Welcome to the 6th edition of the International Associates Action Group Newsletter. We are still looking for contributors so please get in touch with me at david@gearhartlaw.com If interested in becoming a editor or just want to get involved in our Action group please do let myself or Cristina Guerra know. See you next Month!

Yours,

David Postolski

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COCA-COLA ABOUT TO MAINTAIN MONOPOLY IN THE EU OVER THE “SPENSERIAN” SCRIPT

In re T-480/12 Coca-cola v OHIM/Mitico (decision of December 11, 2014), the General Court orders the review of the OHIM’s decisions which had rejected in their entirety Coca-Cola’s claims.

BACKGROUND TO THE DISPUTE

On May 10, 2010, Modern Industrial & Trading Investment Co. (hereinafter “Mitico”) files Community trademark application for the following stylized trademark, among the others, in class 32.

The above-identified trademark has been used in commerce as depicted below.

After publication, the Coca Cola Company (hereinafter “Coca-Cola”) files opposition pursuant to art 41 of Regulation No. 207/2009 based on the following earlier stylized trademarks, covering, among the others, class 32.

Community Registrations:

| Trade mark No 8 792 475 | Trade mark No 3 021 086 | Trade mark No 2 117 828 | Trade mark No 2 107 118 |
UK Registration:

Thereafter, the OHIM Opposition Division and the Board of Appeal reject the opposition and dismiss the appeal in its entirety.

**GENERAL COURT RULES IN FAVOR OF COCA-COLA**

The Board of Appeal Stated that although Mitico was *free-riding*, namely, it “deliberately adopted the same get-up, imagery, stylization and font and packaging’ as Coca-Cola [...] it could not do so in the context of the specific provision of Article 8(5) [of Regulation No 207/2009], which must only take into account [Mitico]’s mark for which registration is sought”.

The main issue for the General Court to be solved is how to determine likelihood of confusion taking into account that there is no textual overlap between the word elements while such elements are all in “Spenser” script.

Thus, the Court states that “quite apart from the particular distinctive character of the Spenserian script, with its elegant flourishes and other embellishments, the fact remains that the use, by the signs at issue, of the same font — which, moreover, is not commonly used in contemporary business life — is a relevant factor in determining whether there is a visual similarity between them.”

In particular, it is believed that – applying the likelihood of confusion standards through the overall impression assessment – the two different word elements nevertheless had a certain degree of visual similarity when perceived as a whole. At the same time, the Court maintains that it is wrong – as the Board of Appeal did – to isolate the Spenserian script from the word “coca-cola” and “master”.

Notwithstanding, the General Court narrows its focus on the global assessment under art 8.5 of CTM Regulation. In fact, what really matters is “to determine whether the relevant public makes a link between the marks at issue, leads to the conclusion that, given the degree of similarity, however faint, between those marks, there is a risk that the relevant public might establish such a link. Although the signs at issue are only slightly similar, it is not altogether inconceivable that the relevant public could make a link between them and, even if there is no likelihood of confusion, be led to transfer the image and the values of the earlier marks to the goods bearing the mark applied for (see, to that effect, judgment in BEATLE, paragraph 25 above, EU:T:2012:177, paragraph 71).

Thus, contrary to the Board of Appeal’s conclusion in paragraph 33 of the contested decision, there is a sufficient degree of similarity between the signs at issue, for the purposes of the case-law cited in paragraph 32 above, for the relevant public to make a connection between the mark applied for and the earlier Community trademarks, that is to say, to establish a link between them for the purposes of that provision. “ (paragraph 74).

As a result, the General Court annuls the decision of the Second Board of Appeal (Case R 2156/2011-2) stating that it will be for the same Board – when examining the condition for applying 8(5) of CTM Regulation - to take into consideration the evidence relating to commercial use of the mark applied for.

**CONCLUSION**

In summation, the General Court admits that Coca Cola is not allowed to claim monopoly over the Spenserian script while, in this particular case, we are all led us to think that such a monopoly really exists beyond the “overall impression’s face”.

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**Pipeline Patent**

*Pipeline* Patent is an important concept instituted by the 1996’ Industrial Property Law intended to remedy the absence of patent protection for inventions in certain areas in the previous Law (Law 5,772/1971), namely chemicals, pharmaceutical processes and food purposes patents. *Pipeline* Patent brought to the Brazilian legal system patents already granted abroad, which could not be granted in Brazil in view of an express prohibition in the former legislation. It is, actually, provided for in Articles 229, 230 and 231 of Law 9.279/1996.

Due to its exceptional and transitional nature, *Pipeline* Patents are subject to specific requirements predefined by Law, such as (i) the existence of an earlier application abroad; (ii) non-marketing of the patented product; (iii) inexistence of preparations for introduction of the patented product; (iv) the patent application must have been filed within the period of one year as from the publication of the 1996 Industrial Property Law; (v) the grant of the patent in Brazil in the same terms of the patent granted in the country of origin stands for and replaces the examination of the merits already made in the country of origin and (vi) the period of validity limited to 20 years.

The debate about the *Pipeline* Patents has been extending along the years and it figures as a relevant matter in the branch of Industrial Property Law, being the subject of several lawsuits in which the main point is usually the validity of this specific patent. That was exactly the discussion in the context of the judgment of the Nullity Action nº 2004.51.01.525105-9, in progress before the 28ª Federal Court of the Judiciary Section of Rio de Janeiro, involving two major Brazilian pharmaceutical companies and the Brazilian PTO, aiming at the invalidation of the invention patent PI 1101055-0.

The Plaintiff and the Brazilian PTO, in a brief summary, argued that the patent sought to be invalidated did not comply with the requirements of the Law, such as novelty and inventive act. In other words, both aimed the application of the regular rules provided to grant normal patents, requiring the assessment and the reevaluation (already made in the country of origin) of the existence of an inventive act and novelty in the patent’s object.

After a decade of litigation, the Superior Court of Justice issued a decision based on the principle that when addressing *Pipeline* Patents it is solely necessary to fulfill the requirements provided in the Industrial Property Law to grant *Pipeline* Patents, since it is an entirely valid exception to the general rule:

"Thus, once granted by another jurisdiction the *Pipeline* Patent, the BPTO could not cancel it by invoking the absence of one of the mentioned requirements applying to the merits (novelty, inventive act and industrial application). The nullity should fall only when there is an absence of a specific requirement of the *Pipeline* Patent, or even when there are formal irregularities, for example, the non-payment of the maintenance fees." (Special Appeal nº 1.201.454 – RJ)
It is noteworthy that the above-mentioned decision can still be attacked at the Supreme Court through an Extraordinary Appeal. Also, the articles that provide the Pipeline Patent are the subject of an Action for Declaration of Unconstitutionality (nº 4.234/DF), that is still pending of judgment before the Supreme Court.

In any case, it is worth to highlight that the protection provided by the Law nº 9.279/1996 to the Pipeline Patent guarantees to the Brazilian population the enhance of the access to medicines not nationally created, which transcends the legal aspect of the articles under discussion.

Therefore, this decision is an important and forceful step taken by the Brazilian Judiciary to ensure the appropriate protection of industrial property rights, honoring not only the legal provision, but also the importance of the Pipeline institute for the country.

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The world's largest illegal file-sharing site sunk

“Not all treasure is silver and gold”
(Jack Sparrow, Pirates Of The Caribbean)

For many years, Internet service providers (ISPs) have tried, and sometimes succeed, to block access to The Pirate Bay (TPB), the world’s largest illegal file-sharing site, in several countries around the world. However, this time, it’s “in real life” and not, as expected, on Internet, that thepiratebay.se domain was shutdown.

Launched in September 2003, The Pirate Bay website has been since involved in a number of lawsuits mainly accused of copyright infringement and for authorizing the infringement of its users. Eleven years later, in December 2014, Swedish police carried out a raid at the Nacka Station data center, in Stockholm, seizing a big treasure, namely servers, computers, and other equipment. As a result, the site has been taken offline and dragged down several other popular BitTorrent services (i.e. open Internet application for content distribution) with it, such as EZTV, Zoink, Torrage.

As a consequence, many people have been looking for Pirate Bay alternatives. Following the raid, many Pirate Bay “copies” flourished. For instance, the IsoHunt.to, a de facto replacement of the original site that reached a settlement with MPAA stipulating $110 million reimbursement for damages in 2013, launched an OldPirateBay.org to “save the Freedom of information on the Internet” and to “keep on sharing”. They also launched “The Open Bay” initiative, a new torrent landscape, allowing anyone to create a Pirate Bay copy on his/her own domain. Recently, university researchers from Delft University of Technology and Vrije Universiteit have developed a new peer-to-peer file sharing system, called Tribler, designed to enhance BitTorrent by removing the need for central elements (fully decentralizing all functionality), as well as being anonymous (hiding who is seeding or sharing files). It doesn’t seem that the nightmares of the entertainment industry are definitely over.

What about the legal framework for intellectual property right protection, particularly for (digital) copyright? In Europe, the Court of Justice of the European Union in UPC Telekabel (C-314/12) confirmed that injunction ordering ISPs to block access to pirate file sharing sites (BitTorrent site) were compatible with EU law. In the U.S., following on online strike on January 18, 2012, PIPA and SOPA (the two controversial bills that almost gave the U.S. Government permission to reduce Internet access to websites dedicated to infringing activities and foreign (infringing) Internet sites) were postponed. Recently, Sony leaks revealed Hollywood’s new line of attack immediately targeting the Domain Name System (DNS). As explained in a leaked document, “A takedown notice program, therefore, could threaten ISPs with potential secondary liability in the event that they do not cease connecting users to known infringing material through their own DNS servers”.

The proliferation of illegal file-sharing site is, unfortunately for rightholder, not over. The current reality that laws are incapable of catching the development of new technologies will, perhaps, been reduced by the MPAA’s newly site-blocking measures if the project is accepted. On December 21, 2014, it also appears that the group behind the Pirate Bay is willing to bring the site back. We look forward to finding out what happens next.

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Fox v. DISH Networks: Big Win For The Tech Industry And Fair Use

The 3-year-old battle between Fox Broadcasting and Dish satellite TV recently came to an end. The 63-page summary judgment order in Fox Broadcasting Co. v. DISH Networks LLC (Case No. CV 12-4529), released by the U.S. District Court for the Central District of California is largely in favor of fair use for time- and place-shifting by end-users technology. This decision follows a denial of Fox’s request for a preliminary injunction (Fox Broadcasting v. Dish Network, 905 F. Supp. 2d 1088 (C.D. Cal. 2012)), and the Ninth Circuit’s decision affirming that denial (Fox Broadcasting v. Dish Network, 747 F.3d 1060 (9th Cir. 2013)).

Fox is one of the major commercial networks that broadcast TV over the airwaves in the U.S. Its primetime lineup includes shows such as Glee, Bones, and The Simpsons. In addition to broadcasting the Fox programs over the airwaves, Fox enters into retransmission consent agreements with various cable TV systems and other multichannel video programming distributors such as DISH, which retransmit Fox’s broadcast signal and the Fox programs to their subscribers. Therefore, Fox holds the copyright for many of the programs broadcast on the Fox Network and the majority of Fox’s revenues come from advertising sales. DISH is the U.S.’s third-largest pay TV provider, delivering satellite services to millions of household in the U.S. DISH has offered its subscribers Digital Video Recording (DVR) since May of 1999. DISH Anywhere refers to “Sling” technology that enables subscribers to access live and recorded programming from their set-top boxes (STBs) remotely on computers and mobile devices.

In the case at hand, the main question is whether any of the additional products or features that DISH offers to its subscribers (DISH Anywhere with Sling Technology, in particular) constitute a public (i.e. audience that extends beyond close friends and relatives) performance that infringes on Fox’s exclusive copyrights? Firstly, the Court disagreed with Fox that the Supreme Court’s recent decision in American Broadcasting Companies, Inc. v. Aereo, Inc. 573 U.S. ___ (2014) was a game-changer that governed the outcome of its copyright claims in this case. Indeed, DISH doesn’t “receive programs that have been released to the public and then carry them by private channels to additional viewers in the same sense that Aereo did. DISH has a license for the analogous initial retransmission of the programming to users via satellite (…). Aereo streamed a subscriber-specific copy of its programming from Aereo’s hard drive to the subscriber’s screen via individual satellite when the subscriber requested it, whereas DISH Anywhere can only be used by a subscriber to gain access to her own home STB/DVR and the authorized recorded content on that box” (underlining added).

Secondly, the Court held that it was “the DISH subscribers, not DISH, [who] engage in the volitional conduct necessary for any direct infringement”. Indeed, “it is the user who initiates the process, selects the content, and receives the transmission. No DISH employee actively responds to the user’s specific request or directly intervenes in the process of sending the programming between the devices”. Therefore, there was no public performance and thus no direct copyright infringement.

Finally, the Court held that DISH subscribers don’t “Publicly” Perform by using DISH Anywhere. As explained, “when an individual DISH subscriber transmits programming rightfully in her possession to another device, that transmission does not travel to “a large number of people who are unknown to each other.” The transmission travels either to the subscriber herself or to someone in her household using an authenticated device. This is simply not a “public” performance within the meaning of the Transmit Clause. Because DISH Anywhere subscribers do not directly infringe the public performance right, DISH cannot be liable for secondary infringement”.

Concerning DISH’s PrimeTime AnyTime (PTAT) service, namely the recordings of the primetime programming on the four major networks automatically if a subscriber sets a timer assigning it to do so, the Court importantly stated that DISH’s act of merely “making available” copyrighted programming to its subscribers through PTAT does not amount to distribution without actual dissemination (underlining added). One actor may be liable for direct infringement, but there must still be some volitional conduct for direct liability. But in this case, the Court noted that “A system that operates automatically at a user’s command to
make a recording does not in itself render the system’s provider a volitional actor for purposes of direct copyright infringement”. Regarding the secondary liability, the District Court held that DISH subscribers’ use of PTAT is fair use under Sony (Sony Corp. of America v. Universal City Studios, Inc., 464 U.S. 417 (1984), and thus was not liable for contributory infringement. “The potential for market harm to the secondary market for Fox’s programs caused by PTAT alone is simply too speculative to defeat a finding of fair use by a time-shifting technology which enhances consumers’ non-commercial private use of recorded programming”. The Court also decided that DISH’s AutoHop feature, namely the feature users can choose to automatically skip commercials while playing back certain recorded shows, was fair use. Indeed, “(...) if Sony permits a consumer to record an entire copyrighted program under the fair use doctrine, there could not be less protection for a consumer who declines to watch an ad that is not even copyrighted by Fox”.

However, the Court rejected the fair use argument regarding the Quality Assurance (QA) copies of the programming made by DISH on its servers. The fourth statutory fair use factor (§107(4)) weighed against it. Indeed, “the fact that DISH’s use of the QA copies is *sui generis* and has never been attempted before by any other entity does not mean that it has no intrinsic value”. This QA fair use ruling is bizarre as it allows, on the one hand, the skipping technology, but on the other hand rejected the fair use right to make the copies to implement this technology.

In conclusion, except for the part concerning the breaching of Fox's copyrights by reproducing programming in copies made for internal QA purposes, this case is a big win for DISH as the District Court sided with them on the key copyright issues. But it’s also a win for Fox regarding the judge's contract interpretations (not analyzed in this article). An appeal is still possible but the parties could also present a settlement like DISH did with CBS and ABC. We look forward to finding out what happens next.

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Federal Court criticizes examination guidelines on medical uses in Canada

The Canadian Intellectual Property Office (CIPO) released in 2013 examination guidelines titled “Examination Practice Respecting Medical Uses” (PN2013-04). The guidelines affirmed CIPO’s long-standing position that methods of medical treatment are unpatentable. The guidelines went on to explain that “medical use” claims are generally permitted, as long as they do not equate to a medical or surgical method (e.g. do not include an active treatment or surgical step) that would prevent physicians from exercising their skill and judgment. However, guidelines took the position that claims that include a dosage regimen, or restrictions on “how and when” to administer a drug, cover an unpatentable method of medical treatment. In a recent case, the Federal Court of Canada has criticized those guidelines.

In *AbbVie Biotechnology Ltd. v. Canada (A.G.)* (2014 FC 1251), the Federal Court considered an appeal of a refusal of the Commissioner of Patents to grant a patent on claims to a fixed dosage and schedule. In refusing the claims at issue (syringe claims, Swiss claims, and use claims), the Commissioner cited the examination guidelines as setting out the Office’s interpretation of case law pertaining to “medical use” claims.

The Commissioner argued that the claims were unpatentable in view of case law, on the basis that they would place restrictions on “how and when” to administer a drug. The Federal Court rejected the argument, and instead held that claims for a fixed dosage and schedule do not automatically constitute unpatentable subject matter. The Court held that claims to a fixed dosage, and/or a fixed dosage schedule or interval, are not unpatentable subject matter where there is no evidence to contradict that claimed dosage, i.e. no evidence that adjustments requiring skill and judgment are needed. The Court held that the issue remains whether the claims cover a method of medical treatment that prevents physicians from exercising skill and judgment. The Court considered that the Commissioner’s focus on “how and when” to administer a drug was misplaced. To the extent that the Commissioner sought to advance new policy as set out in the examination guidelines for rejecting subject matter, the Court considered that he went too far.

Applying the foregoing to the claims at issue, and distinguishing from the case law, the Federal Court found there was no evidence to suggest that the dosage would not be fixed as claimed, and that adjustments requiring skill and judgment would be needed as a result. Accordingly, the Commissioner was not justified in finding that the claims sought to patent the exercise of skill and judgment, and thus constitute an unpatentable method of medical treatment. In the result, the Federal Court directed the Commissioner to allow the claims. The Commissioner has 30 days to appeal the Federal Court decision.

In view of the decision, it appears that applicants are free to pursue “medical use” claims that include a (fixed) dosage regimen or restrictions on “how and when” to administer a drug, absent evidence that such claims would prevent physicians from exercising skill and judgment.

Jean-Charles Grégoire
Canada following on the heels of the U.S. in implementing the Patent Law Treaty

With statutory amendments passed into law recently, and regulatory amendments being drafted, Canada prepares to implement the Patent Law Treaty.

The Treaty aims to harmonize formal procedures in respect of patent applications. Currently, there are 36 contracting parties. The Treaty is in force in the UK, Switzerland, and France. The EPO and Germany have not ratified the Treaty to date, but the revision to the European Patent Convention (EPC 2000) that came into force in 2007 brought the EPO into closer alignment with the Treaty. While Japan is not a party to the Treaty, revisions coming into force in April will bring Japan into closer alignment as well. The latest country in which the Treaty has come into force is the United States in December 2013.

The Government of Canada tabled the Treaty before Parliament two months later, in January 2014, explaining in a memorandum that harmonization would, in addition to reducing regulatory and procedural burdens, improve alignment with Canada’s major trading partners. The Government then introduced a bill containing implementing amendments to the Patent Act which, a mere 54 days later, passed into law in December 2014. Some of the amendments notably relate to filing date, missing parts, priority restoration, grace period, abandonment, reinstatement, administrative defect, and third parties. An overview of these amendments is provided below.

Filing date. Under the amendments, a filing fee is no longer required to obtain a filing date. If the filing fee is not paid at filing, the Commissioner of Patents must send a notice informing an applicant of non-payment and requiring payment, with a late fee by a prescribed date. See amended section 27(7).

Missing parts. An applicant can submit a part of the specification or drawing that was missing at filing, while maintaining the filing date accorded. The addition must be “completely contained” in a priority application, and must be added within a prescribed period that is not to exceed six months after the filing date. The addition effectively allows the applicant to complete the application without losing the priority date for matter supported only by the missing part. See new section 28.01.

Priority restoration. The amendments provide relief against the unintentional loss of priority rights. Where an applicant fails to file an application within 12 months of its priority date, the applicant will have an additional 2 months if the failure was unintentional. See new section 28.4(6).

Grace period. The grace period will be allowed to run to one year before the priority date. The change brings Canada’s grace period into harmony with a number of other countries including notably the U.S. (for post-AIA applications). The grace period is most useful for research institutions, SMEs, and individual inventors, according to a number of countries surveyed in a 2013 report by the AIPPI. See amended sections 28.2(1)(a), 28.3(a).

Abandonment. The amendments provide relief against abandonment in respect of certain fee payments, by introducing notices before abandonment and extending time limits. An application will not become abandoned for failure to pay a maintenance fee by a prescribed date without an applicant first being notified by the Commissioner and being provided with additional time to pay, with a late fee, namely before the later of six months after the prescribed date and two months after the notice. Where the applicant fails to request examination with the requisite fee, the Commissioner will similarly be required to provide notice before abandonment, but the extension provided is two months after the notice. Failure to respond to an Office Action, however, continues to result in abandonment without notice. See amended sections 73(1)(c), (d), (a).
Reinstatement. To curb attempts to unduly prolong uncertainty associated with abandonment, according to the Canadian Intellectual Property Office (CIPO), additional requirements will apply to reinstatement in certain circumstances. In order to reinstate an application, an applicant will be required to state the reasons for failing to take the action that should have been taken to avoid abandonment, and the Commissioner will have to determine that the failure occurred in spite of due care. The Governor in Council will be provided the power to regulate in respect of the circumstances in which reasons and due care will not be required. It remains to be seen how this will affect the current ability to abandon an application after allowance to reopen prosecution, for example to add claims on reinstatement. However, the CIPO has indicated, in an example of how the regulations might be implemented, that applicants requesting reinstatement past a period defined in the Patent Rules would need to meet the requirements of reasons and due care. Accordingly, perhaps it will be possible to reopen prosecution while avoiding the requirements of reasons and due care, by abandoning the application as described above but then reinstating the application before the prescribed period ends. See new sections 73(3)(a)(ii), 73(3)(b), 12(j.76).

Administrative defect. The amendments provide relief against revocation of a patent due to administrative defect during the application stage. A patent cannot be declared invalid by reason only that the application was abandoned and not reinstated. The exception is where an untrue material allegation was made in the statement of reasons or where due care was not exercised. See new section 73.1.

Third parties. To mitigate the impact of potentially longer periods of market uncertainty and discourage uncompetitive behaviour, according to the CIPO, a good faith defence to infringement is provided. No action for infringement will lie against the act of a third party which would otherwise have constituted infringement, where the act was made in good faith during a prescribed period. See new section 55.11.

The amendments to the Patent Act come into force on a day fixed by order of the Governor in Council. According to the CIPO, that date is expected to be in winter or early 2016, and will be established after the relevant amendment to the Patent Rules have been prepared.

Canada is midway to implementing the PLT. The amendments to abandonment and reinstatement practice, which introduce a patchwork of extension periods and create more onerous requirements, underline the need to exercise caution and limit their use. The amendments do, however, provide welcome relief in terms of missing parts and priority restoration.

Jean-Charles Grégoire
Barrister and Solicitor, Patent Agent
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THRESHOLDS AS TO EXHAUSTION OF TRADEMARK RIGHTS IN PAKISTAN

Introduction

Pakistan’s Customs Act, 1969 (CA’69) by virtue of its renumbered section 15(d) prohibits parallel imports in situations when the trademark or (trade) name, being used on the given goods, is owned by a manufacturer, trader or dealer in Pakistan (whose owners consent has not been secured), unless the:

given (trade) name or trademark is accompanied by a definite indication of the goods having been made or produced in a place outside Pakistan, and
country in which that place is situated is, in that indication, shown in letters as large and conspicuous as any letter in the (trade) name or trademark, and in the same language and character as the (trade) name or trademark.

This article attempts to highlights the understanding of the Pakistani Superior Courts as to trademark rights exhaustion from the handful of cases that afforded an opportunity to scrutinize this issue. It is the extract from those cases that are highlighted below.

Only the of Proprietor of Registered Trademark has Standing to Object

Under Pakistan’s jurisprudence it is only the proprietor of the registered trademark that has the standing to stop parallel importation of any goods made/produced outside Pakistan. The guidance in this respect was supplied by a High Court in the case of Abdul Wasim v. M/s. HAICO & Others, which ruled that:

“... It is the case of the plaintiff that he adopted the said trade mark in the year 1997. He had applied for registration of the said trade mark on 21-8-1999, pending registration. ...”

“... the Customs Act would only be attracted in case where the trade mark is registered in Pakistan and other persons are importing or getting the goods manufactured from abroad. ... Admittedly, the plaintiffs claim of proprietorship in the subject trade mark has not yet crystallized, it is still in cloud. ... Customs Act would not apply in cases of unregistered mark ...”

If Grey Goods Carry a ‘Definite Indication’ as to Place of Production, Then They Are Not Grey!

However, a proprietor of the registered trademark in Pakistan cannot stop parallel importation of any such goods if the trademark thereon is accompanied by a definite indication that the goods have been made or produced in a place outside Pakistan and the name of the country in which the place of manufacture or production is situated is shown in as large and as conspicuous letters as the letters of the trademark and in the same language as the trademark.
Thus, in the case of Ghulam Muhammad Dossal & Co. v Vulcan Company Ltd. & Others, a High Court in Pakistan dismissed the infringement through parallel imports claim if the facts demonstrate that the given trademark is accompanied by a definite indication a place of production being outside Pakistan, in the following words:

“The petitioner’s case is that the trade mark Arminius’ stands registered in his name since 6-8-1966 and this registration would remain valid till 1968. It is, however, a common ground between the parties that a German firm engaged in manufacturing of arms -and ammunition, got registered the trade mark ‘ARMINIUS’ for its products in West Germany in the year 1951. ."

“The learned counsel for the petitioner also wanted to avail of the provisions of section 15(e) of the Customs Act, 1969. Under the provisions of section 15(e) ibid no goods made or produced outside Pakistan and having applied thereto any name or trade mark, being or purporting to be the name or trade mark of any manufacturer dealer or trader in Pakistan, can be brought whether by air or land or sea into Pakistan." 

"While pressing into service, the provisions of section 15(e) of the Customs Act, 1969, the learned counsel appears to have failed to notice the provisions of sub-clause (i) to clause (e) of section 15 ibid. According to sub-clause (i) supra the prohibition contained in clause (e) would not apply if the name or trade mark is, as to every application thereof, accompanied by a definite indication of the goods having been made or produced in a place outside Pakistan."

"In the circumstances of the present case, 105 revolvers in question have admittedly been manufactured in Germany and the papers accompanying the consignment are clearly indicative of this fact. In this view of the matter, section 15(e) of the Customs Act, 1969, is of no avail, to the petitioner.” 

This matter got further debated before the Supreme Court of Pakistan as M/s. Ghulam Muhammad Dossul & Co. v M/s. Vulcan Company Ltd. & Another, but for a different issue, as follows:

"Before us, no reference to section 15(e) of the Customs Act was made because the goods have since been released by the Customs authorities and partly sold in the market. The petitioner, however, for the grant of temporary injunction relied, apart from the document of registration of the trade mark and its renewal ."

"The documents on record do not fully establish that the German Firm, the original owner of the trade mark, had abandoned all its rights in the trade mark in favour of the petitioner in Pakistan. The letter from the West German Firm of 29-9-1966, no doubt, confers on the petitioner the exclusive selling right in Pakistan for "ARMINIUS" revolvers but it is highly doubtful if the remedy for a breach of the same on the part of the German Firm would entitle the petitioner to the kind of relief sought. The other letter dated 16-9-1969 permitted the petitioner to register the trade mark "ARMINIUS" in Pakistan, although by that date, the said trade mark had already been registered. It is also yet to be established if the petitioner had acquired from the owners of that trade mark only the right to import and distribute their revolvers or also to manufacture in Pakistan revolvers bearing that trade mark and if so whether it was effective from the date of the registration of the trade mark, or at least from the date when respon-dent No. 1 imported arms bearing that trade mark.”
This threshold was again ruled upon in the case of *Naseem Ahmed v M/s. Samiuddin Ramzan Khan & Others*, to clarify that a ‘definite indication of the place of production’ is needed because when the origin of goods is not conspicuously written on the imported goods then no purchaser in the market will be able to distinguish the goods that are produced by the owner of the (registered trademark in Pakistan) and that are imported into Pakistan. The guiding words of the Court are as follows:

“The brief facts leading to this appeal are that the plaintiff/appellant Nasim Ahmed trading in the name and style of "Nasim Sons Trading Corporation" (hereinafter referred to as "Nasim") filed a suit for infringement and passing off etc. in which he has alleged that he is a leading importer, distributor, trader, merchant and contract manufacturer of various kinds of stationery items including stationery tape of "wonder" Brand which he is importing, manufacturing, selling and marketing in Pakistan since 1987. ... To protect his proprietary rights, Nasim filed an application and got the mark registered with the Trade Marks Registry under Registration No.116513 dated 1-8-1992 in Class 16 and in 1999 got its registration renewed for a period of 15 years i.e. up to 1st August, 2014. ...”

"Nasim has further alleged that he came to know that defendant No.1/respondent No.1 i.e. Messrs Samiuddin Ramzan Khan (hereafter referred to as "Sami) had imported a consignment of spurious goods i.e. adhesive tape under the Trade Mark "Wonder" having the same artistic copyright label, design, layout, colour scheme and get-up and immediately filed a complaint dated 25-9-2001 with the Collector of Customs (Appraisement), defendant No.2/respondent No.2 (hereafter referred to as "the Collector") to take appropriate action against Sami ...

“As stated above, the goods produced by Sami do not contain any indication whatsoever that they have been made or produced outside Pakistan. Because of apparent similarity between the goods produced by Nasim and the goods imported by Sami, no purchaser in the market will be able to distinguish the goods of Sami from those of Nasim. In these circumstances, the goods, imported by Sami appear to fall within the mischief of section 15(e) of the Customs Act, 1969 and the Customs Department would, prima facie, be justified in not allowing its clearance.”

**Is This a Best Practice!**

The above highlighted thresholds seem to be in line with outlook of the International Trademark Association (INTA), which disapproves parallel imports only “when such imports are likely to deceive consumers as to the origin, characteristics, qualities, warranties or other similar elements of the imported goods”.

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Footnotes

1Previous to Finance Act, 2004, it was numbered as section 15.

2See section 15(d) of CA’69, as extracted:
   “No goods specified in the following clauses shall be brought, whether by air or land or Sea, into Pakistan:
   ...
   (e) goods made or produced outside Pakistan and having applied thereto any name or trade mark, being or purporting to be the name or trade mark of any manufacturer, dealer or trader in Pakistan unless –
   (i) the name or trade mark is as to every application thereof, accompanied by a definite indication of the goods having been made or produced in a place outside Pakistan, and
   (ii) the country in which that place is situated is in that indication shown in letters as large and conspicuous as any letter in the name or trade mark, and in the same language as d character as the name or trade mark;”

3Abdul Wasim v. M/s. HAICO & Others (2002 CLD 1623)

4Ghulam Muhammad Dossal & Co. v Vulcan Company Ltd. & Others (1986 MLD 886)


6Naseem Ahmed v M/s. Samiuddin Ramzan Khan & Others (2004 CLD 315)

Europcar given the Red Light by UK High Court

In a dispute between competing car rental companies, the High Court has found that Europcar’s “e” logo infringes the registered trade mark rights of Enterprise and amounts to passing off. The full judgment can be found here (a typical Arnold J meaty affair).

Enterprise and Europcar are two of the major players in the car rental market in the UK. For many years, Enterprise has used a stylised “e” logo (the Enterprise logo) to promote its services. The Enterprise logo has been registered as a Community Trade Mark in black and white since March 2011 and is used in green and white, as shown below.

Towards the end of 2012, Europcar also adopted a stylised “e” logo (the Europcar logo) which was used on its own, in connection with descriptive sub-brands and together with the house mark EUROPCAR and strapline “moving your way”.

Enterprise commenced proceedings at the High Court on 27 June 2013, claiming that use of the Europcar logo: (i) is likely to cause confusion with the Enterprise logo; (ii) is detrimental to the distinctive character and takes unfair advantage of the Enterprise logo; and (iii) constitutes passing off. In addition, the parties have been engaged in 98 related trade mark disputes at registries around the world.

Likelihood of Confusion

Arnold J found in favour of Enterprise in respect of the first claim. The surrounding factors – most notably the similarity of marks, competing services, evidence of actual confusion from UK and foreign residents and the enhanced distinctiveness of the Enterprise logo in green and white – led him to the conclusion that use of the Europcar logo is likely to cause confusion amongst the relevant public.

The assessment of the first claim confirms that foreign residents who have become aware of the claimant’s mark in their home country and encounter the defendant’s sign in the UK may be included within the ambit of the “relevant consumer”. This will have particular application where the goods and services involved have a strong transnational flavour, as is the case for the car rental market, when many consumers lease vehicles on holiday or on an overseas business trip. The manner in which the marks are used may also play an important role in deciding whether there is a likelihood of confusion. Enterprise’s case was no doubt bolstered by the fact that its mark has an enhanced distinctive character through use in green and white and because Enterprise could point to evidence of actual confusion.
Detrimental to the distinctive character and takes advantage of the Enterprise logo

On the second claim, Arnold J noted the lack of evidence that use of the Europcar logo would cause or be likely to cause a change in the economic behaviour of the average consumer. Unwilling to speculate on this point, Arnold J found that use of the Europcar logo is unlikely to be detrimental to the distinctive character of the Enterprise logo. He also found that use of the Europcar logo does not take unfair advantage of the Enterprise logo, largely because there is a low level of similarity between the two and, for the most part, Europcar uses its mark with other elements of branding.

Passing off

The third claim, for passing off, succeeded for essentially the same reasons as the first.

Comment

Before analysing the case in any detail, Arnold J did criticise both parties for treating the dispute as if it were a state trial. In his view the parties would be well advised to try to settle their differences on a global basis and to try promote their services using branding that is distinctive to each other’s. Other multinational brand owners with worldwide disputes should certainly bear this in mind.

Arnold J was also critical of the procedure relating to survey evidence that has been laid down in M&S v Interflora (see here). That had resulted in an expensive two day hearing on the survey evidence but had not avoided the need to consider the surveys again at trial. To conclude, he merely thought the surveys were “confirmatory of the conclusion which I would in any event be minded to reach”.

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Brazilian PTO Changes

As all of you may know the Brazilian PTO did several changes in it’s analyzes of trademarks in Brazil.

Below you will see few topics of the changes.

We will write deeply in the major changes soon.

New procedures:

- Change the trademark in view of an error of the filer.
- Specification with terms equivalent to unauthorized (illicit) products or services.
- Filer under 18 years old.
- Trademarks with personal right under 18 years old.
- Sign unregistered in view of being against moral.
- Common elements together.
- Different elements from establishment title.
- Office action to remove reproduction or imitation of Geographical Indication.
- Personal right of a dead person.
- Non use cancelation action. What we can use to prove?
- Orientation for opposition purpose.
- Orientation of office actions.

As we can see, the procedures tries to generalize all decisions from the PTO. So some of them we agree with its procedures but others are against basic principles so we really should call attention to the fact nowadays to not have surprises in the analyzes of the trademarks in the country. Of course that we will also have some controversy in the position, that’s why we also have the courts to discuss some issues.

The manual have 244 pages so it will be very discussed from now on.

Cristina Guerra
GuerralP
International Action Group (IAG)

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