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BOSWELAN revoked for lack of genuine use and non-use

European Union - Casalonga & Associés

Examination/opposition
Cancellation

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- **EU General Court confirmed decision to revoke BOSWELAN mark**
- **Clinical trial did not constitute proper reason for non-use**
- **Court asserted that proper reasons for non-use must be independent of the owner's wish to justify non-use**

In *Viridis Pharmaceutical Ltd v EU Intellectual Property Office (EUIPO)* (Case T-276/16) the EU General Court confirmed a decision rendered by the EUIPO Board of Appeal which revoked the BOSWELAN word mark on the grounds that it had not been put to genuine use for a continuous period of five years.

Background

The word mark BOSWELAN was registered on April 24 2007 for "pharmaceuticals and health care products" by Pharmasan GmbH Freiburg, the predecessor to Viridis Pharmaceutical Ltd – the applicant in this proceeding.

On November 18 2013, Hecht-Pharma GmbH lodged an application for revocation of the mark in question for all the goods for which it had been registered on the basis of Article 51(1)(a) of Regulation 207/2009, on the grounds that it had not been put to genuine use for a continuous period of five years.

Viridis submitted evidence to demonstrate use of the contested mark as well as the existence of a proper reason for non-use, but regarding the category of medicinal products for the treatment of multiple sclerosis only, not the broader category of pharmaceuticals and health care products.

In a September 26 2014 decision, the Cancellation Division of the EU Intellectual Property Office (EUIPO) upheld the action and the trademark was revoked for all of the products protected in Class 5.

On November 6 2014 Viridis filed an appeal before the EUIPO Board of Appeal, which was dismissed by a decision of February 29 2016.

Facts

The Board of Appeal held that the evidence provided by Viridis was not sufficient to demonstrate genuine use during the relevant period. The evidence related to acts of a purely internal nature involving a clinical trial. It did not concern external acts in connection with the marketing or advertising of the products in question, nor did it show a direct preparatory act or an act contributing to an imminent launch on the market.

Further, the Board of Appeal (referring in particular to the definition of proper reasons for non-use) considered that the performance of a clinical trial was not in itself a ground independent of Viridis' wish to justify non-use of the contested mark. Since the duration of a clinical trial would depend on the financial resources utilised by the trademark owner, it did not fall under the category of obstacles beyond its control. Liability for the duration of the proceedings could be considered to be transferred to an external authority only once an official application for placing the product on the market had been lodged. The protection as an EU trademark would not appear to be necessary before such an official request and, if a pharmaceutical company nevertheless decided to register a mark many years before such a request, the delayed use due to the clinical trial would be its own responsibility.

Viridis filed an appeal before the EU General Court on the basis of the following pleas:

- infringement of Article 51(1)(a) – to the extent that the Board of Appeal found that the facts and evidence provided were not sufficient to demonstrate genuine use of the challenged mark in respect of medicinal products for the treatment of multiple sclerosis;
- infringement of Article 51(1)(a) – in as much as the Board of Appeal wrongly considered that the facts and the evidence filed were not sufficient to demonstrate the existence of a proper reason for non-use; and
- infringement of Article 83 – in particular the principle of the protection of legitimate expectations.

In respect of the first plea, the court confirmed the Board of Appeal's decision to the extent that it considered the evidence provided was insufficient to show genuine use of the trademark during the relevant

period.

With respect to the second plea regarding the existence of proper reasons for non-use, the court confirmed that the Board of Appeal was correct in holding that since the acts and events relied on by the applicant were within its field of competence and did not concern obstacles beyond its control, they did not constitute proper reasons for the non-use of the contested mark.

Regarding the third plea on the infringement of Article 83 and the protection of the legitimate expectations, it was confirmed that in the present case, in order to demonstrate that the examination guidelines had given rise to reasonable expectations on the grounds that clinical trials of new medicinal products were proper reasons for the non-use of a trademark, it was for the applicant to provide evidence that it had received specific assurances from the EUIPO.

The court noted that the EUIPO examination guidelines are of a general nature and merely state that clinical trials, as well as an application for marketing authorisation, are only typical examples of proper grounds for non-use.

Consequently, under certain circumstances clinical trials may constitute a proper reason for non-use of a trademark. However, the applicant did not demonstrate that in the present case it had received precise, unconditional and concordant information from the EUIPO confirming that the clinical trials it conducted constituted a proper reason for non-use of the contested mark. Therefore, the third plea was also rejected as unfounded.

Comment

The court made clear that proper reasons for non-use must be entirely independent of the EU trademark owner's wish to justify non-use of the contested mark.

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