

TRIPS and Tobacco Control



Benn M^cGrady, PhD
O'Neill Institute for National and Global Health Law
Georgetown University Law Center
bm363@law.georgetown.edu

Overview

- Tobacco industry arguments concerning trademark rights and tobacco packaging and labeling measures
- TRIPS overview
- Trademark rights under TRIPS and flexibilities for protection of public health



TRIPS and Tobacco Control

Benn McGrady, PhD
O'Neill Institute for National
and Global Health Law



TRIPS and Tobacco Control

Benn McGrady, PhD
O'Neill Institute for National
and Global Health Law

Industry arguments

- Tobacco companies argue that bans on misleading descriptors (that are trademarks), large graphic health warnings and plain packaging unlawfully interfere with trademark rights under TRIPS.
- Bans on misleading descriptors and large graphic health warnings have been implemented widely without controversy at the WTO.
- Plain packaging has now be implemented in Australia and challenged by the Dominican Republic, Honduras and Ukraine at the WTO.



TRIPS and Tobacco Control

Benn McGrady, PhD
O'Neill Institute for National
and Global Health Law

Trademarks

- Any sign, or any combination of signs, capable of distinguishing the goods or services of one undertaking from those of other undertakings, shall be capable of constituting a trademark. Such signs, in particular words including personal names, letters, numerals, figurative elements and combinations of colours as well as any combination of such signs, shall be eligible for registration as trademarks. . . .
(TRIPS, Art. 15.1)

Plain packaging



TRIPS and Tobacco Control

Benn McGrady, PhD
O'Neill Institute for National
and Global Health Law



TRIPS overview and key points

- TRIPS obliges WTO Members to ensure minimum standards of protection for intellectual property rights, including trademarks.
- WTO Members are obliged to permit registration of trademarks in certain circumstances.
- There is an exception for misleading trademarks e.g. 'light' and 'mild' on tobacco products.
- Under TRIPS, a trademark right is a right to exclude third parties / there is no right to use a trademark.
- Because there is no right to use a trademark the fact that tobacco packing measures restrict



TRIPS and Tobacco Control

Benn McGrady, PhD
O'Neill Institute for National
and Global Health Law

TRIPS and health

- Paragraph 4 of the Doha Declaration on TRIPS and Public Health states:

We agree that the TRIPS Agreement does not and should not prevent members from taking measures to protect public health. Accordingly, while reiterating our commitment to the TRIPS Agreement, we affirm that the Agreement can and should be interpreted and implemented in a manner supportive of WTO members' right to protect public health and, in particular, to promote access to medicines for all.

In this connection, we reaffirm the right of WTO members to use, to the full, the provisions in the TRIPS Agreement, which provide flexibility for this purpose.



TRIPS and Tobacco Control

Benn McGrady, PhD
O'Neill Institute for National
and Global Health Law

Article 20

- Tobacco companies place most reliance on Article 20 of TRIPS.
- The relevant part of the text states:
The use of a trademark in the course of trade shall not be unjustifiably encumbered by special requirements, such as use with another trademark, use in a special form or use in a manner detrimental to its capability to distinguish the goods or services of one undertaking from those of other undertakings.



TRIPS and Tobacco Control

Benn McGrady, PhD
O'Neill Institute for National
and Global Health Law

Unjustifiable encumbrances

- Article 20 concerns only 'unjustifiable' encumbrances.
- The question of what is justifiable is guided by Article 8, which emphasizes that WTO Members may adopt measures necessary to protect public health and by the Doha Declaration.
- We know that necessary measures are justifiable, but it is also possible that measures with a rational connection to protection of health are justifiable.



TRIPS and Tobacco Control

Benn McGrady, PhD
O'Neill Institute for National
and Global Health Law

Unjustifiable encumbrances

- We have discussed necessity in the contexts of the GATT 1994 and the TBT Agreement.
- It is also worth noting that WTO law is interpreted in light of other international laws i.e. the WHO FCTC.



TRIPS and Tobacco Control

Benn McGrady, PhD
O'Neill Institute for National
and Global Health Law

Conclusion and key messages

- TRIPS creates obligations to permit registration of trademarks, but there is no obligation to permit use of the mark.
- Encumbrances on the use of a trademark will be justified when necessary to protect health.
- Large graphic health warnings and bans on descriptive trademarks like “light” and “mild” have been implemented widely without controversy under WTO law.
- Plain packaging is currently under challenge, but is likely to withstand scrutiny at the WTO.



TRIPS and Tobacco Control

Benn McGrady, PhD
O'Neill Institute for National
and Global Health Law



TRIPS and Tobacco Control

Benn McGrady, PhD
O'Neill Institute for National
and Global Health Law

Plain packaging: tips on compliance

- Permit registration of trademarks
- Permit use of trademarks other than on retail packaging e.g. on company letterheads, in wholesaling etc.
- Do not permit de-registration actions on the basis of non-use of trademarks or designs (to protect property rights)
- Describe the objectives of the legislation in line with the WHO FCTC Article 11 and 13 Guidelines (assuming a comprehensive ban on advertising is in place and misleading descriptors are prohibited)
- Be prepared with the scientific evidence as well as policy and legal arguments.