

APPENDIX 7

**Phase 2 parasitic copying questionnaire**



## **PARASITIC COPYING**

As part of the Study we are required to provide detailed analyses in respect of 6 of the 27 Member States. As stated in our last letter, we have selected your jurisdiction as one of the 6 Member States. Please could you therefore also address the following:

1. **What difficulties have plaintiffs encountered in attacking look-alikes?**
2. **Please provide a list of leading case-law, together with an indication of the relevant issues dealt with.**
3. **Do any procedural or legal barriers exist in your Member State which prevent or deter businesses from bringing actions against parasitic copies? Are the costs of taking action recoverable from the defendant if the action is successful?**

**Answers should also be provided for the questions set below (4 to 9)**

For such purpose, parasitic copying refers to situations where a product is offered for sale in a packaging which resembles an already existing branded product, influencing consumer behaviour to its benefit, without infringing any intellectual property rights such as trade marks, design rights or copyright. More precisely, parasitic copying will be examined on the basis of the following hypothetical scenario:

The previously established branded product will be referred to as "product A", and it belongs to a range of products marketed by undertaking A under trade mark A.

Product A is a mass consumption product bought in supermarkets, such as a detergent. Trade mark A is a well established brand, probably a market leader. Product A has been introduced in the market very recently and it has been particularly well received by consumers on the basis of its novelty, its efficiency claims and the selling power of trade mark A. Product A represents a new line claiming to incorporate the results on innovation efforts, by virtue of for example a new compound. Product A is sold at premium price.

The parasitic copying product will be referred to as "product B", or, simply the look-alike. Product B has a commercial origin different from that of product A. Product B claims to have the same new features of product A, by use of the same or similar compound. Product B is sold at a lower price than product A. Product B does not copy trade mark A, but the similarities in a substantial number of other aspects are blatant. From a distance the products can hardly be distinguished, by reasons of the shape of the packaging, its colours and some of the graphic arrangements. Product B is not a fake; it complies with all the industry standards and does not deceive consumers in any aspect related to its specifications.

Reference may be made to "Product C" which will be understood as another competing product, having a commercial origin different from those of products A and B, and which, as product B, claims to have caught up with the industry's latest developments and it is also sold at a cheaper price than A. Unlike product B however, product C uses its own distinctive trade mark and presentational features, thus without copying any of the presentational features of product A.

Similarities featured by products A and B are of such nature that they are likely to have one or more of the following effects on at least part of the relevant consumers:

Effect 1 - At least some of the consumers who purchase product B do so on the assumption that they are purchasing product A (even if they may realise after purchase that this is not the case);

Effect 2 - At least some of the consumers who purchase product B do so on the assumption that products A and B have the same commercial origin, or come from economically linked undertakings (even if they may realise after purchase that this is not the case);

Effect 3 - At least some of the consumers who purchase product B do so on the assumption that products A and B, having different commercial origins, are substitutes, being identical or highly similar in their specifications, nature and quality. As a result, price becomes the sole or main criterion under which the choice between the two products is to be made.

**Questions:**

4. **Can undertaking A take legal action against the presence of product B in the market? Please indicate the relevant legal provisions.**
5. **What elements must be established before the court by undertaking A in order to succeed?**
6. **Can the above mentioned cause of action be combined in one legal action based on trade mark, design or copyright infringement, if the look-alike product infringes one of such rights?**
7. **What remedies would be typically awarded if undertaking A were to succeed? Are they cumulative or elective?**
8. **If undertaking A were to fail, would it face any sanctions from the court or would there be any other consequences as a result of the loss of the action?**
9. **Please examine the following images. How would you advise the proprietor of product A if it wished to take action in your jurisdiction against product B? For the**

purposes of this question, you should exclude trade marks, designs and copyright law from your advice.



