# International Update

## Canada

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Although pharmaceutical counterfeiting has not, historically, been a problem of significant magnitude in Canada, with counterfeit health products on the rise globally, fraudulent drugs are increasingly showing up in Canada's supply chain, not only through unregulated Internet sites, but also through legitimate licensed pharmacies. For example, in August of 2015, US government prosecutors indicted online Canadian pharmacy Canada Drugs Ltd. on an array of charges, including the sale of counterfeit versions of the cancer drug Avastin to doctors across the United States.

Until recently, Canada did not have an effective regime for enforcement against counterfeit pharmaceuticals and other counterfeit goods. However, Canada's anti-counterfeit regime recently received a significant overhaul with the coming into force of Bill C-8, the Combatting Counterfeit Products Act (the CCPA). The CCPA, which was part of a broader set of significant amendments to Canadian copyright and trade mark laws, introduced a number of sweeping changes aimed at providing trade mark and copyright owners with new ammunition to challenge counterfeit goods.

### New Civil Causes of Action and Criminal Sanctions

Among the changes introduced to the Trade Marks Act by the CCPA is an expanded definition of infringement, as well as an express statutory prohibition against the unauthorized importation and exportation of goods bearing a trade mark that is "identical to, or…cannot be distinguished in its essential aspects from" a registered trade mark. New criminal sanctions relating to registered marks were also added, making the sale, distribution, possession, importation or exportation of counterfeit goods a criminal offence subject to substantial fines and/or possible jail time.

### New Border Provisions

As a corollary to the express prohibitions against importation and exportation of counterfeit goods, Canadian customs officers have been granted expanded powers of search, seizure and detention. An IP rights holder – that is, a registered copyright or trade mark owner – may obtain targeted assistance from the Canada Border Services Agency (CBSA) by filing a "Request for Assistance" which sets out its trade mark rights (and/or copyrights) and requests border officials to detain commercial shipments suspected of containing counterfeit goods. If suspected counterfeit goods are discovered, customs officers are permitted to temporarily detain the goods for a period of five days, in the case of perishable items, and ten working days for non-perishable items, and to exchange information about the items detained with the IP rights holder. To extend the detention period, the rights holder will need to bring a court action to enforce Bill C-8's prohibitions on counterfeit goods bearing a registered trade mark (and/or pirated works that infringe copyright), and provide notice of the court action to the Minister before the detention period expires.

Border officers also have the ability to provide registered copyright and trade mark owners with samples of the detained goods for inspection, as well as other identifying information about the goods to assist the registered owner in deciding whether to initiate legal proceedings against the importer or source.

### Best Practices for Brand Owners

Since most of the new enforcement mechanisms apply exclusively to registered trade marks, brand owners, particularly brand owners whose goods are subject to counterfeiting, such as pharmaceuticals, should carefully review their trade mark portfolios to ensure that they have the necessary trade mark registrations in place to enable them to take advantage of the new regime, both in terms of the marks protected, as well as the scope of the goods protected. Brand owners should also give consideration to proactively filing RFA forms with the CBSA, particularly given that there is no cost to do so (although the cost of storage of any goods seized or detained will eventually be borne by the registered owner). Finally, since a registered owner is only provided a short window of time in which to consider the detention and whether to initiate legal proceedings, any rights holder who files an RFA should have established procedures in place for reviewing detained goods quickly and deciding what, if any, action to take.

## Chile

### Bernardita Torres Arrau, Porzio, Ríos & Asociados

After five years of negotiations, Chile has joined the Trans Pacific Partnership Agreement (TPP).

The Intellectual Property Chapter of the TPP includes new obligations for the subscribing parties, which will have to be harmonized with the local rules currently in force.

For example, article 18.22 of the TPP establishes that "No Party shall require as a condition for determining that a trade mark is well-known that the trade mark has been registered in the Party or in another jurisdiction, included on a list of well-known trade marks, or given prior recognition as a well-known trade mark".

However, article 20 letter (g) of the Chilean Industrial Property Law establishes that "may not be registered as marks (…) identical marks or marks that graphically or phonetically so resemble one another as to be confused with other marks registered abroad for the same products (…), insofar as the latter marks enjoy fame and renown in the relevant segment of the public that usually consumes or seeks out those products (…) in the country of origin of the registration".

Therefore, according to the TPP a well-known mark would have to be recognized and protected in Chile, even if it has not been registered abroad. Nevertheless, up to this date the Trade Mark Office has only has rejected new applications on the basis of foreign well-known marks, if during the opposition proceedings it has been proved that the foreign mark is registered at least in its country of origin, being at the same time famous and notorious among consumers.

Once the TPP comes into force, the Chilean Trade mark Office will have to adapt the procedure of recognition of well-known marks in order to comply with article 18.22 of the Agreement.

## India

### Ms. Samta Mehra, Remfry & Sagar

Trade marks concerning medicinal and pharmaceutical preparations usually undergo strict examination, and their similarity to prior marks is adjudged keeping in mind the doctrine of dangerous consequences. While disparity in goods is usually considered a valuable defence to objections on relative grounds, this argument is rendered challenging vis-à-vis pharmaceutical/medicinal goods given the consequences involved and a consumer driven perspective unwilling to compromise on adverse effects. It also means precedents differentiating between medicinal and pharmaceutical preparations are scarce. In this context, the Bombay High Court's June 2015 verdict in Indchemie Health Specialities Pvt. Ltd v Intas Pharmaceuticals Ltd. is a significant one.

The plaintiff, Indchemie Health Specialities Pvt. Ltd., manufactured pharmaceutical preparations treating iron deficiency and had been selling their product under the mark Cheri since 1987. On learning of the defendant's (Intas Pharmaceuticals Ltd.) use of Multi Cherry (since 2012) for multivitamin supplements, the

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