



IP and Regulatory Challenges for Food Companies in Thailand

Intellectual property and food authorities frequently fail to see eye to eye. **Clemence Gautier** discusses the reasons why food companies must implement a clear strategy that accounts for the specific needs of both IP and regulatory registration.

Companies in the food industry face significant challenges when launching new products. Of course, they need to take all the usual steps to protect their intellectual property rights.

Others first gain approval from the Thai Food and Drug Administration (FDA), but then encounter difficulties registering their trademark with the Department of Intellectual Property (DIP).

It is therefore essential for food companies to implement a clear strategy that accounts for the specific needs of both IP and regulatory registration.

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IP Law

Differentiating one product from another is an essential marketing tool, especially in light of the overflow of products in today's market. A common example to attract the eye of a consumer is to use particular colors that are commonly associated with certain types of products (e.g., the combination of red and white is often associated with cola drinks). But other means are also

But in addition, they are also required to obtain market authorization from specific regulatory authorities before launching a new product.

Unfortunately, the IP and food authorities do not always see eye to eye. This is certainly the case in Thailand, where companies are sometimes granted a trademark right, only to find that this right is not sufficient to ensure approval by the authorities responsible

available. Food companies rely heavily on their product names and/or slogans which can describe the product or its effects, but note that it must refrain from being generic, and avoid being too descriptive.

Product Names

Products names are often, but not always, “invented” (or

unrecognized) words or names. To ensure the possibility of protecting the rights to those names, companies usually apply for trademark registration. In Thailand, a trademark is defined, similarly to other jurisdictions, as a “mark used, or proposed to be used, on or in connection with goods for the purpose of indicating that they are the goods of the proprietor of such trademark which are different from goods bearing the trademark of others.” To be registrable, a trademark must be distinctive (i.e., not descriptive), not forbidden by the law, and not identical or similar to a mark registered by others.

On paper, a trademark that might be interpreted as describing the types of goods it covers would generally not be registrable. A soft drink company, for instance, cannot apply for a trademark registration for “cola soft drink.” Under the current practice at the Thai DIP, the Trademark Registrars sometimes rely on a fairly conservative practice when evaluating marks for registration. For example, an invented word containing the component “bio” may be rejected for being descriptive; the Registrar may decide that it denotes “biological.” In most cases, such trademarks can eventually be registered, although it may require a lengthy and

costly process with several administrative obstacles. To add to this, if a trademark contains an ingredient as part of the mark, the Registrar would quite likely require a disclaimer for the ingredient word.

To summarize, the Thai Registrars generally take into consideration whether a consumer can be confused by the trademark, and whether the name is generic, which would create an unfair market position by preventing other companies from using a similar word.

Slogans

When thinking about food products, consumers often associate them with a catchy slogan. In many countries, memorable slogans from the food industry have been registered as trademarks. Some examples include:

- **Coca-Cola:** “Open Happiness”
- **Kit Kat:** “Have A Break, Have A Kit Kat”
- **Mars:** “Melts in your mouth, not in your hand”
- **McDonald’s:** “I’m Lovin’ It”
- **Red Bull:** “Vitalize Body and Mind”

Each of these slogans is distinctive and thus registrable as a trademark.

Registering a slogan may not be as cumbersome as registering a trademark that is an invented word with a component which is also a word.

Food Regulatory Law

Having secured their trademark rights, a food company would expect the process for receiving market authorization from the FDA to be relatively straightforward, especially when seeking approval of the product name and slogan.

Unfortunately, it appears that the interests of the FDA differ from those of the DIP.

If a company has developed a product which does not fall into the pharmaceutical product category, the FDA limits the claims that can be made.

Products that target a healthier audience and have weight loss–control benefits, for example, might be entitled to include “health claims” under certain circumstances. Other products, however, would face a more difficult approval path, and indeed most products – including general foods (sugar, coffee, etc.) – cannot include health claims.

A “health claim” is defined only in the Notification of the Ministry of Public Health (MoPH) Re: Use of Probiotics in Food dated June 27, 2011.

There is no other available definition of health claims for other types of products. A health claim can be a product name, a slogan, or even a drawing.

According to the regulations, it involves “displaying of a picture, photograph, invented mark, mark, trademark, or any statement on the label which is related to the food, food components, or nutrients concerned with health both directly or indirectly (...).” Several Notifications indicate acceptable wordings that can be used depending on the claim a company would like to make, such as in the Notification of the MoPH (no. 182) of 1998 Re: Nutrition Labeling.

Product Names

In considering the acceptability of a name, the FDA will rely on the Notification of MoPH No. 194 of 2000 Re: Labels. According to this Notification, a label has to include the name of a product. Article 15 also states that the name of the food must not “cause any misunderstanding in the essential part, must not be false,



Consumers often associate food products with a catchy slogan, such as Coca-Cola's 2009 Open Happiness campaign.

must not be deceitful, must not be misleading, must not be against the good culture of Thailand, or must not reflect a destruction of Thai language value."

The interpretation of what is misleading would rely mainly on the interpretation of each FDA examiner.

The Notice of the FDA Re: Food Advertisement, dated February 9, 2004, also states that the following would not be acceptable as product names:

- The specific name of a food.
- A generic name.
- The name usually used to refer to the food.
- A name showing the category or type of food.
- A trade name which must be accompanied by a statement showing the category of such food.

The recent tendency of the FDA has been to reject all names that include specific descriptive words, such as "slim," "lean,"

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"white," and "boost," among others. FDA examiners have also rejected any wording that has a different spelling or appearance to these descriptive words with a similar sound, such as "linn" used in place of "lean."

Slogans

It is important to note that, in practice, not all food products are required to have their labels approved.

Moreover, under the current practice, the post-marketing team of the Thai FDA usually would not audit a company's advertisements and its claims.

They only do so if they have received a complaint from a consumer.

Nonetheless, Section 41 of the Food Act of 1979 states that anyone wishing to advertise the qualities, usefulness, or indication of a food by radio, television, film, newspapers or other printed matter, or by other means for business purposes, must submit the sound, pictures, films, or text of the advertisement to the authority for consideration. Some claims that might be visible or included on the label of the product would then appear on the advertisement, and essentially, all advertising has to be approved if a company plans to include any "claim." Only after receiving permission can the product be advertised.

Companies often struggle with objections by the Thai FDA in this field relating to health claims.

Despite the absence of clear regulatory guidance, the FDA has a very strict approach toward the acceptability of health claims, and more often than not, rejects any claims relating to health benefits on the basis that it over-claims the product characteristics.



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Since there are specific regulations for probiotics, several health claims have been approved by the Thai FDA. For example, approval was granted for the Thai-language version of the following sentence: "Activia helps improve slow digestive transit in 14 days." But this is an example of an exception rather than the rule. For non-probiotics products, the process is more cumbersome.

The prohibition of making a health claim in a slogan also applies to the product name as well. The product name must not make a health claim, even if it is combining two words and inventing another, such as "Slim-Fast."

When a company has already secured a trademark registration for their product – perhaps in another jurisdiction – and subsequently faces a rejection by the

FDA, they may argue that their product name is in fact not making a health claim, is not misleading, or is not descriptive, especially since another agency has accepted it.

Unfortunately, their efforts will be futile. The Thai FDA does not consider this official document sufficient and has different requirements when interpreting registrability. Although both the DIP and FDA share a common objective, which is to prevent consumers from being misled, the DIP will focus on whether the trademark is distinctive, whereas the FDA will focus on the intent behind the product name. Indeed, the FDA would require scientific evidence according to an order of the Thai FDA No. 403/2551 (2008) Re: Consideration for Granting Permission to Make Health Claims for Probiotics as well as an explanation about the choice of a trade name. For example, when including the word "bio" in the product name, the justification would be because the product contains "bionic" ingredients (natural extracts), and this will have to be explained to the FDA for approval.

Conclusion

Thus far, there has not been any significant movement toward resolving this issue of discrepancy between the different agencies, despite its importance to food companies. From the perspective of a food company, it can be quite burdensome to develop a registered trademark, as the health agency might not consider this right as a sufficient element to support the application to the FDA.

Therefore, food companies need to ensure that both IP and regulatory compliance issues — and their country-by-country differences — are given full consideration when developing a marketing plan ahead of a new product rollout. **AIP**