

## ***Case Study:***

### ***Trademark Portfolio Optimization for a Pharmaceutical Company***

Tech Transfer  
IP Consulting  
IP Handling



Companies are still underestimating the importance of brand management to create a unique identity for their products and services. Trademark protection is an eminent legal instrument to hinder unfair competitors and counterfeiters to free-ride on the good reputation of a brand by using similar non-distinctive signs to market similar or even inferior products or services. Especially in the pharmaceutical and biotechnological field it is vital that counterfeited products are removed from the market. Consequently, companies are well advised to establish and maintain an proper trademark portfolio that is in sound line with the company's needs and business strategy.

A Dutch producer of pharmaceuticals (the "client") has asked BDC - The Business Development Company GmbH ("BDC"), Switzerland, through its CEO to perform an evaluation of its trademark portfolio in view of the company's business fields. The due diligence assessment was aimed at clarifying to what extent the client's trademark portfolio does cover his present and future business activities in the field of medical as well as dietary supplements and whether there are some measures to be taken. The client's trademark rights have been assessed by a two step approach.

In a first step, trademark rights owned by the client were listed based on the documents and product information provided by the client. Additional trademark rights owned by affiliates were retrieved by a search in trademark databases resulting in an overall portfolio of more than 300 trademarks. These rights were broken down in 12 trademark families in respect of product name and/or development status of a product (in the pipeline, on the market, off the market). Finally, the legal status of these trademarks has been verified.

In a second step, each of the twelve different trademark families was evaluated and commented, in particular regarding its scope of protection, geographical coverage, claimed products. The results and BDC's opinion was discussed with the client in close collaboration. Although most of the client's products are adequately protected by trademarks, the matter of ownership turned out to be an important issue. Some of the client's affiliates had filed several trademark applications without informing the parent company. Furthermore, several registered trademarks for similar products having different pre- and/or postfixes exist, which are providing a rather small scope of protection. It was also discovered that there were considerable optimization possibilities with regard to the maintenance and prosecution of trademarks. A great deal of rights were kept alive, although they were not or not any longer attributed to commercialized products.

The client can now be sure that his products are adequately covered by trademarks and that his rights can be enforced in all markets. Moreover, at BDC's recommendation, the client has re-engineered the process of managing the trademark portfolio by centralizing the coordination and administration of all trademarks either owned by the parent company or its affiliates. Thus future applications can be filed more strategically and already registered trademarks can be managed and enforced more efficiently. In addition, an optimized and properly managed trademark portfolio has already significantly reduced the client's maintenance costs and will also do so in the future.

***BDC's representatives would be happy to assist you in the optimization and management of your trademark portfolio.***

***Please contact us for further information.***