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REPORT ON IP-RELATED MATTERS IN SPAIN

Issue 11 Spring 2007

Spanish Utility Models: What does 'very evidently' mean?

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The Spanish Supreme Court has highlighted, in a recent judgement on 21 February 2007, that one of the one of the differences in Spanish law between utility models and patents - the difference regarding the inventive step - may be important when determining whether an invention for which a utility model has been obtained is valid or invalid.

Before we illustrate the contents of this judgement, one should recall that the differences between utility models and patents basically come down to four aspects:

a) Not just any invention can be the subject matter of a utility model, but only those that '*consist of giving an object a configuration, structure or constitution from which a practically appreciable benefit arises for its use or manufacture.*'

b) Unlike patents, for which the state of the art by which their novelty and inventive step must be judged consists of everything that was '*accessible to the public*' before the filing date, the Patent Act stipulates that when assessing the relevant precedents that may affect utility models, one must take into account those that have been '*divulged*'.

c) Moreover, with regard to utility models, precedents will only be considered part of the '*state of the art*' if they have been divulged '*in Spain*'.

d) In particular, insofar as the inventive step is concerned, which is what the judgement in question deals with, the Patent Act stipulates that in view of the state of the art, utility models are inventive if their subject matter '*is not very evidently obvious from the state of the art for a person skilled in the art*'.

These peculiarities have given rise to various judgements that have determined the meaning of the difference between the specific terms used in the Patent Act for utility models in relation to patents and their limits.

A difference that is difficult to see from a technical viewpoint.

The nuance employed in the Patent Act to differentiate between the inventive step in utility models and that in patents, consisting of the addition of the adverb '*very*' to the definition '*evidently*', is difficult to understand from a technical point of view. What differentiates something that is '*evident*'

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from something that is ‘very evident’? Since it is sometimes already hard for a person skilled in the art to determine whether something is ‘evident’, it is still more complicated to say whether something is ‘very evident’ and whether there is technical support for this.

However, due to the fact that the Spanish Patent Act does contain this difference, jurists cannot overlook it, despite its vagueness and the fact that there is nothing comparable in other patent systems around the world. The Spanish Patent Act is unique in this sense.

In its Judgement on 21 February 2007, which we are commenting on here, the court pointed out this situation and stated the following regarding it:

“Article 146 of the Patent Act gives the inventive step a degree of flexibility, as it excludes only that which is ‘very evidently’ obvious from the state of the art for a person skilled in the art, unlike that required for patents in article 8, in which the adverb ‘very’ is left out and it only refers to those that are ‘evidently’ obvious. This is a key distinction, since one cannot so strictly compare it with the state of the art as for patents. Inventions must therefore be allowed that are not mere plagiarism, but add some kind of utility not found in existing inventions”.

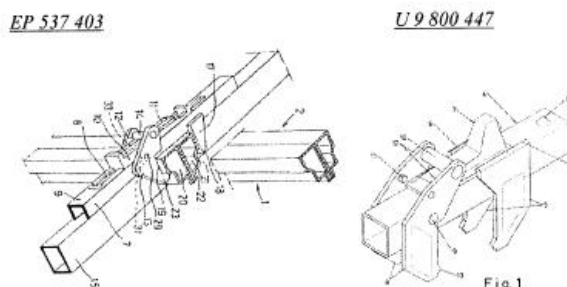
The two opposing structures in the specific case the judgement deals with are two formwork systems, one of which was the utility model, while the other was in a prior European patent put forward in opposition to it. The court-appointed expert witness deemed the differences between the two devices to be irrelevant and therefore concluded that there was no clear inventive addition. The High Court accepted this opinion and judged that the legal requirements for considering there to be an invention patentable in the form of a utility model had not been met.

Parallel imports into Spain too! The application of ECJ doctrine in Spain

In its Judgement on 28 September 2006, Division 15 of the Provincial High Court of Barcelona reviewed the doctrine traditionally employed by the ECJ in cases concerning parallel imports in the pharmaceutical product

The opposing devices can be seen in the drawings below:

The Supreme Court deemed the differences between the two devices to be sufficient to consider that the modifications would produce



‘certain advantages’, which met the requirements for deeming it to be an invention that could be protected by a utility model and so overturned the judgement.

Conclusion: Are utility models inventions?

The current Spanish Patent Act contains certain specific features concerning utility models, which make these rights a more than dubious means of encouraging innovation. The protection granted to objects that can hardly be classed as inventions gives applicants an exclusive right over aspects that can hardly be classified as a reward for research and development. Specific aspects such as those analysed in the Judgement on 21 February 2007 mean that, in some cases, utility models in the way the current Spanish legislation regulates them may even be bad for competition and contribute nothing to society. Given these meagre requirements for obtaining a utility model, it is worth wondering whether Spanish utility models, in the manner in which they are configured, perform the role intellectual property rights should play in society.

sector, concerning possible trade mark infringements due to the importer changing the name of the medication and the packaging of the product, which had been imported from Greece. This is one of the first judgements laid

down in Spain regarding this matter, since in the parallel import trade, Spain has more often tended to be an exporter rather than an importer.

The designation of origin of the imported medication, DULCOLAX, was replaced with DULCO-LAXO®, the trade mark under which it was marketed in Spain, and it was repackaged. Therefore, the holder of the trade mark in Spain, the company Boehringer Ingelheim, which also held the Community trade mark DULCOLAX, brought legal action against the importer.

ECJ case law used in the judgement

The court found support for its view in various ECJ judgements, including the judgement on 23 May 1978, *Case Hoffmann-La Roche v. Centrafarm*, which was developed and qualified in particular by the judgement on 11 July 1996, *Case Bristol-Myers Squibb et al v. Paranova A/S*, the judgements on 23 April 2002, *Cases Boehringer v. Swingward and Merck v. Paranova GMBH* and, with regard to trade mark substitution, the judgement on 12 October 1999, *Case Pharmacia & Upjohn S.A. v. Paranova A/S*.

The court in particular based its view on the *Upjohn* judgement, from which it quoted that “*it is for the national courts to examine whether the circumstances prevailing at the time of marketing made it objectively necessary to replace the original trade mark by that of the importing Member State in order that the product in question could be placed on the market in that State by the parallel importer*”, which is the case “*where a rule for the protection of consumers prohibits the use, in the importing Member State, of the trade mark used in the exporting Member State on the ground that it is liable to mislead consumers*”; on the contrary, “*the condition of necessity will not be satisfied if replacement of the trade mark is explicable solely by the parallel importer's attempt to secure a commercial advantage*”. Therefore, the court noted that the ECJ concluded that “[I]t is for the national courts to determine, in each specific case, whether it was objectively necessary for the parallel importer to use the trade mark used in the Member State of import in order to enable the imported products to be marketed”.

The court's conclusions in this case

The case heard in Spain concerned a medication that had been on sale since the 1950s in Spain under the trade mark DULCO-LAXO®, while in other countries it was marketed under the name DULCOLAX. That was because, at the time, the Spanish Industrial Property Registry rejected the latter trade mark as it was similar to other registered trade marks. The importer of the Greek product wanted to market it as DULCOLAXO, but the Spanish Drug Agency did not allow it to as it was not in accordance with the material authorised for the DULCO-LAXO® product.



The court pointed out that, according to the facts submitted for its consideration, the circumstances that would lead one to conclude there was a trade mark infringement did not apply. This was basically for the following two reasons that applied in the case. The court acknowledged that the facts of the case were particularly complex and that evidence was required for several of the allegations made by both parties:

a) With regard to trade mark substitution, the court stated that “*It is thus rational to conclude (at least in this case, or perhaps in this temporal context) that the matching names are due to a requirement by the Spanish health authorities, which require a parallel importer to homogenise the elements, indications and external signs of the parallel import with those of the authorised medicinal product marketed by the pharmaceutical company that holds the Spanish marketing authorisation*”.

b) Regarding the need for repackaging, in analysing the need for it and the various judgements laid down in the ECJ, it stated that “*we are not dealing here with a simple case of repackaging that could be avoided by putting stickers over the top of the external indications that are in Greek or different to Spanish, but rather we must accept the solution proposed by the plaintiff of relabelling that would also affect the trade mark printed on the original packaging, which would thus involve covering*

several faces of the packaging with a sticker indicating a different trade mark. We deem that one cannot reasonably deny that a medication presented in this way would come up against widespread resistance from consumers ... which would inevitably lead them to reject it, still more so if when they removed the sticker over the medication's name they uncovered other different name (trade mark)". It went on to say that "in order to judge whether the presentation of the repackaged product could be detrimental to the trade mark's reputation,

one must take into account the nature of the product and the market it is aimed at. As far as medications are concerned, this is a sensitive field in which the public are particularly demanding with regard to the quality and condition of the product and the presentation of the product may actually inspire the public's confidence in this regard".

This judgement thus brings the case law developed by the ECJ into Spanish case law.

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