heard in the UK. Carles Prat is the Team chair. Another new team is the Regulatory Team, set up to raise awareness of regulatory issues that affect trade mark owners, such as health and nutritional claims regulations, and examine how these vary in different countries. Meanwhile, the well-established and large Trade Mark Law and Practice Team is examining a number of issues, notably the use and acceptance of class headings in different countries, where there is perceived to be inconsistency.

More meetings

A number of the Teams are engaged in planning additional events that will be of interest to **MARQUES** members. For example, the Anti-Counterfeiting and Parallel Trade Team last year held two seminars in Amsterdam and Hong Kong, and was also represented at a major anti-counterfeiting congress in Dubai in February this year. The Team are now focusing on producing reports and working with the EU on relevant directives as well as the EU-China IP Working Group.

The Geographical Indications Team is also planning a seminar, to be held in Jordan. In addition, chair Miguel Angel Medina explained that members are monitoring EU regulations on GIs, and are assembling further information, such as a list of books and regulations, as well as a database of decisions on GIs.

“There are now 15 Teams covering everything from amicus curiae to unfair competition.”

Daan Teeuwissen said that the Education Team is working with WIPO and other organizations to provide speakers for training seminars and events, as well as developing a number of new services, including examining responses from **MARQUES** members about the possibility of student memberships and putting a FAQ section on the website.

Members of the Unfair Competition Team have also taken part in numerous events in the past year, following its work on look-alikes and how they are treated in different countries. Paul Steinhauser said this research is due to be updated in the next year. The team is also preparing guidelines that could be distributed to **MARQUES** corporate members.

Porto to Noordwijk

A number of the teams are working on major projects for the Annual Conference, held each September. The Brands and Marketing Team, which led the focus at last year's meeting on advertising and young consumers, is now investigating the pitfalls of translating and transliterating trade marks, branding blunders and advertising mistakes. An inventory of blunders is due to be published on the website.

This year's conference in Noordwijk, the Netherlands will focus on “brands out of the box” and the IAM Team has done a lot of work on the topics to be discussed – which will include making IP issues accessible to non-trade mark specialists. The Team's latest project is a toolkit, which will be distributed at the **MARQUES** 2008 Conference (see page 3). Ben Goodger reported that the team has also been successful in lobbying over the proposed UNCITRAL Agreement leading to those parts of the Agreement that threatened IP rights being moved into an Annex, pending further discussion.

Willem Leppink, of the Programming Team, also reported that the 2009 conference would be held in Brighton, England with the theme being sustainable brands. Members of the Team are already preparing for this, 18 months ahead of time.

The Programming Team is one of a handful of Teams that focus primarily on helping the association run smoothly, managing issues such as publications, promotion and membership. Hanne Weywardt conducted a brief survey of views on publications and the website, which **MARQUES** is looking to develop. Finally, Ken Taylor gave a very upbeat report on membership, noting that 124 new members had joined in 2007. He also explained some of the incentives that are being introduced to encourage more members, particularly from corporations.

James Nurton is managing editor of Managing IP magazine.



Anti-piracy hopes up as mainland cleans act

The Beijing Olympics this year is leading the Chinese government to develop a clean, healthy environment. This includes tackling counterfeit goods, says Tan Loke Khoon.

As the countdown to the 2008 Summer Olympics continues, the Chinese government is accelerating its efforts to reduce carbon emissions in the capital. Coal-spewing factories have been shuttered or relocated to the remote outskirts of town. Cars and trucks have been banned from areas around the city centre. The city subway is being vastly expanded.

Why this extraordinary energy and commitment to putting up a green Olympics? Simple. The games offer China the ultimate opportunity to showcase its vibrant, modern economy and international ambitions.

Its international reputation depends on being able to ensure a clean, healthy environment for athletes, visitors, and citizens, so Beijing will spare no cost to ensure the games go off without a hitch.

Another type of pollution that the country has been trying to combat before the games is IP rights piracy, which poisons the market for consumer goods by supplying unsafe, sub-standard products often made in underground, polluting factories.

If environmental degradation is the downside of

Get your stick at Noordwijk!

This year **MARQUES** will be giving a special present at its Annual Conference in Noordwijk. A USB stick with a complete intellectual asset management (IAM) 'Toolkit' will be handed out as part of the delegates' pack. This useful gadget, provided by the **MARQUES** Intellectual Asset Management (IAM) Team, is intended to be a means to help delegates raise the awareness of brands as valuable business assets within organisations, and to give advisers some ammunition to convince their clients that the issue needs to be taken seriously.

The "Brands out of the Box" theme of the conference is based on a suggestion of the IAM Team and preparing this stick is one of the things the IAM Team is doing to support this theme. The stick will be loaded with material that will be useful to both in-house members and private practice advisers to help communicate the importance of good intellectual asset management.

At least the following items will be included on the stick:

- A generic PowerPoint presentation that can be used for your own presentation, either as a whole or by taking separate slides from it and combining it with your own material. The slides will come with explanatory notes, enhancing their usability, and will be focused on the impact of good intellectual asset management on the value of a brand.
- Some case studies, clearly showing the dos and don'ts in trade mark management,
- such as the horror stories about losing a brand to a competitor as a result of non-use or the fading away of a once exclusive right into the common language as a result of generic use. All will be relevant to the impact it has on asset value.
- A list of catch phrases our team has come up with, such as "Cherish Your IP Value. Think ahead. Stay Ahead" or "Align Your IP with Your Business Strategy" which may come in handy if one needs to prepare educational material for use within an organisation or when, in general, attention is needed for any communication about intellectual asset management.
- Articles/general material such as an article on why business managers must embrace IAM and a short general introduction to intellectual property will also be included.
- And after Noordwijk, we want to stay in touch. Therefore, the USB stick can be



Boudewijn van Vondelen

updated by visiting the **MARQUES** website, and checking for new tools.

We are doing our best to get as many ideas and examples of best practice as we can but **MARQUES** would be grateful for any further input. If you want to contribute ideas/materials/case studies to the IAM Toolkit USB stick, please contact Boudewijn van Vondelen (boudewijn.vanvondelen@nautadutilh.com) or any member of the IAM Team. We would be delighted to receive your contribution or listen to your ideas for any additional content that would help to make this tool even more valuable.

China's remarkable economic growth, so too is counterfeiting. Rampant piracy has provided a highly lucrative way for local firms to piggyback off western, and increasingly mainland, companies.

Ultimately, counterfeiting may sap foreign investor confidence. As air pollution can drive off expatriate workers and foreign investment, a worsening climate for IP rights makes the mainland less attractive for business.

Now, the government is working hard to ensure games memorabilia sold is legitimate. Copyright protection campaigns have urged residents to report offenders. Massive and increasingly frequent raids of high-profile targets have been conducted.

The effort seems to be working. Media have reported that, in most quarters of Beijing and elsewhere, it is nearly impossible to find many counterfeits. If the mainland does succeed in eliminating most of its counterfeit products, this may lead to greater enforcement of IP rights overall. A victory could lead in the long run to real, sustainable change and greater respect for IP rights in the nation as a whole.

On the other hand, local success may merely further ratchet up tensions between China and the United States by offering evidence that it is less committed to enforcing foreign firms' rights than protecting its own property.

With a piracy complaint pending against China

at the WTO, it may take more than a one-off to convince some critics.

The hope is that the drive to brighten up the mainland's environmental image will outlast the games and that the intensity of resistance to counterfeiters of Olympics memorabilia will convince people that protecting IP rights is in their best interests and best in keeping with their bid to polish their image.

Meanwhile, the battle continues.

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“Copyright protection campaigns have urged residents to report offenders. Massive and increasingly frequent raids of high-profile targets have been conducted.”

Keyword advertising under scrutiny

The use of others' trade marks in keyword advertisements is attracting more attention from brands owners and the courts. Below, Franck Soutoul and Jean-Philippe Bresson argue that the latest developments in France should help rights owners take action against websites. But opposite, David Stone and Alan McBride say that a recent change to Google's AdWords policy in the UK is bad news for brand owners.

In recent years, Google and eBay have probably become the most common places to encounter trade mark infringement. However, technical limitations and the sheer number of websites concerned have led some trade mark owners to refrain from taking action to deal with the problem. In this context, the recent ability to act in France against all eBay auction websites may be of particular interest to trade mark owners.

Two eBay decisions

The Paris Court of First Instance issued two decisions on 14th December 2007 against French and foreign eBay auction websites. In the first proceeding, French company Louis Vuitton sued the Swiss company eBay International and US company eBay Inc for trade mark infringement before the French court. Louis Vuitton's complaint was directed against eBay because internet users were led to eBay's US and French websites when entering mistaken key words such as "vuiton" or "vitton" or even "lv" on the Google and Yahoo search engines.

In the second proceeding, Christian Dior, Kenzo, Givenchy and Guerlain were similarly suing eBay International and eBay Inc for trade mark infringement. The perfume companies' complaint was directed against the hypertext links inviting users to the US and French eBay websites that appeared on search engines Google, Yahoo and MSN when searching for the plaintiffs' company names and/or their exact perfumes' names.

In these two proceedings, the French judge found that there was trade mark infringement by the eBay companies consisting in the reservation and broadcast of advertising on search engines in the form

“The Court regarded as pointless the question whether or not French consumers could purchase the products offered on the US eBay website.”

of hypertext links to eBay websites.

The Court regarded as pointless the question whether or not French consumers could purchase the products offered on the US eBay website that were accessible through the hypertext links. This is interesting as eBay sellers can restrict the shipping location to the US territory only and even apply strict conditions stopping technically foreign bidders from being able to make any bid in eBay US auctions.

For the Court, use of only the English language in the US eBay auctions was not regarded as necessarily excluding the French public from the group of possible buyers. The accessibility of the eBay websites in France through hypertext links was all that counted for the judge.

Three requirements

There are three requirements for taking action against domain names and/or web pages for trade mark infringement under French practice: first an active website, second an identity or a similarity between the content of the websites and the products and services run under the infringed trade mark and, third, content in the French language or alternatively an offer for sale of products or services with delivery to France.



Franck Soutoul



Jean-Philippe Bresson

French case law had been ambivalent on the effect of English web pages on the French public requirement. On 7th February 2006, the Nice Court of First Instance considered that an English web page could be regarded as aimed at the French public without difficulty. But the Paris Court of Appeal ruled on 27th September 2006 that an English web page was not aimed at the French public and thus it excluded the competence of French jurisdiction.

With these two decisions of December 2007, the question is settled: the English content of web pages is not a bar to the competence of a French judge who is empowered to find that there is trade mark infringement on the French territory.

Impact on Google

The solution is the opposite of the case law that now applies for Google websites. A decision of 11th October 2006 had first favourably settled the French competence by admitting a trade mark counterfeiting case against the German version of Google because the IP address of the computer of a French user led to a search performed in French.

On 6th June 2007, the Paris Court of Appeal however decided to grant French competence only when "a sufficient, substantial or significant link exists between the facts and the purported prejudice". This means that the products and/or services concerned must be presented in French and/or at least be offered or accessible to French consumers without ambiguity.

The eBay solution enlarges the possibilities for action. The specific circumstances of the two eBay proceedings can be regarded as accessory to the French competence principle retained by the Court. The French competence could indeed be extended directly over the US eBay and any other foreign eBay websites (25 national eBay websites exist) and more generally to any other auction websites just due to the unauthorised use of trade marks and counterfeit products being offered for sale in France.

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“The eBay solution is the opposite of the French case law that now applies against Google websites.”

Google revises UK and Ireland complaint procedure

In a disappointing move for brand owners, internet giant Google has made a policy revision that applies to complaints it receives regarding trade mark use in the UK and Ireland. Starting on 5th May 2008, Google will no longer review a term as a key word trigger that corresponds to another's trade mark.

Advertising on Google

In 2000, Google launched AdWords, an advertising product offering pay-per-click advertising and site-targeted advertising for both text and banner advertisements. Advertisers select key words to trigger their online advertisement and pay a fee when a user clicks on them. Advertisements for relevant key words are shown as "sponsored links" on the right hand side of the screen.

Trade marks are often used as key words in advertisement texts and, not surprisingly, unauthorised use of trade marks has resulted in disputes. In response, Google launched an AdWords complaint procedure through which trade mark owners can register a complaint about the use of their trade mark without consent. After reviewing a complaint, Google undertook to require the advertisers to remove the trade mark and to prevent further use of the mark.

Change in policy

However, from 5th May 2008, Google will no longer monitor or disable a key word trigger corresponding to a trade mark. In addition, Google will now permit key words that had been disabled as a result of a trade mark investigation to be used again on its internet site. Google argues that the new policy, which has already been implemented in the United States and Canada, will encourage trade mark owners to resolve their disputes directly with advertisers.

Google's new policy removes a valuable tool trade mark owners have had to protect their brands in the United Kingdom and Ireland. Although Google is offering a limited courtesy investigation of complaints regarding advertisement text purported to be in violation of a trade mark, it is unlikely to provide a solution to trade mark abuse on its site. Moreover, the courtesy service will only be available for "reasonable complaints" however the criteria for determining which complaints are "reasonable" have not yet been defined – they would appear to fall under Google's absolute discretion. But, even if an investigation takes place, Google will no longer disable the relevant key word, permitting its use by the same or another advertiser.

Tools such as the eBay VeRO program are important arrows in a brand owner's quiver of protection tools. Website providers shouldn't be able to wash their hands of the trade mark infringements occurring on their sites because of the great volume of traffic. Especially where Google is offering an AdWords function (for a fee!), it must remain responsible for ensuring it doesn't sell the right to infringe a third party's trade mark.

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Links

Google AdWords information: <https://adwords.google.com>

eBay's VERO program: <http://pages.ebay.com/help/tp/programs-vero-ov.html>

How strong is “Bayerisches Bier”?

The ECJ is set to rule on a landmark case over geographical indications. Anja Franke examines the facts of the case and the questions referred.

Following the Italian Court of Appeal of Turin (Corte d'Appello di Torino), the German Federal High Court of Justice (Bundesgerichtshof) has now also referred several questions for a preliminary ruling to the European Court of Justice in order to be able to decide in a conflict that involves the known protagonists Bayerischer Brauerbund eV and Bavaria NV and the question of how far the scope of protection of the geographical indication “Bayerisches Bier” reaches.

The plaintiff, Bayerischer Brauerbund eV, forms the umbrella association of the Bavarian breweries. According to the articles of association it is obliged to act against the unauthorised use of the designation “Bayerisches Bier”.

The defendant, Bavaria NV, a Dutch brewery, owns International Registration 645349 with a priority date of 28th April 1995, designating Germany (see illustration). The trade mark is registered for “beers” and other goods in class 32.

Bayerischer Brauerbund claims that its protected geographical indication (PGI) “Bayerisches Bier” is infringed and is suing for Bavaria’s consent to the revocation of protection of the German part of the International Registration.

The lower courts, the District Court of Munich (Landgericht München I) as well as the Higher Appellate Court of Munich (Oberlandesgericht München), granted the claim and Bavaria lodged an appeal on points of law.

Far-reaching protection of GIs

In 1994, the Federal Republic of Germany applied for the registration of the term “Bayerisches Bier” as a PGI under the simplified procedure, which was provided for by Article 17 of Regulation (EEC) No

2081/92 on the protection of geographical indications and designations of origin for agricultural products and foodstuffs. Eventually, in 2001, the European Commission accorded the PGI to Bavarian brewers by means of the Commission Regulation (EC) No 1347/2001.

The simplified procedure gave Member States the chance to inform the European Commission within six months of the entry into force of the Regulation of their legally protected names or, in those Member States where there was no protection system, of their names established by usage. However, it did not provide for any right of objection and was abolished in 2003.

The protected names remain in the EC Register and enjoy protection.

Regulation (EC) No 510/2006, which repealed and replaced Regulation No 2081/92 in 2006, provides for far-reaching protection for PGIs by prohibiting, for example, (a) any direct or indirect commercial use of a registered name; (b) any misuse, imitation or evocation, even if the true origin of the product is indicated or if the protected name is translated.

Consequently, the Federal High Court of Justice is also considering allowing the claim. The fact that the International Registration indicates the origin of the products, namely “HOLLAND”, is irrelevant. The main question is whether the Regulation under which “Bayerisches Bier” was registered is valid. This issue has already been addressed by the Italian court, which dealt with a similar case and referred corresponding questions to the ECJ in 2007.

Priority date of GIs

The Federal High Court of Justice focuses in particular on the subsequent question



whether “Bayerisches Bier” owns a better priority than International Registration 645349.

The current provision, Article 14 of Regulation No 510/2006, reveals the application date of a geographical indication as the relevant date but under the former simplified system only the registration, not the application of the geographical indication, was published.

The Federal High Court of Justice raises the question whether this provision also applies to those geographical indications that had been accepted under the simplified procedure and, if so, which date is decisive in order to determine the priority date. Provided the Regulation is declared valid, the answer to these questions will have a great impact on the outcome of the case. While the application for registration of “Bayerisches Bier” was filed at the beginning of 1994 (prior to the priority date of 28th April 1995 of International Registration BAVARIA HOLLAND BEER) it was registered only seven years later.

The second question concerns the situation that the Regulation is declared invalid but the designation Bayerisches Bier fulfils the requirements for a registration under the pertinent Regulations. The ECJ will have to decide if, in this case, Bayerischer Brauerbund can rely on national provisions for the protection of geographical indications.

Links:

BGH, Decision of 14 February 2008 – I ZR 69/04; www.bundesgerichtshof.de

Bavaria NV and Bavaria Italia Srl v Bayerischer Brauerbund eV; MARQUES Case Database, Case Number 29/07

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Meeting with judges to be held

MARQUES is holding a meeting with the Spanish judges of the Community trade mark courts at OHIM in Alicante on June 11.

This is the first in a programme of conferences that aim to promote study and collaboration between trade mark holders and judges of the Community trade mark courts in various EU countries.

This meeting will offer presentations from the Community trade mark judges in Alicante followed by open discussions between the judges and seminar participants. The Spanish judges will give lectures on the main subjects that concern Community trade marks.

A report on the meeting will be included in the next issue of the MARQUES Newsletter.

New Romanian Law on utility models

Utility models can now be protected in Romania. Andrew Ratza considers the opportunities for brand owners.

According to National Law No 350/2007, utility models can now be protected in Romania, for the first time.

A utility model is an exclusive right granted for an invention, which allows the owner to prevent others from commercially using the protected invention, without his authorization, for a limited period of time. In its basic definition, which may vary from one country to another, a utility model is similar to a patent. In fact, utility models are sometimes referred to as "petty patents" or "innovation patents".

The main differences between utility models and patents are:

The requirements for acquiring a utility model are less stringent than for patents. While the requirement of "novelty" is always to be met, that of "inventive step" or "non-obviousness" may be much lower or absent altogether. In practice, protection for utility models is often sought for innovations of a rather incremental character, which may not meet the patentability criteria.

The term of protection for utility models is shorter than for patents and varies from country to country (usually between seven

and 10 years without the possibility of extension or renewal). In Romania, the protection is granted for six years from the application date.

The utility model protects, within the meaning of this law, any technical invention, provided it is new, exceeds the level of mere professional skill and is susceptible to industrial application.

The following, in particular, are not regarded as inventions:

- a) discoveries, scientific theories and mathematical methods;
- b) aesthetic creations;
- c) plans, principles and methods in exerting mental activities, games or in the field of economic activities, as well as computer programs;
- d) presentations of information.

Also, utility model protection shall not be granted for registration in respect of:

- a) inventions the commercial exploitation of which would be contrary to public policy or morality, including those harmful to human, animal or plant health or life, or that could seriously harm the environment, provided that exploitation

shall not be excluded merely because it is prohibited by law or regulation;

- b) plant or animal varieties;
- c) inventions having as subject matter a biological material;
- d) inventions having as subject matter a product represented by a chemical or pharmaceutical substance;
- e) inventions having as subject matter a procedure or a method.

The registered utility model confers on its owner an exclusive right to exploit the invention for the entire term and to forbid, without his consent, the performance of the following acts: manufacturing, use, offer to sell, sale or import for use, offer to sell or sale of the invention that is protected by the utility model.

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Andrew Ratza

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Win for Madrid System users

At its 5th meeting last month in Geneva, the Working Group for the Legal Development of the Madrid System for the International Registration of Marks agreed to recommend an important change to the system. The recommendation must be adopted by the General Assembly in September 2008, but it is likely this will happen.



Jane Collins

“The changes will mean that all designated offices must issue a Statement of Grant of Protection for each successful designation.”

The changes will mean that all designated offices must issue a Statement of Grant of Protection for each successful designation.

MARQUES had pressed the Working Group to break with one of the traditional principles of the system. The Madrid Agreement that has been in operation since 1891 was based on the principle of the so-called tacit acceptance. This meant that the designated offices would only report on obstacles to a designation through irregularity notices. In other words, if the applicant had received no information regarding a designation, the right would automatically be fully established at the end of the 12-month deadline.

However, when the Protocol started running from 1996, this examination deadline was extended to 18 months with the possibility for further time for opposition for many countries. 18 months is a long time to wait when in practice many offices will nowadays examine in less than a year.

When the safeguard clause came up for discussion in 2005, it was time for users to ask for changes. Initially MARQUES pushed for a level of service that reflected the fee, i.e. when individual fees were charged, those offices should send information on the progress of the designation. This would mean that users would not be concerned about whether the deadline was 12 or 18 months. Users were looking for legal certainty and prioritised it over requests for

speed which in any case was a matter for national discussion rather than discussion at WIPO.

“I have attended all meetings of the Working Group, and it was clear from the beginning that we were proposing something quite new. It was difficult to grasp what we were trying to achieve, especially considering that we were asking to change a system that had been around for more than 100 years”, says Tove Graulund, Past Chairman of MARQUES. “We were especially pleased when Australia put forward a proposal that we recognised and could fully support”.

Even if offices will still not report all progress of a designation, the fact that Statement of Grant of Protection will be sent means that applicants will have legal certainty, and not less importantly that third parties will be able to see the status of a designation when conducting searches.

“Unfortunately, there will be no obligation for offices to send the statements before 1 January 2011, but we have learned to be patient and consider this a major step for brand owners” says Jane Collins, Chairman of MARQUES. “We intend to keep an eye on developments and will encourage offices to start as soon as possible and not to wait till the last day”.

The meetings were chaired by Antonio Campinos, Director of the Portuguese Office.

The 6th meeting of the Working Group is scheduled for November this year. The plan is to discuss a proposal from Norway regarding the possibility to drop the requirement for a basic registration and a Japanese proposal for dealing with different script versions of a trade mark. Other topics including improvement of electronic communications and on-line services are also envisaged.

After getting through discussion of the so-called safeguard clause at the last meeting resulting in the overall implementation of the Protocol rules with two exceptions, the only point on the agenda for May’s meeting was ‘Improving Accessibility of Information on the Fate of International Registrations in Designated Contracting Parties’.

In preparation of the meeting the WIPO Secretariat had put together a paper with draft amendment of the Common Regulation based on a proposal by Australia, and new wordings of rule 16, 18bis and 18ter will be recommended to the General Assembly for adoption as of 1st September 2009.

A guide to INNs in India

Trade mark laws have to distinguish between proprietary names and generic chemical names. Manisha Singh examines the situation in India.

India's Trade Mark Law does not specifically address the needs of the pharmaceutical industry; nonetheless there are unique rules of nomenclature and trade mark selection for pharmaceuticals. A trade mark can be registered if it consists of a distinctive name, symbol, character or a word that helps to identify the source or the manufacturer of the product. In the case of pharmaceuticals, it is a familiar practice to name a pharmaceutical preparation based either on its chemical composition or the disease or the organ it treats. This facilitates prescription and association of the drug to a particular ailment by pharmacists, health professionals and consumers alike. Examples are Ciplox, Cofex and Liv-52.

However the chemical names or generic names as such cannot be registered as trade marks in view of the restriction prescribed by Section 13 of the Trade Marks Act 1999: "No word (a) which is the commonly used and accepted name of any single chemical element or any single chemical compound (as distinguished from a mixture) in respect of a chemical substance or preparation, or (b) which is declared by the World Health Organisation and notified in the prescribed manner by the Registrar from time to time, as an international non-proprietary name or which is deceptively similar to such name, shall be registered as a trade mark and any such registration shall be deemed for the purpose of section 57 to be an entry made in the register without sufficient cause or an entry wrongly remaining on the register, as the circumstances may require."

Such names are also disqualified by section 9 of the Act dealing with absolute grounds of refusal of registration, which disqualifies names devoid of any distinctive character or names that have become customary in the

established practices of trade (chemical names of the drugs in the present instance).

Chemical names and INNs

The chemical name is a scientific name originating from the chemical structure of the compound and is not used to identify the drug in clinical trials or marketing. The generic name is granted by the USAN Council and is commonly used to identify a drug during its useful clinical lifetime. The trade mark identifies the drug in marketing and use that is adopted by the company that patents the drug. Thus, nomenclature and classification of pharmaceutical products is an issue of strategic importance and gives a huge market potential for manufacturers and distributors.

International non-proprietary names (INN) identify pharmaceutical substances or active pharmaceutical ingredients. They are unique names distinctive in sound and spelling so as not to be susceptible to confusion with other names in common use. INNs are in the public domain and serve the purpose of clear identification, prescription and dispensation of medicines by health professionals. As a general rule, trade marks cannot be derived from INN and, in particular, must not include their common stems. The list of INNs for pharmaceutical substances has around 7,000 names since its first publication in 1953. WHO has a constitutional task to "develop, establish and promote international

“The use of INNs is escalating with the growing use of generic names for pharmaceutical products.”



Manisha Singh

standards with respect to biological, pharmaceutical and similar products”.

The use of INNs is escalating with the growing use of generic names for pharmaceutical products. In this regard, trade marks play a significant role once a product has fallen out of patent protection and generics enter the market. To curb this trend a way out could be that applications for trade mark registration with respect to pharmaceutical substances should disclose the generic name of the substance. In conclusion, to be on the safer side pharmaceutical companies should cautiously exercise the choice of naming their products with trade names derived from the chemical or generic name because the generic familiarity in the name also dilutes the proprietary right over the trade name.

There can be no monopoly over a chemical name which is descriptive of a particular ingredient.

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Write for the MARQUES Newsletter

All MARQUES members are welcome to submit articles for publication in the Newsletter. Articles should be submitted by email, and should be about 500 words in length. Relevant photographs and illustrations should also be submitted. MARQUES considers publishing articles on any topic that is of interest to members, in particular case reports, details of new legislation, government initiatives, deals, IP strategy and other trade mark-related developments.

If you would like to submit an article, please contact the editor (editor@marques.org) well in advance of the deadline, with details of the subject you propose to cover. You can also contact any of the country correspondents listed on the MARQUES website. Everyone is welcome to contribute to the Newsletter, whether or not you are listed as a correspondent. The deadline for the next issue is 15th June 2008.

Interview: Susanne Skov Nilsson

Susanne Skov Nilsson of VKR Holding is one of two vice chairs of **MARQUES**. We asked her about her work, her role with the association and expectations for the future.



Susanne Skov Nilsson

How did you become involved in trade marks?

When I started with VKR Holding about seven-and-a-half years ago, I applied for a position as a general in-house lawyer. At about the same time the head of trade marks left and they asked me if I would like to consider that position instead, and I did, so I agreed. Before that, I was in the Ministry of Finance – so a very different area – but I was immediately hooked on IP, and I wouldn't consider changing now.

How big is your team?

At the moment, we're four people. The trade mark attorneys also do work outside of the Trade Marks Department in our Legal Services Department, which is like an external law office but working in-house only for the company group. We also do work for the boards of various daughter companies.

VKR Holding is the mother company for a number of companies trading mostly in building materials. Our mission is to create a number of model companies and the vision is to give daylight and fresh air and better living environments to people. Our main business areas are roof windows, vertical windows, natural ventilation, solar energy and decoration and sun-screening products.

We have a lot of different brands. The most well-known we have is VELUX for roof windows, which is a market leader in most of the world. We have other brands in other areas. An important new area for us is thermal solar energy, which is very interesting as it's a way of creating energy that is non-polluting. We are investing quite a lot in that area and have bought several companies in the last two years.

How important are brands in your industry?

There's a lot of competition in the window industry. What sells your window is your

brand, so you have to have a really strong brand to succeed. To the consumer it's just a window. We need to show that our quality is much better: for example, a VELUX roof window will not leak, even in storms, and it is much more elegant in the way it is built into the roof. It's all about putting quality into your brand, and the brand really sells the product.

How big is your portfolio?

We have about 4,000 trade mark registrations and it's growing quite rapidly. We have a large number of pending applications.

Our major market at the moment is Europe. But we are expanding into Asia; China in particular is a target market for us. The US and the former Soviet states are also becoming important.

Naturally, we use the Community trade mark in Europe, but we actually use the Madrid Protocol quite a lot too. For brands that are strong all over Europe we will generally use the CTM but for brands that are mainly in the UK, Ireland or Scandinavia we will use the Madrid Protocol. Our choice of registration system – CTM, Madrid or national – is based on a strategic decision every time.

How did you become involved in MARQUES?

Various contacts made me aware of it, not least Massimo Sterpi of Jacobacci who is on the MARQUES Council, and former chairman Tove Graulund who is a Danish colleague and whom I knew quite well.

What does being vice chair involve?

It means having a place on the executive team, which oversees everything going on in **MARQUES**, and also taking an active part in a lot of projects going on in **MARQUES**. It also involves being part of the lobbying – networking with authorities, the local trade mark offices, OHIM, WIPO, the European Commission and so on. These are all very important cooperative partners.

What is the biggest benefit of being part of MARQUES?

For me personally, it's very interesting and challenging and you get to meet people who are great experts in their area, some of the finest people in IPR in the world. You can have really interesting conversations and learn a lot from them. It's also interesting to explore the political side of trade marks because in daily life I'm very involved in the business aspects.

For my company, it's the network I'm getting here and the fact that I get better at what I do. It's also that we have some influence on where things are going politically. I can help steer the debate in a direction that's going to be useful for my company.

What are the big challenges for trade mark owners?

Everything is becoming more and more international. My company is in more than 60 countries and it can be quite difficult to get an overview and to know the different laws in each country. For us, it's very important that national laws are harmonized more and more. We've seen a tendency in that direction with the CTM and the Madrid Protocol, but there are still massive differences. Even a CTM can be treated differently in each EU country, when it comes to enforcement for example. With the Madrid Protocol, if you designate, let's say, 50 countries, your application will be treated differently in each country; the list of goods might turn out differently; the arguments you have with each local authority will be different. And when you get to enforcement it will also be different. So we would like to see more harmonisation in these areas.

Another big challenge for trade mark owners is the internet. It is, by definition, global but has to be regulated by local law, and the trade mark, copyright and other IPR-related laws are not very well suited for internet-related disputes at the moment. As trade mark owners, we experience a lot of problems with domain names, keywords and other internet features. It would be great if future legislation could focus more on these new communication tools, but I realise that it is a never ending challenge, because new technical features are introduced all the time.

For **MARQUES** it's important to become more and more influential in the political environment. Here the **MARQUES** teams are extremely important. The Council can only do so much and with **MARQUES** being mainly based on voluntary work by people who are already very busy in their jobs, we need a broad organisation with lots of active working groups. We've seen a big development in the work of the teams over the past couple of years and I would like to see them become more and more active.

I'm enjoying my work as vice-chair. It's a big thing for my company to allow me to take on a task like this, but I hope the company feels they are getting an employee who's very inspired and motivated in return.

Three areas of focus on the borders

In the third part of our series looking at **MARQUES** Team activities, Kalina S Tchakarova provides an update on the three main areas of focus for the Outer Borders Team.

Since its formation, the IP Outer Borders Team of **MARQUES** has been focusing on and exploring the most debated, controversial or challenging issues within the world of IP rights, such as trade marks, brands, geographical indications, industrial designs, domain names and copyright. The Team has collected and continues to collect information and different opinions from the relevant stakeholders within these areas and contributes to finding solutions to these issues and/or influencing public opinion on them.

At present the Team is working on three main projects, covering hot IPR issues arising on the internet, in politics and in religion.

It is beyond doubt that brands on the internet have been in focus for many years now. However, with the creation of alternative worlds on the internet, such as "Second Life", with more than 10 million subscribers, that are capable of living actively in that world through personalities created by their own choice, it appears appropriate to discuss the IPR issues and questions that such alternative worlds raise. People in the virtual world environment are exposed to advertising and given the possibility to spend for land, goods and services.



Businesses out there are actively offering and selling branded goods and services.

Similarly to the real world, in a virtual world environment some businesses play by the rules while others, trying to take advantage of new opportunities, violate rights that are well protected by traditional means in the outside world. Virtual worlds are not falling behind with trade mark protection as well. Being a reflection of the real world, they are already opening patent and trade mark offices to offer IPR protection through registration.

Is this a new galaxy with new regulation or the good old planet changing in a way but sticking to the same rules?

The IP Outer Borders Team is collecting information to analyse the phenomenon and intends to discuss the issue further and introduce colleagues to the virtual worlds and their creatures at a workshop to be held during the **MARQUES** Annual Meeting to take place in Noordwijk September 16-19, 2008.

Politics

Politics is also catching up with developments. Nowadays political parties, as well as groups actively opposing certain political acts or ideas, exploit brands on a much larger scale than ever. Political and anti-political campaigns are well branded and distinguishable.



Both positive and negative messages are being sent in politics, through the use of someone else's brands.



In such an environment, it is more than expected that brand-related disputes involving politics are arising and will continue to arise. In the light of these developments questions such as "How much branding in politics do we need?" and "Where is the border point?" should be answered. Further, brand owners should be clear about the means to defend against use of their brands in a way that is detrimental to their reputation if that use was made in politics (that is, outside the course of trade).

Religion

It was not long ago that people would not associate a particular brand with a religion. Traditional symbols of religions did not rely on trade mark protection, but on conventional means to become and remain distinguishable, means that were used for many centuries and proven to be effective. Has this changed in a way? If brands were primarily associated with the so-called business world, is this still the case? Nowadays, if you take a closer look at brands in religion, you can easily find that brands are more and more actively used to protect names and symbols in religion – and not only to protect, but also to send messages to the public through use of purely religious symbols.



IR No 831704

The IP Outer Borders Team has prepared a questionnaire regarding cases based on use or abuse of religious signs in various countries in order to collect further information and analyse the issue on a global scale.

In the context of these developments, the questions of social responsibility of IP, how much IP protection do we need, what are the negative points and how to manage this increasing IP power in areas that are not traditionally IP-oriented seem to be a hot topic. Privileges, responsibility and exploitation of brands in virtual worlds, in politics and in religion open new floors for discussion by IP professionals, a discussion that no doubt will help us better understand the phenomenon and find adequate actions and reactions.

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Stricter test for “person aggrieved” in Malaysia

A recent dispute over the MCLAREN trade mark clarifies the test that someone seeking expungement of another’s mark must meet, says Gladys Mirandah.



The Malaysia Court of Appeal recently considered the question of what constitutes a person aggrieved in the context of the expungement of a trade mark from the Register. The importance of this is that section 45 of the Trade Marks Act provides that an application to rectify the Register can only be made by “a person aggrieved”.

In *McLaren International v Lim Yat Meen* [2007] 7 MLJ 581 the plaintiff was a British company associated with Formula 1 racing for the past 37 years. McLaren applied for a trade mark in relation to “articles of clothing, footwear and headgear” in 1999.

The defendant was the registered owner of the trade mark MCLAREN in Malaysia under number 92/02266. It had applied for the registration of the mark on 11th April 1992 and the certificate of registration was issued on 15th October 1995. The defendant contended that in 1992 it decided to venture into the footwear industry and thought up the word “McLaren” independently.

The word "MCLAREN" in a plain, all-caps, sans-serif font, enclosed within a thin rectangular border.

The defendant claimed he was not aware of the plaintiff or its professed ownership of the mark MCLAREN when coining the brand MCLAREN for his range of shoes in 1992. Further still, the word “McLaren” was practically unheard of in Malaysia even in connection with F1 racing, as no F1 racing broadcasts had been made to the Malaysian public prior to 1993.

On locus standi the plaintiff contended that the mere filing of its trade mark in 1999 qualified it as an aggrieved person. However the Court favoured a liberal approach whereby a person whose application for registration is obstructed will have the locus standi eschewed for a stricter approach of “substantial grievance” before qualifying.

The Court held that an aggrieved person must show that he is prejudiced in some way by the wrongful entry and found that here the plaintiff was not prejudiced, because when the defendant had registered the mark the plaintiff had no business in Malaysia.



Gladys Mirandah

This also meant that any loss to the plaintiff was speculative.

The test adopted by the Court of Appeal is therefore a strict test: the applicant for rectification must show that the impugned mark has affected his business as opposed to the mere fact that he has filed a competing trade mark application.

Links

Read the case here: http://www.kehakiman.gov.my/judgment/coa/latest/W-02-205-05%20_Maclaren_.pdf

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