

BL O/0207/25

IN THE MATTER OF: THE TRADE MARKS ACT 1994

AND IN THE MATTER OF INTERNATIONAL REGISTRATION NO. W00000001661102

IN THE NAME OF: BIOIBERICA, S.A.U.

FOR THE TRADE MARK

DAOgest

IN CLASSES 1 AND 5

AND

IN THE MATTER OF OPPOSITION THERETO UNDER NO. 435427

BY STADA ARZNEIMITTEL AG

ON APPEAL FROM THE DECISION OF THE HEARING OFFICER DATED 16 JULY 2024

DECISION OF THE APPOINTED PERSON

Introduction

1. This is an appeal against the decision of the UK Intellectual Property Office in opposition proceedings concerning International Registration W00000001661102, in the name of BIOIBERICA, S.A.U. ('the Applicant'). The Applicant sought protection in the United Kingdom for the trade mark ('the Trade Mark')

DAOgest

for a variety of goods in Classes 1 and 5.

2. The Opposition was brought by STADA Arzneimittel AG ('the Opponent') under section 5(2)(b) of the Trade Marks Act 1994, relying on its earlier UK trade mark ('the Opponent's Mark'),

DAOSIN

registered in Class 5 for *dietetic substances for medical use*.

2. By a Decision dated 16 July 2024, the Hearing Officer, Ms. Catrin Williams, upheld the opposition in part, finding that a likelihood of confusion existed between the marks in respect of the goods of the Application which she had found to be identical to the goods for which the Opponent's mark was registered, namely
 - *pharmaceutical products, preparations for medical and veterinary use*
 - *dietetic food and substances for medical or veterinary use, food for babies*
 - *food supplements for persons or animals*
 - *products based on diamine oxidase for use in pharmaceuticals, dietetic and functional foods, nutraceutical foods and nutritional and food supplements*
3. The Opposition failed in relation to the following goods which were held not to be similar:
 - *chemical products for the pharmaceutical, nutraceutical, food and cosmetic industry (Class 1)*
 - *biological preparations for the pharmaceutical, nutraceutical, food and cosmetic industry (Class 1)*
 - *hygienic and sanitary products for medical use; disinfectants (Class 5)*
4. The Applicant appeals against the Decision, asking that the mark be allowed to proceed to grant .

Summary of the Decision of the Hearing Officer

5. The Hearing Officer first addressed proof of use, considering whether the Opponent had demonstrated genuine use of DAOSIN within the relevant period (19 March 2017 – 18 March 2022). She found that the respondent's evidence comprising sales figures, invoices, and product listings was sufficient to establish genuine use for dietetic substances for medical use. This is not challenged on appeal.
6. Turning to the comparison of goods, the Hearing Officer found that all the Class 1 goods of the Application and the *'hygienic and sanitary products for medical use ; disinfectants'* in Class 5 were not similar to the Respondent's goods, and thus the opposition failed *in limine* in respect of those goods. The remaining Class 5 goods in the application were held to be identical to the respondent's dietetic substances for medical use, thus engaging section 5(2)(b) of the Trade Marks Act 1994.
7. In considering the average consumer and the purchasing process, the Hearing Officer concluded that:
 - The average consumer would include both medical professionals and the general public.
 - Both groups would exercise a higher than average degree of attention when selecting the goods.
 - The purchasing process would be primarily visual, with some aural elements (e.g., discussions with professionals or retail assistants).
8. In her comparison of the marks, the Hearing Officer found that:
 - There was a medium degree of visual and aural similarity, as both marks contained the common element "DAO" but differed in their endings.
 - The marks were conceptually neutral, as there was insufficient evidence to support the Applicant's contention that the average consumer would understand "DAO" as referring to diamine oxidase.
9. The Hearing Officer ultimately concluded that a likelihood of confusion amongst the average consumer existed in respect of the goods which she had held to be identical,

particularly given what she considered to be the high inherent distinctiveness of DAOSIN.

The Appellant's Case

10. The Applicant's Grounds of Appeal take issue with the finding of confusing similarity, alleging that the Hearing Officer erred in three areas.

11. Ground 1 – The Distinctiveness of the Respondent's Mark

The Applicant contends that the Hearing Officer was wrong to hold that the word DAOSIN is highly distinctive, contending that the element "DAO" is widely used and recognised in the relevant field as an abbreviation for the chemical compound diamine oxidase, an enzyme produced in the body. DAO is associated with the control of histimine and it is produced and taken as a supplement to deal with histimine intolerance. Since DAO is the only element in common between the marks, there is therefore no likelihood of origin confusion. The applicant relies in particular on the following:

- The respondent itself uses the term "DAO" as referring to the enzyme on its packaging and marketing materials.
- The wider marketplace contains numerous DAO supplement brands incorporating the word "DAO" (DAOfood, DAOhead, DAOkids, NATURADAO), weakening its distinctiveness.
- The Hearing Officer's finding at [54] that there was no evidence of widespread recognition of "DAO" was inconsistent with the evidence before her.
- The Hearing Officer failed to apply the legal principle that a crowded market reduces distinctiveness, as set out in Lifestyle Equities CV v Royal County of Berkshire Polo Club Ltd [2024] EWCA Civ 814.

12. Ground 2 – The Perception of "DAO" by the Average Consumer

The applicant argues that "DAO" would not be seen as a fanciful term but rather as a direct reference to diamine oxidase, particularly by consumers purchasing dietetic supplements. It submits that:

- Acronyms in trade marks are inherently weak unless distinctively stylised, as held in Kunze Folien GmbH v Kartell UK Limited BL O/085/14.

- The Hearing Officer's finding that the marks were conceptually neutral was flawed, as the average consumer would understand that "DAO" meant diamine oxidase.

- The decision ignores commercial reality, as pharmaceutical brands frequently incorporate active ingredients into trade marks (e.g., Lactosolv for lactose products).

13. Ground 3 – The Average Consumer and Purchasing Process

The applicant challenges the Hearing Officer's application of her own findings on consumer attention, arguing that she failed to properly account for the high level of scrutiny applied in purchasing medical and dietetic products. The key arguments are that:

- The Hearing Officer rightly found that the average consumer would pay close attention to product details but contradicted herself by concluding that consumers might overlook differences between the marks.

- The decision failed to consider the role of professional advice, which reduces the risk of confusion, as set out in Olimp Laboratories v EUIPO (T-817/19).

- Given the high level of attention, the likelihood of confusion is remote, and the Hearing Officer's conclusion lacks consistency.

14. The applicant seeks an order allowing the appeal, permitting the application to proceed for the remaining Class 5 goods.

The fundamental issue in the case

15. It seems to me that the fundamental question here is whether the Hearing Officer directed herself correctly when concluding that the average consumer would not understand that DAO stood for diamine oxidase. If they would understand this, (or, at least, even if they did not know the full chemical name of the substance, would understand that DAO was the name of a chemical substance with dietetic and medical benefits), then the foundations of the decision fall apart. The name DAOSIN could not in those circumstances be considered to be highly distinctive, and there could be no

risk of confusion as to origin because the only similarity between the names lies in the presence of a word or acronym which would be understood by the public as being descriptive of the goods being sold.

16. On the other hand, if the term DAO did not have a descriptive meaning to the average consumer, then the resolution of the question of the likelihood of confusion was a multi-factorial matter of evaluation and (having instructed herself correctly on the law) the decision was well within the boundaries of what a reasonable Hearing Officer could have decided. It would therefore not be a matter with which an Appellate tribunal could interfere.

The meaning of the word 'DAO' and the understanding of the average consumer

17. There was no real dispute that DAO is in fact used as an acronym for diamine oxidase (which is why it is incorporated in the names DAOSIN and DAOGEST for the products produced by the Opponent and Applicant respectively, these being dietetic supplements incorporating diamine oxidase as their active ingredients).
18. The dispute comes down to the question of whether it had been established on the evidence that the average consumer was aware of this fact (at the relevant date).
19. The evidence filed by the Applicant to try to establish this point consisted essentially of (i) of some medical or scientific articles, (ii) some more general internet resources (Wikipedia, Web-MD) which might be consulted by the general public, (iii) the fact that the acronym was used to describe diamine oxidase on supplements sold by the Opponent and by third parties (by way of identifying the active ingredient on the packaging – as the Opponent does on the packaging it relied on in the Opposition to demonstrate its use of the mark; and by way of incorporating the acronym in the name of the products – eg third party products such as DAOfood, DAOhead, DAOkids found on Amazon.co.uk and on Ebay).
20. The Opponent's response to this was to criticize the evidence and to say that it failed to prove that the average consumer was aware even of diamine oxidase, let alone the use of DAO as an acronym for it. They pointed out that the general public does not normally read medical or scientific articles. They criticized the reliance on pages from general web resources such as Wikipedia and Web-MD without evidence (for

example) of the extent to which they were actually consulted by the public in the United Kingdom. They took issue with the reliance on the products actually on the market, noting (i) that the packaging in issue seemed to be from products being sold in Spain and other countries in Europe rather than in the UK, and (ii) that the products in the evidence were not actually proved to be third party products (as opposed to products of the Opponent). They carried out their own Google search for the term DAO to show that it threw up references not only to DAO meaning diamine oxide but also to DAO as an acronym for a 'Decentralised Autonomous Organisation' and the name of a Chinese school of philosophy.

21. In the light of all this, the Hearing Officer drew the following conclusions in paragraph 54 about the understanding of DAO amongst the average consumer:

I do not discount that fact that the term "DAO" is used as an abbreviation for "Diamine Oxidase", however, there is no evidence before me to demonstrate the reach of the articles that the holder has evidenced nor is there any evidence to show that this term is widely known to end users being the general public. Whilst some medical professionals may understand that "DAO" is an abbreviation of "Diamine Oxidase", I do not find that this would be the case for the general public.

22. On this basis, she stated in paragraph 55 that:

For the avoidance of doubt, I intend to proceed with the rest of my decision on the basis that a significant proportion of consumers would not understand the term "DAO" as having any conceptual meaning.

23. The key question here seems to me to be the identification of the average consumer.
24. The great mass of the general public of course would have no particular interest in enzyme supplements, and certainly no interest in a supplement to deal with histimine intolerance. They would therefore be most unlikely to have come across diamine oxidase or its acronym. To some extent the same could be said even of medical professionals – an experienced orthopaedic surgeon may have come across histimine deficiency when studying for his medical degree but is unlikely to keep in his or her mind any detailed knowledge of the metabolic pathways and enzymes involved. However, I do not think that this is the end of the analysis.

25. The starting point is the specification of goods of the Opponent's mark. This is limited to 'dietetic substances for medical use' (which the Hearing Officer held to be identical to the relevant goods of the Applicant's mark). In this regard she cited the well-known decision of the General Court in Olimp Laboratories T 817-19 which includes the following passage:

"39 Where the goods in question are medicinal or pharmaceutical products, the relevant public is composed of medical professionals, on the one hand, and patients, as end users of those goods, on the other (see judgment of 15 December 2010, Novartis v OHIM – Sanochemia Pharmazeutika (TOLPOSAN), T-331/09, EU:T:2010:520, paragraph 21 and the case-law cited; judgment of 5 October 2017, Forest Pharma v EUIPO – Ipsen Pharma (COLINEB), T-36/17, not published, EU:T:2017:690, paragraph 49).

40 Moreover, it is apparent from case-law that, first, medical professionals display a high degree of attentiveness when prescribing medicinal products and, second, with regard to end consumers, in cases where pharmaceutical products are sold without prescription, it must be assumed that those goods will be of concern to consumers, who are deemed to be reasonably well informed and reasonably observant and circumspect where those goods affect their state of health, and that these consumers are less likely to confuse different versions of such goods. Furthermore, even assuming that a medical prescription is mandatory, consumers are likely to demonstrate a high level of attentiveness upon prescription of the goods at issue in the light of the fact that those goods are pharmaceutical products. Thus, medicinal products, whether or not issued on prescription, can be regarded as receiving a heightened level of attentiveness on the part of consumers who are normally well informed and reasonably observant and circumspect (see judgment of 15 December 2010, TOLPOSAN, T-331/09, EU:T:2010:520, paragraph 26 and the case-law cited).'

26. The Hearing Officer correctly cited and applied this to the question of the level of attention which would be paid by the average consumer when considering purchasing goods under the marks. However, I believe it is also an important passage when considering the identity of the average consumer. The average consumer of a medical product is not simply a member of the public, but is, in the language of the General Court 'a patient, as end user'. In the case of a dietetic substance for medical use, the word 'patient' may be overstating it, but certainly the average consumer can

be characterized as an individual who is suffering from a medical condition such that they require the product in question to improve their health. As the General Court says, *'in cases where pharmaceutical products are sold without prescription, it must be assumed that those goods will be of concern to consumers, who are deemed to be reasonably well informed'*. Being reasonably well-informed on a medical issue which requires intervention obviously means that the consumer can be expected to understand (i) what their condition is, and (ii) what the intervention involves.

27. We also need to consider the question of normal and fair use in the present case. It is common ground that both marks incorporate prominently the word DAO, which is used in the field of histimine intolerance as an acronym for the diamine oxidase, often used as a dietetic supplement. Whilst the specification of goods in this case extends to dietetic substances for medical use generally, it seems to me that the only normal and fair use of such a mark for a dietetic supplement is for a product which incorporates diamine oxidase as its active ingredient. This is because if the mark were used for a supplement which did not feature diamine oxidase, it would be deceptive. It follows that normal and fair use of the mark will be for products serving as dietetic remedies aimed at those suffering from histimine intolerance.
28. In the circumstances, it seems to me that the average consumer in the present case is not simply any old member of the general public. The average consumer is a member of the general public with a histimine intolerance who is looking for a diamine oxidase supplement to treat their condition. They may well have taken medical advice that they should get such a supplement. Alternatively the average consumer may be a member of the medical profession specializing in dietetic treatments including histimine intolerance.

Conclusion

29. I consider that the Hearing Officer erred in principle by treating the average consumer far too broadly given the nature of the specification of goods and the only fair use which could be made of these marks.
30. When the average consumer is identified correctly, it seems to me that the primary case advanced by the Opponent – that the average consumer would not be aware of diamine oxidase at all – is plainly wrong. The average consumer of the only products

on which these marks could fairly be used within the scope of the specification would almost certainly be aware of it. As for the secondary case - that the average consumer aware of diamine oxidase would still not recognize that DAO was an acronym or a shorthand version of the term - this seems to me to be fanciful. It is highly likely that the average 'well-informed' consumer concerned with treating a medical condition will have done research on the subject, at least on the internet, in which case it is highly likely that they will have come across the common acronym. Even if they had not, in my view the average consumer (as I have defined them) looking at a product called DAOgest for a dietetic diamine oxidase supplement would immediately recognize that DAO was being used as an acronym.

31. It follows that the Hearing Officer erred in her finding that the marks in this case were confusingly similar. The only similarity between them lies in an element which would be recognized by the average consumer as being entirely descriptive of the goods, and therefore of no significance as an indicator of origin.
32. I uphold the Appeal and direct that the Applicant's mark shall proceed to grant across its whole scope. I award the Applicant the costs of the Appeal in the amount of £1500. I do not propose to make a separate order unless requested by the parties.

IAIN PURVIS KC

THE APPOINTED PERSON

6 March 2025