

Romanian Courts.

Further interpretation of acquired distinctiveness on a Danone case

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Nutricia International B.V. ('Nutricia'), part of the **Danone Group**, represented by *Andra Musatescu Law & Industrial Property Offices*, has just obtained a second positive final decision in an annulment action brought against a local producer of milk and milk products, S.C. Avi Seb Impex SRL ('Avi').

MILUPA vs. MILAPO

The facts of the case:

Avi has registered with the Romanian Trademark Office a 'milapo with device' trademark



for all the products in Class 29, including milk and milk products, which was annulled by the Bucharest Court of Appeal through a decision which remained final due to procedural issues.

Avi has also registered with the Romanian Trademark Office a 'milapo with device' trademark



for all the products in Class 29, including milk and milk products.

Nutricia is the owner of the following trademarks:

- Milupa Community trademark 007198773 word mark, being registered, *inter alia*, for "dietetic substances adapted for medical use; food for babies" in class 5 and "milk and milk products" in Class 29;
- Milupa Community trademark 006651939



being registered, *inter alia*, for “dietetic substances adapted for medical use; food for babies” in class 5 and all the products in Class 29
and
• Milupa Community trademark 005065156



being registered, *inter alia*, for “dietetic substances adapted for medical use; food for babies” in Class 5.

Nutricia considered that its prior trademark rights are infringed by Avi's registration, especially taking into account the inherent and acquired distinctiveness by use in Romania of the Milupa trademarks and, therefore, decided to file an annulment action against the registration by Avi of the ‘milapo with device’ trademark.

Arguments:

Nutricia's arguments in court were extensive, *including but not limited to*, similarity of the trademarks compared, ‘milapo’ the principal element of the trademark, the existence of a disclaimer for ‘cascaval Pintea’, the high distinctiveness of the CTMs which was not only inherent, but also acquired by extensive use of the CTMs in Romania evidenced by volume sales, surveys and amount of advertising and marketing undertaken in Romania in connection with the brand, the beginning of the trademark being of a high importance, the identity for some of the products and the similarity for the remaining of the products for which the analyzed trademarks were registered, risk of confusion and association.

Findings of the court:

In judgment 29A/2013, the Bucharest Court of Appeal decided to annul the ‘milapo with device’ trademark because of (1) the similarity of the two trademarks based on (i) the principle applicable in appreciating the verbal similarity which is that the beginning of the trademark is of a high importance and taking into account that the compared trademarks have the same prefix ‘mil’, the trademark are similar, (ii) the disclaimer for ‘cascaval Pintea’, (iii) the insufficient distinctiveness of the device, (2) the identity of the products and (3) the risk of association is clear as there is the possibility that the consumers to consider that there is a link between the previous trademark and the contested mark.

Comments:

We consider the decision of the court as of quite high importance, not only for Nutricia which invested large sums of money in establishing a reputation for its Milupa trademarks in Romania, but also as a precedent as we persuaded the Romanian court to confirm that Milupa has high distinctiveness in Romania.

The decision of the Bucharest Court of Appeal is final and binding due to a second appeal filed by Avi at the Supreme Court of Romania, appeal which was rejected by the Supreme Court of Romania on procedural grounds on April 1, 2014.

The decision of the Bucharest Court of Appeal mentioned above will most probably be followed by other courts.

In this respect, our personal view is that more pharmaceutical and nutritional companies can now take similar actions based on this case and to rely on their previous well-known trademarks or registered renown trademarks to request the annulment of other identical or similar trademarks, provided that such identical or similar trademarks are within the 5 years status of limitation period provided by law.

For more information, please contact:

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Within over 15 years, Andra Musatescu Law & Industrial Property Offices became one of the top firms in Romania, which is formed of young professionals educated in Romania and the U.K., with certificates in U.S. legislation, giving the firm an international dimension, having excellent and vast legal experience.