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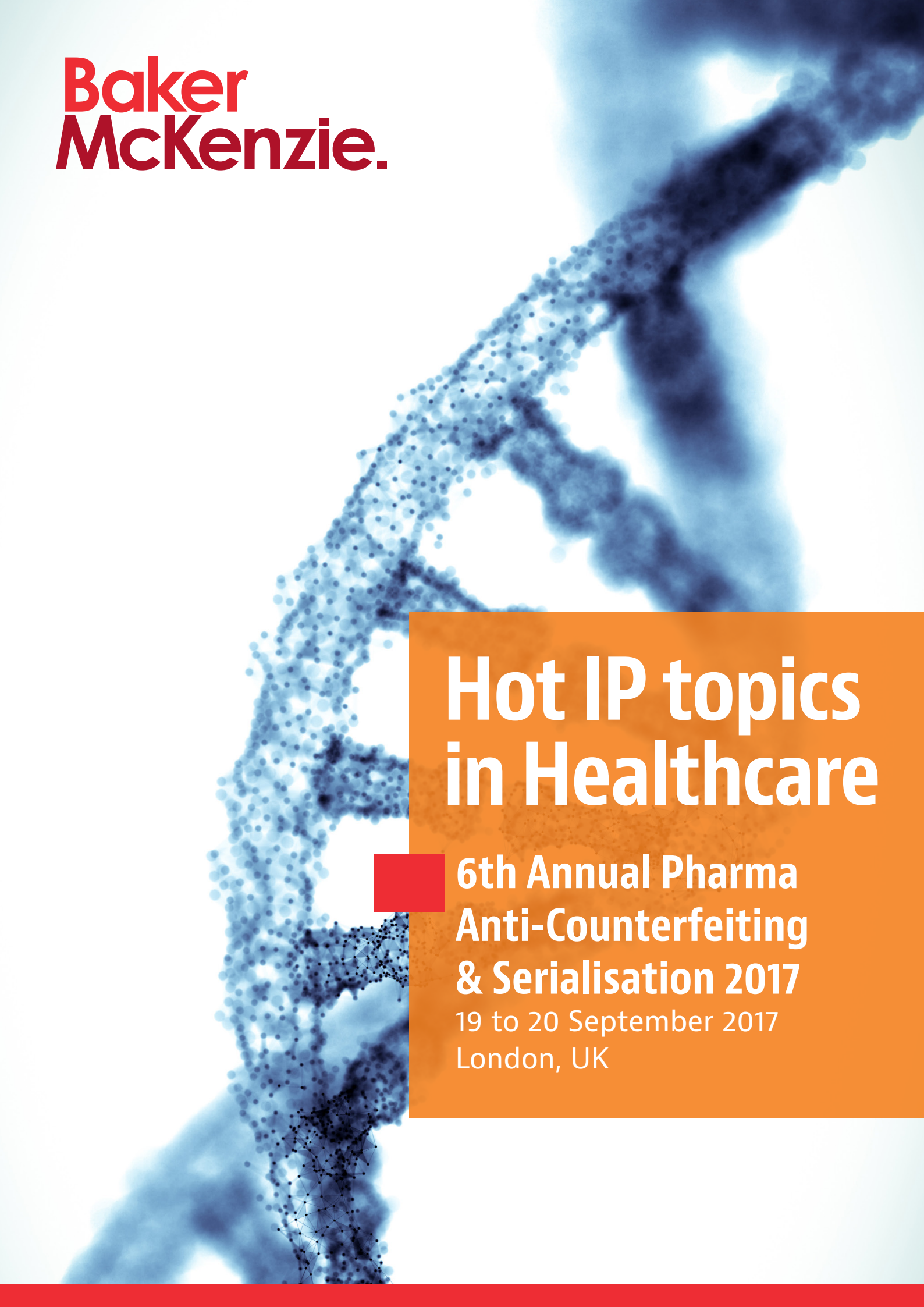


Hot IP topics in Healthcare

6th Annual Pharma Anti-Counterfeiting & Serialisation 2017

19 to 20 September 2017
London, UK

Healthcare goods and services - special rules on similarity?

Within the healthcare industry there is a broad range of distinct goods and services from pharmaceutical preparations to healthcare services. How do laws, courts and trademark or IP offices around the world determine whether goods/services are similar, particularly in the context of trademark protection and enforcement? Are there statutory tests, precedents or other standards on the similarity of healthcare goods/services which could help healthcare companies navigate trademark clearances and avoid third party citations, opposition, cancellation, or infringement disputes?

"Healthcare brand owners know how challenging it can be to develop a multi-jurisdictional brand that will not encroach on others' trademark rights and be acceptable to regulators. To confidently navigate the rules and at the same time ensure that your product or service stands out to your target market, you need to understand the impact of factors unique to this industry, such as the nature and purpose of the product, its distribution channels, the level of attention of the healthcare customer or the relevant consuming public, which can vary significantly in every jurisdiction you intend to launch," explains Rachel Wilkinson-Duffy (rachel.wilkinson-duffy@bakermckenzie.com), a trademark attorney in our London office.

Baker McKenzie will soon publish a guide to assessing the similarity of healthcare goods and services, exploring the standards and requirements around the world. If you would like to receive a copy of this when available, please contact GIPBDM@bakermckenzie.com.

The rise in importance of trade secrets to the healthcare sector: 48% of industry consider trade secrets to be more important than patents or trademarks

There are a number of reasons why trade secrets are seen to be more attractive than patents, including: automatic protection as opposed to the often lengthy and costly application process associated with patents, no need to disclose discovery and therefore benefit from "the edge" for longer, plus many more. The appeal of trade secrets was supported in the Board Ultimatum: Protect and Preserve* which Baker McKenzie published with Euromoney Institutional Investor Thought Leadership which found 48% of the healthcare respondents consider trade secrets to be more important than patents and trademarks. In addition, looking forward, 78% of the healthcare respondents foresee trademark protection as increasing in importance relative to other IP.

The study also found that one in three healthcare companies were aware that they have had valuable information/trade secrets stolen from them. This was the highest rate from across all industry groups, with the overall average being one in five. In relation to who and what presents the most likely threat for trade secret misappropriation, 60% of healthcare respondents feared that this was either from former employees (35%) or current employees (25%). Yet, despite the fear of theft from within the organization, 40% did not have trade secrets covered by their internal HR practices and policies.

These issues, and more importantly, what steps can be taken to address trade secret theft are discussed in the report and accompanying documents. There is also a webinar covering this topic specific for the healthcare sector and details can be found here*. We also have a Global Trade Secrets Handbook* covering the protection of trade secrets in over 30 jurisdictions. You can sign up for access to this online publication via our Global IP Suite (globalipsuite.bakermckenzie.com).

Bill Richardson (bill.richardson@bakermckenzie.com) is based in our Toronto office and is heavily involved in the Firm's healthcare group and wrote the Canadian chapter for the Global Trade Secrets Handbook.

Refer to the QR code library at the back of the brochure

Fighting criminals who trade in fake pharmaceuticals

Estimates on the size of the global counterfeit drugs market range from USD 75 million to USD 200 million, and in some low-income countries counterfeit medicines are estimated to make up an enormous 50% of online sales. In addition to the obvious dangers for users, there is no doubt that fake, or counterfeit, drugs and medicines are a very real and challenging problem for pharmaceutical companies. The impact a defective counterfeit product can have on a brand is momentous because the product will very often be harmful to users, either because it contains the wrong dose of active ingredient, it contains other harmful substances, is not fit for purpose or it contains no active ingredient at all and so cannot perform the effect it should. There are many lines of attack for drug companies to address this issue, including supply chain reviews, customs recordals and monitoring, as well as ensuring appropriate enforcement action is taken.

Seizing infringing products is a common remedy for trademark infringement, but is often ineffective in making a dent in the huge profits made by the large criminal organizations we see behind infringing pharmaceutical products. One way of making more of an impact is seeking to utilize proceeds of crime legislation which enables confiscation of assets, be it cash, property, cars, and other high worth assets that have been acquired as a result of criminal activity. In a recent report we looked at:

- where around the world trademark owners can bring criminal proceedings for trademark infringement;
- where proceeds of crime can be claimed; and
- whether such proceeds of crime awards are made to the State or an enforcement agency, or if they can be claimed by the brand owner.

Utilizing proceeds of crime legislation can be a useful tool to a trademark owner. To know which jurisdictions have such actions available take a look at our Proceeds of Crime Global Map*

For more information on IP enforcement, please contact julia.dickenson@bakermckenzie.com of our London office.

**Refer to the QR code library at the back of the brochure*

EU Trade Mark Reform Package goes into its second round: EUTM changes effective from 1 October 2017

The implementation of the ambitious EU Trade Mark Reform Package goes into its next round. While the amended EU Trade Mark Regulation already came into force on 23 March 2016, some provisions, which had to be developed by secondary legislation, will only apply from 1 October 2017.

This is a summary of the most important changes for healthcare brand owners, which includes the removal of the graphical representation requirement for EUTMs, the introduction of EU certification marks, and several notable procedural changes.

Abolition of the graphical representation requirement

One of the most important changes in the EUTM Reform Package is the abolition of the requirement for graphical representation, previously a fundamental requirement for registration of marks. This change aims to facilitate the registration process for non-traditional trademarks, such as sound marks, movement marks or multimedia marks.

What does it mean in practice? This means that signs can now be represented in any appropriate form using generally available technology provided that the "representation is clear, precise, self-contained, easily accessible, intelligible, durable and objective." This new "what you see is what you get system" is meant to increase legal certainty and reduce the objection rate for formality objections. The European Commission has also adopted secondary legislation, namely an Implementing Regulation and Delegated Regulation, which sets out these changes in greater detail. Article 3 EU Trade Mark Implementing Regulation (EUTMIR) specifies the (technical) requirements for the representation of the different types of trade marks, sets the acceptable formats and whether a description is required to obtain an EUTM when filing a trademark on or after 1 October 2017.

With these changes, brand owners will have greater (technological) flexibility when applying for non-traditional trademarks at the European Union Intellectual Property Office (EUIPO) since the Office will now accept various digital files, such as digital sound files (JPEG, MP3) or video files (JPEG, MP4). While a description can still be provided, this is now optional. It is now also possible to register "pattern" trademarks, which have to be represented by 'a reproduction showing the pattern of repetition.' Trademark owners should take this opportunity to review their portfolio and decide whether these changes may allow them to register additional important trademarks. Having said that, some non-traditional marks, such as smell marks, will remain a challenge to register.

EU Certification Marks

The amended EUTM Regulation also introduced certification marks at the EU level. Certification marks are already known to several national systems but from 1 October 2017 it will now also be possible to obtain these on an EU level.

EU certification trademarks are not owned by the actual manufacturer or supplier of the goods and services covered by the mark but by a separate body (the certifying institution) which is responsible for certifying and monitoring that the goods and services provided under the certification mark comply with certain quality standards. Unlike collective marks, certification marks are open to any public or private entity and the certifying body will be able to permit adherence to the certification system, provided that the members comply with the regulation governing its use. The latter has to be filed by the owner of the certification mark together with the certification mark

or two months after its filing date. The governing regulation of a EU certification trademark also includes information such as use conditions, conditions for membership in the certification scheme, the characteristics to be certified, as well as testing and supervision measures.

Notable procedural changes

Acquired distinctiveness as a subsidiary claim: Acquired distinctiveness can now be filed as a subsidiary claim, so that it will only be triggered if there is a negative final decision on inherent distinctiveness of a trademark. This is good news for applicants, who do not need to incur the expense of gathering and presenting evidence of use unless it is necessary. The claim can be made either together with the EUTM application (the EUIPO's e-filing form will allow applicants to mark acquired distinctiveness as a subsidiary claim), or in reply to the first objection in an official letter *(Article 2(2) EUTMIR).*

Claiming priority: Claims for priority must now be made together with the EUTM application, and the supporting documents have to be submitted within three months from the application date. If the supporting documents are not in one of the languages of EUIPO, the office may request a translation *(Article 4 EUTMIR).*

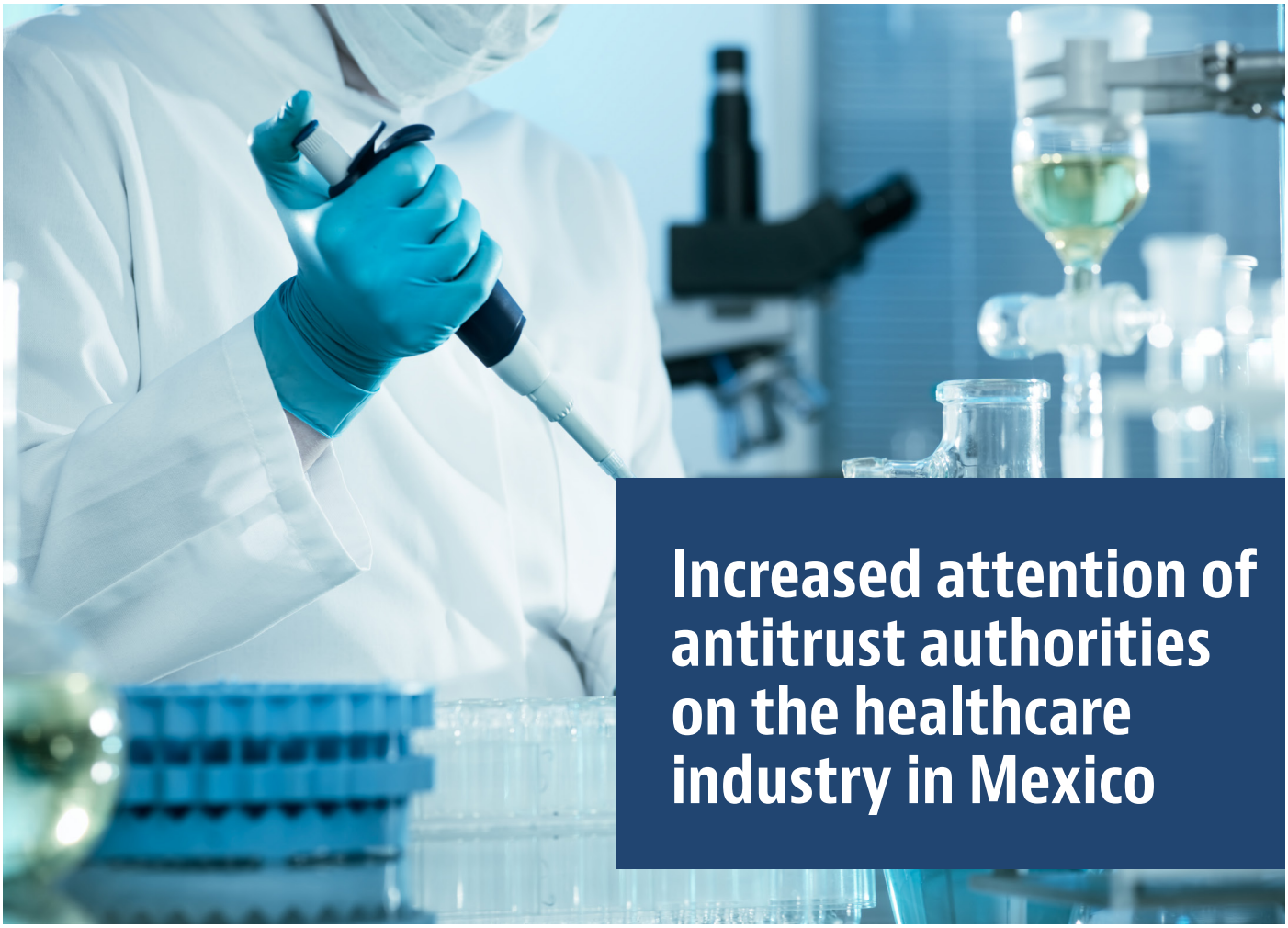
Presentation of evidence: New formal requirements for written evidence in all proceedings have been introduced. Evidence must be presented in annexes, clearly identified, indexed and referenced (including number of pages).

Referrals to online sources: Substantiation of earlier rights by referring to certain recognized online resources (including online databases of national and regional EU IP offices, EUIPO databases and TMview) is now possible *(Article 7(3) and 16 (1)(c) EUTMDR).*

Language and translation rules: As previously, most evidence of substantiation (except certificates of filing, registration and renewal or provisions of relevant law) may be filed in any language of the EU. However, if another language than the language of the proceeding is used, a translation will now only be required where specifically requested by EUIPO, either ex officio or upon reasoned request by the other party. This requirement will apply, for instance, to evidence acquired distinctiveness or reputation. Certificates of filing, registration and renewal or provisions of relevant law must however still be submitted in the language of the proceeding (or translated). Simplified translation rules have also been introduced, and a translation may now be limited to the relevant parts of a document (Article 24-26 EUTMIR).

All of the changes have been included to the newest edition of the EUIPO Guidelines which are already available on the EUIPO's website.

For more information, email alexandra.persson@bakermckenzie.com (Stockholm), alicja.zalewska@bakermckenzie.com (Warsaw), or birgit.clark@bakermckenzie.com (London).



Increased attention of antitrust authorities on the healthcare industry in Mexico

Healthcare has become an area of increased interest for The Mexican Competition Commission (COFECE) which has led to a several recent actions and cases. Actions and cases include several milestones: Confirmation by the Supreme Court of Justice of a resolution where it recognized economic analysis is a valid form of indirect evidence to anti-competitive conducts; launch of a large market investigation in relation to the market of expired patent medicines; issuance for the first time of both structural remedies and behavioral remedies to an approved concentration in the healthcare industry; launch of several cartel investigations both in public and private markets, including the manufacture, distribution and commercialization of drugs, as well as the public acquisition of blood bank and diagnostics services. Also, COFECE released its Annual Work Plan for 2017, including actions aimed to enhance competition in strategic and key sectors; one of these sectors is healthcare, and more specifically, the medicines market and the closely related government procurement processes. Finally, for the first time in Mexico, COFECE submitted to the Federal Attorney General, a request to initiate a criminal proceedings against diverse individuals allegedly engaged in cartel conduct in public tenders concluded by the public health sector between 2009 and 2015. This increased attention of antitrust authorities is consistent with trends in other jurisdictions.

For further information on this please contact christian.lopez-silva@bakermckenzie.com of our Mexico City office.

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