

Defining the partnership between marketing and legal

How marketing and legal can work together to strengthen brand decisions, achieve successful pharmaceutical branding outcomes and get the name you want.

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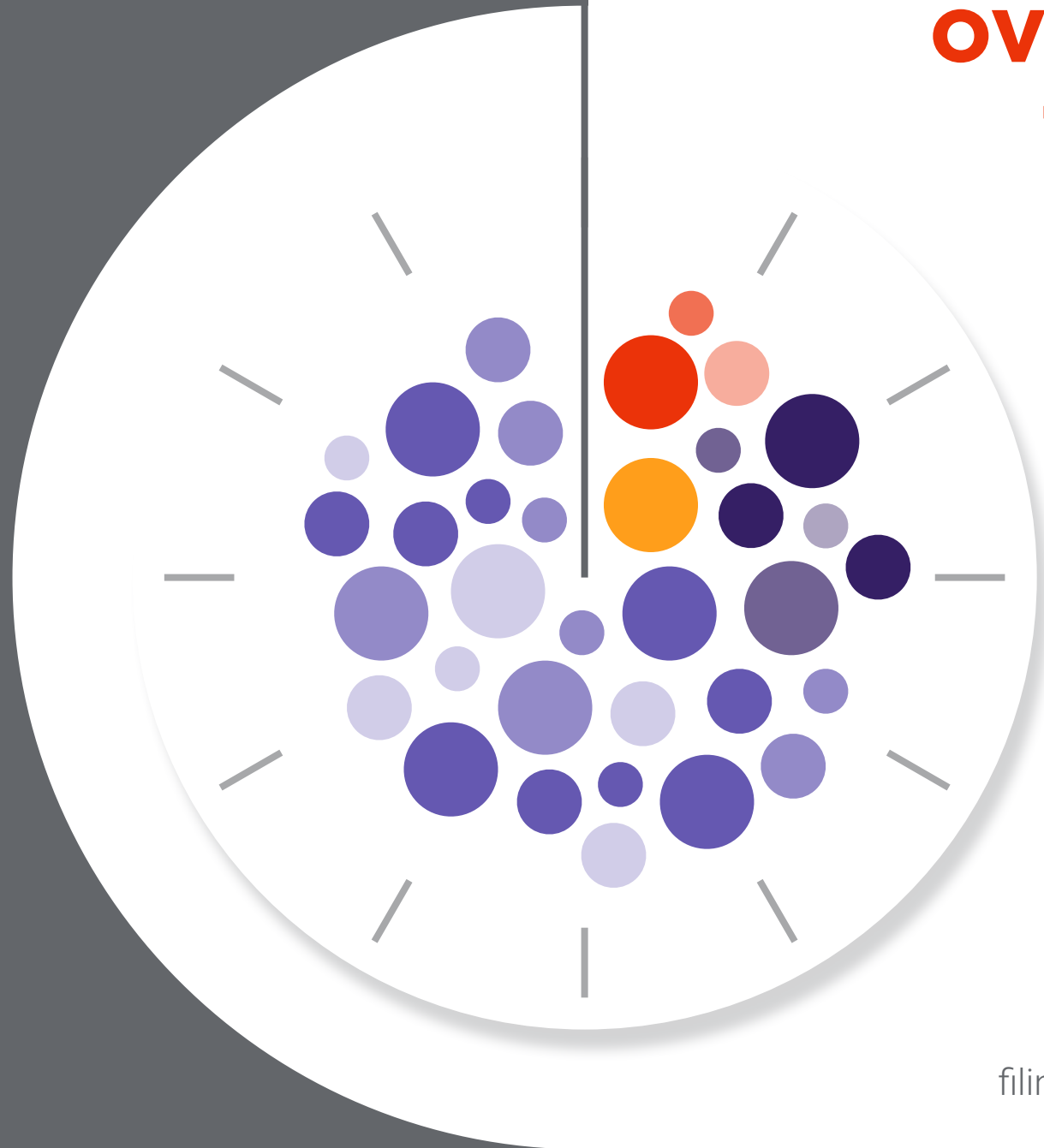
Obtaining legal and regulatory clearance on pharmaceutical names can be a maddening, hair-pulling and scream-inducing experience for marketing teams. Plus, it can be a really expensive and time-consuming activity.

Finding someone to create names is easy – but for a successful outcome, you need an experienced, skilled branding partner adept at managing both creative and legal pathways.

While many people think that finding a viable trademark is the most difficult aspect of pharmaceutical naming, the surprising truth is that cultivating a positive relationship between marketing and legal teams can be a major challenge. When these teams work together, their relationship can have a significant impact on whether or not a naming project is a success.

Before we dive into why, let's take a look at the current pharmaceutical trademark landscape.

The (*very*) overcrowded trademark space



In 2018, there were more trademark filings in class 5 (pharmaceutical and veterinary products) around the world than there are minutes in a year. Our analysis of the filings on Clarivate Analytics' SAEGIS® on the SERION® platform shows nearly **two dozen** filings per hour in China, **five to six** filings per hour in India, **two to three** filings per hour in the United States and **one** filing per hour in the European Union and Japan. This crowded space translates into real challenges securing trademark registrations.

Emerging markets, an increasing number of drug suppliers and the practice of name banking are contributing factors to the sheer volume of trademark filings. **For more detail on each, read on.**

The sheer volume of trademark filings: Contributing factors

In 2018, one large corporation filed over 260 applications for drug names alone

Emerging markets

Large populations, increased wealth and better life expectancy are driving pharmaceutical sales in the geographies known as BRIC (Brazil, Russia, India and China). These factors are also fueling sales in the MIST geographies (Mexico, Indonesia, South Korea and Turkey). Where's the demand coming from? The need for treatment of infectious and communicable diseases in these countries.

In China specifically, this growth is driving the country's ambitions to be the global leader within the pharmaceutical industry. Currently, China has the second largest pharmaceutical market in the world and is the fastest growing emerging market. The legal process for trademark and regulatory approval is being reformed to make it more appealing for foreign investors and help boost the success of domestic companies. In the past, approval delays led to drugs not hitting the Chinese marketplace until 10 years after launch in the United States.

Increasing number of drug suppliers

Drug development is no longer an activity meant just for the big pharmaceutical companies. According to TechCrunch, investors are pouring money into biotech startups at rapid rates, as seed funding rose from \$19 billion in 2017 to \$29 billion in 2018. Forbes points out that 60 of the leading biotech startups raised more money in two months during 2018 than the entire biotech industry raised in all of 2013.

Name banking is on the rise

Many pharmaceutical companies create large groups of names and then file vast quantities of trademark applications to "bank" potential brand names for future use. In fact, one large corporation filed over 260 applications for drug names in 2018. This causes the trademark database to become cluttered with names that are not in use, but could be. Navigating and assessing these filings is a time-consuming challenge for legal teams.

Understanding one another: The brand and legal team tango

Trademark searches are complex, and branding teams often focus more on the speed with which they are conducted than the nuances of the process. One way for legal teams to be stronger partners during the naming process is to provide an overview of their approach to the trademark landscape. Do they look at only the hits that they believe are relevant when conducting searches, or do they take a more conservative approach, running up and down every rabbit hole?

Trademark law protects consumers—it doesn't cater to the naming preferences of marketing teams. While this can be frustrating to teams that feel as though their legal partners are being too conservative, it's important that the likelihood of confusion test is applied to all potential name candidates.

When marketing teams understand how much risk their legal partners are willing to take, the team as a whole can better align on the names selected for full trademark searches.

Understanding the likelihood of confusion test

The evaluation factors for the likelihood of confusion test include:

- 1 The similarity or dissimilarity of the names in relation to appearance, sound and connotation
- 2 The similarity or dissimilarity of goods and services in the registrations
- 3 The fame of the senior name
- 4 The number and nature of similar names in use on similar goods and services
- 5 The variety of goods on which a mark is or is not used

Understanding one another: The brand and legal team tango

Legal teams aren't the only ones that can step it up in the partnership game. Marketing teams, too, can provide a deeper level of insight to their legal partners in an effort to improve naming outcomes. The result of working in siloed teams is often legal feeling as though they are conducting trademark searches without any context and marketing characterizing legal partners as Debbie Downers who reject their favorite name candidates.

How can marketing teams help fix this? By pulling back the curtain and providing legal partners with details about how names will be used, the environments in which target audiences will interact with them and the objectives of the name development exercise. By providing legal partners with insight into these details, marketing teams can in many instances influence the legal process and how legal partners approach trademark screening.

Ultimately, improving partnerships between legal and marketing results in trust. No matter how closely teams work together there will be instances in which they disagree on the risk associated with a name candidate. Even if they can't agree on a risk recommendation, closer partnership will allow these teams to look at things from a different perspective and respect the expert opinions of their peers.

The “don't let them in, don't let them see” mentality of branding professionals contributes to unnecessary failing of names in legal clearance.

Tweaking name candidates to obtain legal clearance

It's always a good idea to align on why a favored name carries the risk it does.

Oftentimes, there is the potential to fine-tune the name and eliminate the part of it that was creating the risk. Be careful, though, to avoid common pitfalls when taking this approach.

Common mistakes in name tweaking:

- Becoming laser-focused on the trademark registration to make the name work. This often results in a disconnect from the brand strategy and loss of the marketing potential that made the name a favorite in the first place.
- Overly fine-tuning the name. While you may end up with a viable trademark, you could be so far away from the original spelling that the mark no longer carries its intended rationale.
- Believing that a descriptor is a cure-all for trademark issues. A descriptive word in the United States may not be descriptive in other countries.

How to get the name you want

Ultimately, the odds of getting the name you want are higher when the marketing team, legal team and agency partner are engaged in the process and understand the brand strategy and objectives. This doesn't just apply to name development. These teams need to stay in alignment to understand necessary brand protection guidelines after the brand is rolled out.

Pharmaceutical brand naming is always going to be a challenge. From regulatory guidelines to trademark conflicts and beyond, these challenges can be better overcome when marketing and legal teams work together. It takes time to develop a positive partnership and understand new perspectives, but the urge to pull your hair out and scream can be severely reduced by navigating the name development process with the right teams and agency partner.

When to push for a name or let it go

Marketing teams should always be provided with a reason as to why names have not been legally cleared. Legal counsel should always be able to explain their decision making without any hesitation. If there appears to be hesitation or details are lacking, marketers should push. Perhaps seek out a second opinion. If your legal counsel can provide reasons, even ones you don't fully understand, without hesitation, then it may be time to let the name go.



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