TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION No 12067
BY SANOFI-SYNTHELABO FOR A DECLARATION OF INVALIDITY
IN RESPECT OF TRADE MARK No 2234375
IN THE NAME OF BAYER AKTIENGESELLSCHAFT

TRADE MARKS ACT 1994

IN THE MATTER OF Application No 12067
by Sanofi-Synthelabo for a Declaration of Invalidity
in respect of Trade Mark No 2234375
in the name of Bayer Aktiengesellschaft

DECISION

1. Trade mark No. 2234375, NEXAVAR, is registered in Class 5 with the following specification "pharmaceutical and veterinary preparations and substances; diagnostics adapted for medical use". It stands registered from the filing date of 31 May 2000.

2. By application dated 10 November 2000 Sanofi-Synthelabo applied for a declaration of invalidity in respect of this registration. The applicants are the proprietors of the mark BESAVAR registered in Class 5 under No. 2122111 for 'pharmaceutical products'. It has a filing date of 29 January 1997.

3. The applicants say that identical or similar goods and similar marks are involved and that as a result having regard to Section 47(2)(a) No. 2234375 is open to objection under Section 5(2)(b).

4. The registered proprietors filed a counterstatement denying the above ground.

5. Both sides ask for an award of costs in their favour. Both sides filed evidence. The matter came to be heard on 3 January 2002 when the registered proprietors were represented by Mr N K Howick of Carpmaels & Ransford and the applicants by Mr R Black of S J Berwin.

6. The relevant statutory provisions are to be found in Section 47(2) of the Act read in conjunction with Section 5(2) as follows:

> Section 47
>
> "(2) The registration of a trade mark may be declared invalid on the ground -
>
> (a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, or
>
> (b) .....
>
> unless the proprietor of that earlier trade mark or other earlier right has consented to the registration."

and

Section 5

"5.-(2) A trade mark shall not be registered if because -

(a) .....

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark."

7. I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v Puma AG* [1998] E.T.M.R. 1, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] E.T.M.R. 1, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77 and *Marca Mode CV v Adidas AG* [2000] E.T.M.R. 723.

It is clear from these cases that:-

(a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v Puma AG,* paragraph 22;

(b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v. Puma AG*, paragraph 23, who is deemed to be reasonably well informed and reasonably circumspect and observant - but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind; *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V.* paragraph 27;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v. Puma AG*, paragraph 23;

(d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel BV v. Puma AG*, paragraph 23;

(e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17;

(f) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either per se or because of the use that has been made of it; *Sabel BV v. Puma AG*, paragraph 24;

(g) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v. Puma AG*, paragraph 26;

(h) further, the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense; *Marca Mode CV v. Adidas AG*, paragraph 41;

(i) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 29.

8. The evidence in this case is as follows. The registered proprietors filed statutory declarations by Erik A Rees and Dr JP French. Mr Rees is a consultant graphologist and is a founder and Chairman of the British Institute of Graphologists and Chairman of the Graphology Research and Education Trust. He gives evidence as to how the respective marks can be written in terms of upper-case printing, lower-case printing and cursive and concludes that they are unlikely to be confused in written form. Dr French is an independent forensic consultant specialising in the analysis of speech and language samples. He exhibits (JPF2) his report analysing the stress structure and pronunciation of the marks based on a survey of 14 people (13 hospital - based doctors and one pharmacist). His analysis is a technical one and I do not propose to record it here. However he concludes that the respective marks are unlikely to be confused.

9. In reply the applicants filed a witness statement by Dan Enraght-Moony, an assistant solicitor at S J Berwin. He responds particularly to Mr Rees' evidence and exhibits an article (DJEM1) entitled 'Errors in Prescribing' which appeared in the Journal of the Medical Defence Union 1992, November 3. The main points that Mr Enraght-Moony draws from the article are that care should be taken in the writing of prescriptions and that serious consequences can result from errors in prescribing as a result of confusion between marks. He contends that Mr Rees' evidence fails to take into account the conditions of the market in which many pharmaceuticals will be used.

Distinctiveness of the applicants' mark

10. No evidence of use of the applicants' mark has been placed before me so I have only its inherent characteristics to consider. The mark BESAVAR, like many pharmaceutical marks, is an invented word or at least carries no obvious meaning or allusion to the goods. I consider it to be a wholly distinctive mark.

Comparison of goods

11. The mark BESAVAR is registered for pharmaceutical products. NEXAVAR, the mark under attack, is registered with a specification that includes pharmaceutical preparations and substances. Although expressed slightly differently I regard the specifications as covering

identical goods. Bayer's specification also covers other items which, if not identical, are likely to be similar. The applicants' pharmaceutical products could include such goods for veterinary use. On that basis Bayer's veterinary preparations and substances would be identical or closely similar. 'Diagnostics adapted for medical use' are also similar to, if not the same as, pharmaceutical products.

Comparison of marks

12. Given the position on the goods the parties' evidence and submissions, rightly in my view, concentrated on the comparison of the marks themselves. For this purpose I must have regard to visual, aural and conceptual similarities. In doing so I do not give any weight to the registered proprietors' observation that other -AVAR suffixed marks (COLLAVAR and ETRAVAR) co-exist on the register (see Jacob J's remarks in British Sugar Plc v James Robertson & Sons Ltd [1996] RPC 281 regarding state of the register evidence).

13. Mr Howick suggested that the first syllables NEX and BES were the most memorable part of the respective marks because of the strength and positioning of these elements. Mr Black submitted that, given the identity of the goods and the distinctiveness of the applicants' mark there was a greater likelihood of confusion. In his view it was wrong to overemphasise the differences between the marks when there were obvious points of similarity. He also relied on part of Mr Rees' evidence which acknowledged certain similarities between the marks.

14. Visually the marks NEXAVAR and BESAVAR share a common ending. They are also structurally similar by which I mean that they are of equal length and have consonants and vowels in identical positions within the respective words. Against that it has long been accepted that the beginning of words are generally more important (see TRIPCASTROID 42 RPC 264). The first syllables of these marks, that is NEX- and BES-, are quite different and, in my view, will have a material effect as differentiating characteristics when the marks are viewed as wholes. To that extent Mr Rees' conclusion confirms my own impression that they are not likely to be considered similar whether presented in handwritten or printed form. Both possibilities must, of course, be allowed for because I have no evidence as to the precise nature of either party's goods or their methods of sale/use. Thus they might either be available 'off the shelf' in a chemist shop (ie in a printed packet) or by means of a (possibly) handwritten prescription from a doctor or consultant which then has to be interpreted by a pharmacist.

15. I have not lost sight of Mr Enraght-Moony's evidence which urges me to bear in mind the risks arising from errors in prescribing pharmaceuticals as a result of confusion between marks. I have given careful consideration to the article from the Journal of the Medical Defence Union exhibited (DJEM 1) to his witness statement. The article in question deals with a wide range of circumstances in which mistakes have occurred. Many of the examples given resulted from circumstances which do not appear to relate to the mark itself (eg wrong dosages, wrong application, wrong dilution, wrong duration etc).

16. Two categories of errors are particularly relevant. They are headed "writing illegibly" and "confusing names". The latter turns on the particular marks concerned and arguably involve marks that are rather closer than those before me (eg Daonil/DeNol, Inderal/Intal,

Priadel/Pardale). I find the two cases noted by way of examples of the results of illegible writing to be somewhat surprising. In the first example Lorazepam was dispensed for Magnapen and in the second Daonil was dispensed for Amoxil. Without knowing the full circumstances in which the mistakes were made I do not think I should take these as being typical of the sort of problems that can occur. They may have been chosen as extreme examples to point up the underlying risk. They do not cause me to change my view that, notwithstanding the presence of common features, the marks are not visually similar when viewed as totalities.

17. Aurally I consider it is the first syllable of each of the marks that is likely to be the stressed and dominant feature. There is a marked difference between the pronunciation of NEX and BES. Even allowing for the second and third syllables being identical the overall sound of the marks is different. I base these views on my own approach to the words. Dr French's evidence largely confirms my own view but, with respect to his careful and detailed analysis, his opinions are based in part on a survey which is limited in scope. Full details of the survey in the sense of the names of those surveyed, their precise responses etc and the circumstances in which the survey took place are not disclosed. The survey covered just 14 people and was restricted to hospital-based doctors (13) and one pharmacist. That is both a small base number and does not deal with the question of whether they constitute the 'average consumer' for the goods in question. However, for the reasons given above I find that there is only limited similarity between the marks and that this similarity is unlikely to be material in the overall aural perception of the marks.

18. Conceptually both marks are invented words. I cannot see any point of conceptual similarity other than their inventedness. Pharmaceutical brand names, even though invented, often contain a suffix or prefix alluding to a characteristic of the goods eg the condition to be treated or an active ingredient. Neither side has pointed to any such reference here.

Likelihood of confusion

19. At the hearing Mr Black referred me to two cases under the antecedent law, Harker Stagg [1953] RPC 205 and Sterwin v Brocades [1979] RPC 481, as authority for the proposition that, in the context of pharmaceutical marks, the risks to patients may make even minimal confusion unacceptable. Against that Mr Howick noted that at one time OHIM appeared to be adopting a contrary stance by setting a higher threshold test before confusion can be found. The position has been considered recently in a Registry decision in Opposition No 48989 (SRIS 0-532-01), a copy of which was made available to the parties at the hearing. Further background can also be found in Opposition No 50441 (SRIS 0-414-01).

20. Consistent with the approach adopted by the Hearing Officers in these previous Registry decisions I consider that I must apply the Trade Marks Act 1994 to the proceedings before me. The test I have to consider is whether, having regard to similarities in the marks and goods, there is a likelihood of confusion. I am not aware of any authority under the current law that is binding on me which suggests that either a higher or lower threshold applies in assessing likelihood of confusion where pharmaceutical marks are concerned.

21. I must nevertheless take account of all relevant surrounding circumstances bearing on the

trade in such goods and the nature and characteristics of the average consumer. Thus in the circumstances of this case I bear in mind that the goods may be available over the counter or by prescription; that the average consumer may be medical professionals and/or the public at large; that handwritten prescriptions may be involved; that the public may be ordering/purchasing goods in the environment of a busy chemists shop. I also consider that, notwithstanding that a customer may have an ailment at the time, the average person is unlikely to be so careless in health issues that he or she will act in other than a reasonably circumspect and observant fashion.

22. I also make due allowance for imperfect recollection. The latter seems to me to be particularly important where invented pharmaceuticals names are concerned. Members of the public are more likely to be prone to mis-remembering such names than dictionary words or obviously descriptive coinages. Taking all these factors into account along with my views on the visual, aural and conceptual similarities I have come to the clear view that there is no likelihood of confusion between the marks NEXAVAR and BESAVAR even if used in relation to identical goods. The application for invalidity fails accordingly.

23. The registered proprietors are entitled to a contribution towards their costs. I order the applicants to pay them the sum of **£1500**. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 31st Day of January 2002

M REYNOLDS
For the Registrar
the Comptroller-General