

**IN THE MATTER OF Applications 1541005  
and 1555416 by the Boots Company Plc  
to register a trade mark in Classes 5 & 42**

**AND IN THE MATTER OF Opposition thereto  
by Medilink Limited under No 42210**

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**DECISION**

10 On 7 July 1993, the Boots Company Plc applied for the registration of the trade mark  
MEDILINK in Class 5 in respect of:

Pharmaceutical, preparations and substances; all for oral use; all included in Class 5.

15 On 2 December 1993, the same applicant applied for the registration of the same trade mark in  
Class 42 in respect of:

Pharmacy services and dispensing of pharmaceutical services: all relating to  
pharmaceuticals for oral use; all included in Class 42.

20 These applications were advertised for opposition under numbers 1541005 and 1555416,  
respectively.

25 On 9 March 1995, Medilink Ltd filed notice of opposition to both applications. The grounds  
of opposition are, in summary, as follows:-

1) the opponent has a reputation under the word MEDILINK by virtue of  
considerable use of the mark in relation to pharmaceutical and medical preparations;

30 2) the applications should be refused under Section 17(1) of the Trade Marks Act  
1938 because the applicant is not the bona fide proprietor of the trade mark.

3) by virtue of such use and reputation, use of the mark MEDILINK by the applicant would be likely to cause confusion and deception and should therefore be refused under Section 11 of the Trade Marks Act 1938;

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4) the opponent is the proprietor of pending application No 1578230 for the mark MEDILINK in Class 5;

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5) the opponent's application was filed on 13 July 1994, but by virtue of the opponent's earlier use of the mark MEDILINK, this application is entitled to priority over applications 1541005 and 1555416 under Section 12(3) of the Trade Marks Act 1938;

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6) the registrar should refuse the applications in the exercise of his discretion under Section 17(2) of the Trade Marks Act 1938.

The opposition proceedings were subsequently consolidated. The matter came to be heard on 29 October 1998, when the applicant was represented by Ms Morris of the Boots Company and the opponent was represented by Mr Hickey of Castles, Trade Mark Agents.

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By the time this matter came to be heard the Trade Marks Act 1938 had been repealed. However, in accordance with Schedule 3 of the Trade Marks Act 1994, I must continue to apply the provisions of the old law to these proceedings. Accordingly all further references in this decision to sections of the Act, are references to the provisions of the Trade Marks Act 1938 (as amended).

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At the hearing before me, Mr Hickey indicated that the opponent was not pursuing the ground of opposition under Section 17(1) of the Act. I need therefore say no more about that. I first consider the ground of opposition under Section 11 of the Act. Section 11 of the Act is as follows:

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11. It shall not be lawful to register as a trade mark or part of a trade mark any matter the use of which would, by reason of its being likely to deceive or cause confusion or otherwise, be disentitled to protection in a court of justice, or would be contrary to law or morality, or any scandalous design.

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Both parties were agreed that the appropriate test under Section 11 is that set out in Smith Hayden's Application (1946 63 RPC 97) as amended by Lord Upjohn in the Bali trade mark case (1969 RPC 472 at 496). Adapted to the matter at hand the test may be expressed as follows:

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Having regard to the use of the name MEDILINK is the tribunal satisfied that the mark applied for, if used in a normal and fair manner in connection with any goods or services covered by the registrations proposed, will not be reasonably likely to cause deception and confusion amongst a substantial number of persons?

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The opponent filed two Statutory Declarations by Allan Molyneux dated 1 August 1996 and 6 June 1997. Mr Molyneux is a Director of Medilink Ltd. The following relevant facts emerge from Mr Molyneux's evidence:

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1) the trade mark MEDILINK was first used in the UK in November 1988 by Mr Molyneux trading as sole trader in relation to surgical and medical apparatus;

2) Medilink Ltd was incorporated in February 1989 and continued such use;

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3) the opponent first used the mark MEDILINK in the UK in relation to pharmaceutical preparations in October 1992;

4) the total value of sales of goods under the trade mark MEDILINK in the UK in the years ending 31 March 1993 and 31 March 1994 was approximately £1.3 million and £1 million respectively;

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5) ninety-nine per cent of this turnover is attributable to sales of pharmaceutical preparations and over-the-counter medicines;

5 6) sales of goods by reference to the trade mark MEDILINK have taken place in Essex, Hampshire, Dorset, Devon, Cambridgeshire and Scotland;

7) the MEDILINK mark is applied directly to boxes of goods by way of delivery labels, packaging tape and application of the mark by way of a stencil;

10 8) the opponent has not engaged in any form of advertising but the reputation of goods sold under the trade mark MEDILINK is said to have spread by way of word of mouth recommendation.

15 Exhibit AM1 to Mr Molyneux's first declaration comprises copies of invoices. The earliest invoice is dated 28 October 1992.

The company name Medilink Ltd appears prominently at the head of the invoice. The invoice is addressed to Euromedic Healthcare Ltd in Cambridge and it is in respect of an order for 100 packs of paraffin liquid and phenolphthal agarol at a total cost of £1,750. Some of the  
20 invoices are for smaller orders. Some are for larger orders. For example, an invoice dated 21 May 1993 is in relation to an order for 2,716 bottles of an antibiotic under the name Augmentin. At least some of the descriptions of goods include other parties registered trade marks (such as Augmentin). All of the invoices are addressed to companies who appear to be engaged in trade in pharmaceuticals rather than being the end users of the products.

25 The applicant filed a Statutory Declaration dated 23 December 1996 by Ian Alexander Hawtin, who is the Company Secretary of the Boots Company Plc. The following facts emerge from Mr Hawtin's evidence:

30 1) in 1993 Boots decided to improve its dispensing service to customers by linking its 1,200 stores through a computer network in order to be able to hold information about

dispensed and purchased medicines for individual customers;

2) this information could be accessed for an individual customer from any branch;

5 3) the service was introduced on 27 April 1994 under the name MEDILINK;

4) the service was promoted by means of national advertising between 9 June and 13 July 1994, and by distribution of over 6 million leaflets through Boots stores;

10 5) at the time of Mr Hawtin's declaration there were some 13 million individual patient records on the system but despite this extensive use of the name MEDILINK by Boots the applicant is not aware of any confusion with the opponent's use of the mark.

The applicant contends that there is no likelihood of confusion because:

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1) the opponent operates a wholesale business supplying pharmaceutical products to professional and expert buyers;

2) they do not dispense pharmaceuticals to individual patients;

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3) the patient medication record system provided by the applicant under the mark MEDILINK is only available at the pharmacy counter of Boots stores for use in relation to medicines prescribed by a registered medical practitioner;

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4) the opponent uses Medilink Ltd as a company name rather than as a trade mark.

The applicant filed a further statutory declaration by Ian Alexander Hawtin dated 21 January 1997. Exhibit IAH1 to that declaration includes a letter dated 28 July 1994 from Geoffrey Green Russell, Solicitors, addressed to Boots legal department. Geoffrey Green Russell act  
30 on behalf of Medilink Ltd. The letter states that:

“Our client supplies pharmaceutical and medical materials to overseas suppliers and hospitals and to companies within the United Kingdom for export purposes.

We can advise that our clients trade mark application was made on 15 July 1994.

5 Although our clients application post-dates your own, our client will be relying upon its prior use of the mark and will be opposing your application for the registration of the mark at the appropriate juncture.”

10 On 13 July 1994, the opponent filed an application of their own to register the mark MEDILINK. This application (No 1578230) is currently suspended pending the outcome of these opposition proceedings. The specification of the opponent’s application is currently:

15 “Pharmaceutical and medicinal preparations substances; dietetic substances adapted for medicinal use; plasters, materials for dressings; disinfectants; diagnostic preparations and substances for medical purposes.”

The opponent’s application is not formally before me, but I will take account of its existence in determining the matter.

20 At the hearing, Ms Morris argued that:

1) the opponent’s use of the mark MEDILINK on pharmaceuticals was primarily as a company name rather than as a trade mark;

25 2) the invoices showed that the name Medilink had been used in the wholesale trade and the turnover figures, although significant, are therefore unlikely to represent a large number of sales;

30 3) there is a suggestion that the opponent has used the mark in the course of supplying wholesalers engaged in the export of pharmaceuticals from the UK and there is therefore little likelihood that the general public in the UK would have become aware

of such use;

4) the limited use of MEDILINK as an unregistered mark for wholesale pharmaceutical products should not be sufficient to prevent registration by the applicant;

5) the applicant is prepared to exclude pharmaceuticals for the wholesale market from its specification in order to overcome the opposition;

6) the applicant accepts that the opponent's limited earlier use of the name Medilink is likely to be protected under Section 7 of the Act.

For his part Mr Hickey took the position that:

1) the opponent's earlier use of the name Medilink qualified as trade mark use and the applicant's acknowledgement of their rights under Section 7 confirm this;

2) the proposed limitation of the applicant's Class 5 application and corresponding limit to the opponent's pending application was unacceptable to the opponent in view of their earlier use of the mark;

3) the opponent's earlier use was sufficient to justify their later filed application being given priority over the two applications under opposition;

4) the absence of evidence of confusion is a result of the particular manner of use of the name Medilink by the applicant and is not a reliable guide as to what will happen if the applicant uses the mark normally and fairly in relation to all the goods and services covered by their applications.

It is common ground that the applicant did not use the mark MEDILINK before the date of the applications under opposition and that the matter must be determined as of those dates.



By the date of the earlier application (7 July 1993) the opponent had used the name MEDILINK for around nine months in relation to pharmaceutical products supplied to other traders in such products, possibly for ultimate export. Nothing turns on the latter point. The questions I must answer are:

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1) is this use sufficient to justify the refusal of the Class 5 application; and

2) is the opponent's use up to 2 December 1993 sufficient to justify the refusal of the later application in Class 42.

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In the Bali trade mark case, referred to above, Lord Upjohn noted (see page 496) that the requirement for confusion and deception to be among a substantial number of persons is a matter of judicial gloss to be applied properly and sensibly. He indicated that he was content with the test under Section 11 laid down by Romer J. in *Jellinek's Trade Mark* (1946 63 RPC 59 at page 78), which is as follows:

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“It is not necessary in order to find that a mark offends against Section 11 to prove that there is an actual probability of deception leading to a passing off or (I add) an infringement action. It is sufficient if the result of the registration of the mark will be that a number of persons will be caused to wonder whether it might not be the case the two products come from the same source. It is enough that the ordinary person entertains a reasonable doubt, but the court has to be satisfied not merely that there is a possibility of confusion; it must be satisfied that there is a real tangible danger of confusion if the mark which it is sought to register is put on the register.”

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It appears to me that the opponent's use of the name MEDILINK qualifies as trade mark use. And even if I am wrong about this, there is no requirement under Section 11 for the earlier name to be used as a trade mark. If the result of normal and fair use of the mark MEDILINK by the applicant is that there will be confusion with goods sold by the opponent under their company name, that is sufficient to justify refusal under Section 11.

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On the evidence it appears to me that, at the relevant date, a significant number of persons engaged in the trade in pharmaceutical products were likely to have been confused by use of the mark MEDILINK by the applicant on pharmaceutical products. I do not regard the absence of any evidence of confusion to date as being of any real assistance to the applicant  
5 for the reasons given by Mr Hickey at the hearing, and also because I see no evidence that the applicant has in fact used the mark MEDILINK as a trade mark for pharmaceuticals. Rather it appears to me to have been used as a trade mark for a type of pharmacy service.

I have carefully considered the applicant's proposal to exclude pharmaceuticals for the  
10 wholesale market from their Class 5 application in order to overcome the opposition, but I have come to the view that this will not assist. I have reached this conclusion for the following reasons:

- 15 1) I am not satisfied that use of the same trade mark by different parties in the wholesale and retail markets will not lead to confusion;
- 2) I am not satisfied that it is appropriate or practical to restrict a specification of goods so as to introduce limitations which have no relevance to the goods themselves;
- 20 3) in view of the opponent's earlier use I do not consider it equitable that the applicant's Class 5 application should be registered for a specification which could, in effect, limit the opponent's use of their mark to one category of customers.

Accordingly, I find that the opposition under Section 11 of the Act to registration of the trade  
25 mark MEDILINK in Class 5 under No 1541005 succeeds in full.

The position appears to me to be somewhat different in relation to the opposition to application No 1555416 in Class 42. Having regard to the opponent's use of the name MEDILINK prior to 2 December 1993 (the date of filing of 1555416), I do not consider that  
30 there was any real tangible risk of confusion at that date if the applicant used the same mark for pharmacy services and dispensing of pharmaceuticals services. I have come to this view

because:

1) the opponent's earlier use of MEDILINK in the UK was really as a wholesale mark;

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2) the method of use on bulk packaging and trade invoices combined with the absence of advertising suggests that the general public would not have been aware of it;

3) by contrast pharmacy and dispensing services are aimed at the general public;

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4) given the nature and relatively modest scale of the opponent's earlier use of MEDILINK I doubt whether even those traders aware of the opponent's use would have expected a pharmacy and dispensing service under the same name to be connected with the opponent.

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Accordingly, I find that the opposition under Section 11 fails in respect of application No 1555416 in Class 42.

I next consider whether application No 1555416 should be refused in the exercise of the Registrar's discretion under Sections 12(3) and 17(2) of the Act, bearing in mind the opponent's earlier use of the trade mark MEDILINK and their later filed application for its registration under 1578230. Section 12(3) of the Act is as follows:

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(3) Where separate applications are made by different persons to be registered as proprietors respectively of marks that are identical or nearly resemble each other, in respect of:-

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a. the same goods

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b. the same description of goods, or

- c. goods and services or descriptions of goods and services which are associated with each other,

5 the Registrar may refuse to register any of them until their rights have been determined by the Court, or have settled by agreement in a manner approved by him or on an appeal (which may be brought either to the Board of Trade or to the Court at the option of the appellant) by the Board or the Court, as the case may be.

10 Section 12(3) does not provide any express power of refusal, but it is well established that Section 17(2) of the Act gives the Registrar a discretion to refuse an application, which may be exercised (on judicial principles) even where the application meets the mandatory requirements for registration. However, I have come to the conclusion that I should not exercise the Registrar's discretion adversely to the applicant. I have come to this view for the following reasons:

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- 1) the applicant's use of the mark MEDILINK in relation to pharmacy and dispensing services was, at 2 December 1993, unlikely to cause confusion with the earlier use of the same mark by the opponent;
  - 20 2) the applicant had made significant use of the mark MEDILINK in relation to a type of pharmacy and dispensing service before 13 July 1994 when the opponent filed its application in Class 5.

25 I recognise that this decision could have some bearing on the outcome of the opponent's application. The marks at issue are identical and pharmacy services are normally regarded as associated with pharmaceutical products in Class 5 for the purposes of Section 12 of the Act. This is because the public might reasonably expect pharmaceuticals carrying the same trade mark as the pharmacy to be "own brand" products.

30 Accordingly, if application No 1555416 proceeds to registration it would normally present a barrier to the progress of the opponent's application No 1578230.

When application No 1578230 was filed on 13 July 1994 the opponent had been using the mark MEDILINK in relation to pharmaceutical products for approximately 21 months.

Section 12(2) of the Act is as follows:

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(2) In case of honest concurrent use, or of other special circumstances which in the opinion of the Court or the Registrar make it proper so to do, the court or the Registrar may permit the registration by more than one proprietor in respect of:-

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a. the same goods

b. the same description of goods or

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c. goods and services or descriptions of goods and services which are associated with each other,

of marks that are identical or nearly resemble each other, subject to such conditions and limitations, if any, as the Court or Registrar, as the case may be, may think it right to impose.

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A period of 21 months would not usually be a sufficient period of concurrent use for the Registrar to accept an application under Section 12(2). However, it appears to me that the opponent's earlier use of the mark MEDILINK in relation to pharmaceutical products in Class 5 is a circumstance which should also be taken into account. In the circumstances described above I believe it would be proper for the Registrar to accept application No 1578230 under the provisions of Section 12(2).

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To sum up, the opposition to application No 1541005 has succeeded. The opposition to application No 1555416 has failed. Both parties would normally be entitled to a contribution towards their costs. However, the contribution to which the parties are entitled largely cancel each other out. Nevertheless, I believe that the opponent is entitled to a small contribution

towards its costs because its costs are likely to have been somewhat higher as a result of the filing fees for the notices of opposition. Accordingly, I order the applicant to pay the opponent a sum of **£200**.

5     **Dated this 13 Day of November 1998**

**Allan James**

10     **For the Registrar**

**The Comptroller General**

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