

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No 2209842
BY NORDIC SAUNAS LIMMITED
TO REGISTER THE TRADE MARK:
NETHEALTH
IN CLASSES 9, 16, 42**

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER No 51405
BY SUDLER & HENNESSEY SRL
BASED UPON THE EARLIER RIGHT:
NEXTHEALTH**

TRADE MARKS ACT 1994
IN THE MATTER OF Application No 2209842
by Nordic Saunas Limited
to register the trade mark:
NETHEALTH
in classes 9, 16 and 42
and
IN THE MATTER OF Opposition thereto under No 51405
by Sudler & Hennessey SRL

Background

1) On 27 September 1999 Nordic Saunas Limited applied to register the trade mark **NETHEALTH** in respect of the following goods and services:

computer software relating to information on health supplied on the Internet, providing online electronic publications, downloadable from the Internet, computer software and telecommunications apparatus to enable connection to databases and the Internet, computer software to enable searching of data – class 9

printed matter, printed publications, leaflets, periodicals, books, information material in the form of printed matter, charts and graphs, printed publications – class 16

information services for medical research, information services on medical diagnostics and therapy, information services on pharmaceuticals and drugs, information services relating to health and hygiene, consultancy in the field of medical service provision, leasing access time to a computer database – class 42

The application was published on 7 June 2000.

On 7 September 2000 Sudler & Hennessey SRL filed notice of opposition to this application.

2) The opponent states that he is the registered proprietor of Community trade mark registration no 1234483 of the trade mark **NEXTHEALTH** which is registered in respect of the following goods and services:

pharmaceutical, veterinary and sanitary preparations; dietetic substances adapted for medical use, food for babies, plasters; materials for dressings; disinfectants – class 5

printed matter; newspapers, magazines, catalogues, books, brochures, posters – class 16

advertising, publishing of advertising texts, rental of advertising material, diffusion of advertisements, spot rental, radio and television advertisements, public relations, promotional sponsorship services, sales promotion services, advertising agency, definition of marketing strategies for pharmaceutical products, development and co-ordination of market search projects for pharmaceutical products, development and co-ordination of strategic research for the clinical and market development and for the development of innovative campaigns, complete assessment of products and reference markets, market tests for advertising

campaigns, studies on the ranking of products/marks; organisation of exhibitions, congresses, events, conferences, meetings – class 35

telecommunications, press and information agency, communications by means of computer terminals; television, telephonic and radio communication, communication by telematic means, telephonic messages; television and radio transmission – class 38

publishing of books and magazines, organisation of contests in the field of education and entertainment, organisation of exhibitions, congresses, events, conferences, meetings – class 41

medical education services, epidemiological studies and studies on patients, definition of marketing strategies for pharmaceutical products, development and co-ordination of market search projects for pharmaceutical products, development and co-ordination of strategic research for the clinical and market development and for the development of innovative campaigns, complete assessment of products and reference markets – class 42

3) The opponent claims that the respective trade marks are similar and encompass identical or similar goods; consequently registration of the application in suit would be contrary to Section 5(2)(b) of the Act.

4) The applicant filed a counterstatement denying the above grounds.

5) Both parties filed evidence and both parties seek an award of costs. They both agreed that a decision could be made on the basis of the papers filed. Consequently a decision will be taken from a careful study of the papers. Acting on behalf of the Registrar I duly give the following decision.

Opponent's evidence

6) The opponent's evidence consists of a witness statement dated 25 January 2001 by Linda Bray, who is a trade mark attorney. Ms Bray exhibits at LAB1 details of the earlier registration of the opponent.

Applicant's evidence

7) The applicant's evidence consists of statutory declaration dated 20 April 2001 by Ian Ross Read, who is the managing director and chairman of the applicant. Most of the declaration can be characterised as representing submissions rather than evidence of fact. Mr Read states that certain of the goods of the application in suit are the same as those encompassed by the earlier registration. However, he does not particularise which goods he considers are the same. He states that none of the services encompassed by class 42 of the application in suit "fall within the penumbra" of the earlier registration. Mr Read also states that this is the case for the following goods in class 9: *computer software relating to information on health supplied on the Internet, computer software to enable connection to databases and the Internet, computer software to enable searching of data*. In relation to *medical education services* in the class 42 specification of the earlier registration Mr Read asserts that these must be a very specialised form of service as he is informed that educational services are proper to

class 41. Mr Read refers to *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc* [1999] E.T.M.R. 1 in relation to the issue of the similarity of goods and services. Based upon this he differentiates between the goods and services he does not consider the same in the application in suit and the goods and services of the earlier registration.

8) Mr Read asserts that the respective signs consist of “clear elements” each of which has a strong identity. He states that the relevant public would not need to dissect the respective trade marks to understand their different meanings. Mr Read states that “HEALTH” refers to the “subject matter” of the goods and services and so the distinctiveness of the trade marks resides in their prefixes. Mr Read states that because NET and NEXT are words the meanings of which are instantly recognisable the respective signs are distinguishable.

9) Mr Read goes on to make various assertions as to the phonetic and visual differences between NET and NEXT. He then goes on to list various trade mark registrations which commence with NET or end with HEALTH.

10) Mr Read concludes that there is not a likelihood of confusion.

Opponent’s evidence in reply

11) The opponent’s evidence in reply consists of a witness statement dated 21 August 2001 by Massimo Vergnano who is the president and chief executive officer of the opponent. Most of what Mr Vergnano states represents submissions rather than evidence of fact. Mr Vergnano gives his views as to why there is a likelihood of confusion. He also refers to the nature of the opponent’s business.

Submissions of the opponent

12) The opponent submitted that the respective trade marks are very similar and that they have to be compared in their entireties. He submitted that “*computer software relating to information on health supplied on the Internet*” and “*electronic publications, downloadable from the Internet*” are forms of publishing and similar to the goods and services encompassed respectively by classes 16 and 41 of the earlier registration. The opponent submitted that “*computer software and telecommunication apparatus to enable connection to databases and the Internet*” and “*computer software to enable searching of data*” are similar to the services encompassed by class 38 of the earlier registration. It was submitted that all the goods encompassed by the class 16 specification of the application in suit are either identical or similar to the class 16 goods of the earlier registration. The opponent submits that all the services in class 42 of the application in suit, with the exception of “*leasing access time to a computer database*” are similar to those encompassed by classes 35 and 41 of the earlier registration. He states that “*leasing access time to a computer database*” is the nature of publications services and as such is similar to the goods in class 16 of the earlier registration and the services in classes 35, 38, 41 and 42.

Decision

13) The ground of opposition pursued by the opponent is under sections 5(2)(b) of the Trade Marks Act 1994. The relevant provisions read as follows:

Section 5:

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

(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.

The term 'earlier trade mark' is defined in section 6 of the Act as follows:

"6.- (1) In this Act an "earlier trade mark" means -

(a) a registered trade mark, international trade mark (UK) or Community trade mark which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks."

Section 5(2)(b) objection

14) In determining the question under section 5(2)(b), I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v. Puma AG* [1998] R.P.C. 199, *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* page 224;

(b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v. Puma AG* page 224; 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.* page 84, 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* page 224;

(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* page 224;

(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* page 7, 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* page 8, 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* page 224;

(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* page 732, 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* page 9 paragraph 29.

Comparison of goods and services

15) The complete list of goods and services encompassed by the respective trade marks are rehearsed at the beginning of this decision. In *Canon* the European Court of Justice held, in relation to the assessment of the similarity of goods and/or services, that the following factors, inter alia, should be taken into account: their nature, their end users and their method of use and whether they are in competition with each other or are complementary.

16) The goods in class 16 of the application in suit are all encompassed by the goods in class 16 of the earlier registration. The class 16 goods of the application in suit are, therefore, identical to the goods of the earlier registration.

17) The applicant queried the nature of the “*medical education services*” of the earlier registration as they appear in class 42. The earlier registration is an OHIM registration and, therefore, interpretation and consideration of the specification needs to take into account the rules and practice of OHIM. Rule 2(4) of Commission Regulation (EC) No 2868/95 states that “the classification of goods and services shall serve exclusively administrative purposes”. The class at OHIM does not define the nature of the goods or services, as the rule states it is there only for administrative purposes. Consequently the term “*medical education services*” must be considered in relation to what would be considered its normal, and obvious meaning.

18) I turn next to the class 42 services. “*Information services for medical research, information services on medical diagnostics and therapy, information services on pharmaceuticals and drugs, information services relating to health and hygiene*” are all services that provide information about medical and medically linked matters. The furnishing of information fulfils an educational function to a certain extent and so has similarity with “*medical education services*”. The services rehearsed at the beginning of this paragraph and those in the last sentence have the same users; people who wish to find out about health matters. There is no restriction as to the target audience of the respective services. As stated above they can have the same purpose, to educate or give information in relation to medical

matters. If the user was interested in a particular medical subject he could readily look to supplement his knowledge from the service of one or the other of the parties in these proceedings. The furnishing of information and education are complementary, it is difficult to educate without information. It is possible that if seeking knowledge about a topic one could either go to an education service or an information service; one service could be an alternative to the other and so the services would be in competition. The respective services could also be supplied through the same media e.g. on-line. Taking into account all the above I find that:

“information services for medical research, information services on medical diagnostics and therapy, information services on pharmaceuticals and drugs, information services relating to health and hygiene”

are similar services to *“medical education services”*.

19) I turn now to *“consultancy in the field of medical service provision”* in the class 42 specification of the application in suit. The services in class 42 of the earlier registration include various areas that could be characterised as being potentially consultancy or quasi-consultancy services e.g. *“epidemiological studies and studies on patients”* and *“development and co-ordination of market search projects for pharmaceutical products”*. It is to be noted that the aforesaid services all relate to the medical world. *“Epidemiological studies and studies on patients”* could easily be undertaken in relation to reaching conclusions as to trends in illness and incapacity and their effect on medical service provision. If the rehearsed services from the earlier registration are not consultancy services they could potentially form very much part and parcel of such services. They would have the same end users, could deal with the same persons, could be alternatives to one another – and so in competition. Consequently I find that *“consultancy in the field of medical service provision”* is similar to the services of the earlier registration.

20) This leaves *“leasing access time to a computer database”* in class 42. The fundamental service is to give access to a database, the nature of the database is not defined and so could well be a database containing medical information. As such it would effectively be a medical information service and so the same reasoning in relation to similar services would apply as in paragraph 18 and similar services would be involved. As the applicant has not restricted the nature of the specification I have to consider it in its full potential breadth. Consequently I find that *“leasing access time to a computer database”* is similar to the services of the earlier registration.

21) I now turn to the class 9 goods of the application in suit. *“Providing online electronic publications, downloadable from the Internet”* represents a publication that is provided electronically rather than on paper. Consequently it has all the same characteristics as publications in hard print, which are encompassed by the specification of the earlier registration, with the exception of the medium that is used. It is now quite common for publishers to publish both hard print copies and electronic versions of the same publications, access on the Internet either being free or for a subscription. I consider that the goods rehearsed at the beginning of this paragraph share all the characteristics of *“printed matter”* and *“magazines”* of the earlier registration with the exception of the means of access and perusal. I find, therefore, that *“providing online electronic publications, downloadable from the Internet”* is similar to the goods of the earlier registration.

22) I now go on to consider *“computer software relating to information on health supplied on*

the Internet". This could be considered to represent the tangible and physical aspect of the information services in class 41. It could also represent an electronic version of information which could be furnished in the print medium and which would be encompassed by "*printed matter*" in the specification of the application in suit. In the latter case the only difference between the two sets of goods would be the medium, similar factors and considerations would apply as to those dealt with in paragraph 21 of this decision. On the same basis as in that paragraph I find that "*computer software relating to information on health supplied on the Internet*" is similar to the goods of the earlier registration.

23) I turn next to "*computer software to enable searching of data*". In *Mercury Communications Ltd v Mercury Interactive (UK)* [1995] FSR 850 at page 865 Laddie J stated:

"In my view the defining characteristic of a piece of computer software is not the medium on which it is recorded, nor the fact that it controls a computer, nor the trade channels through which it passes but the function it performs."

The software rehearsed above is enabling software, the software which allows searching and which, for instance, can be bought in to be used in relation to a web site. Its purpose and function is to search; it is an operational type of software. It is specialist in nature, although used by many it is purchased by few; only those who need a search tool. On the basis of the criteria of *Canon* I find it difficult to see where the goods or services of the earlier registration could be considered similar. The opponent states in his submissions that the goods relate to information on health. This appears to me to be a misreading and misunderstanding of the description of the software. The defining characteristic of the software is that it is a search tool, by its nature it is not targeted to any specific area. It is general software. The opponent also states that the goods are similar to the services in class 38 of the earlier registration. He fails to expand on this claim and explain the basis for it. I cannot readily see where the services encompassed by class 38 intersect with search tool software. Consequently I find that "*computer software to enable searching of data*" is not similar, nor identical, to any of the goods or services of the earlier registration.

24) That leaves only "*computer software and telecommunications apparatus to enable connection to databases and the Internet*" to be considered. The class 38 specification of the earlier registration includes "*communications by means of computer terminals*" and "*telecommunications*" at large. The service is provided is to allow people to, for instance, access and use the Internet via the telephone network. In order to supply the service "*computer software and telecommunications apparatus*" would be required; consequently these goods have a symbiotic and mutually dependant relationship with the services; without the goods the services would become redundant and vice versa. The respective goods and services, therefore, are complimentary. The end user can be the same, the person who requires a connection to a database or the Internet. It is not uncommon for the service provider to also provide hardware and software for accessing the service e.g. companies making use of the cable network. Owing to the close relationship between the goods of the application in suit and the services in class 38 of the earlier registration I find that "*computer software and telecommunications apparatus to enable connection to databases and the Internet*" is similar to the services of the earlier registration.

25) As a result of the above I have found that all the goods and services of the application in suit are either identical or similar to those encompassed by the earlier registration with the exception of "computer software to enable searching of data".

Comparison of signs

26) The trade marks to be compared are as follows:

Earlier registration:

NEXTHEALTH

Application in suit:

NETHEALTH

27) The respective signs differ in the presence of a letter “x” in the earlier registration. Both signs are quite long, consisting of ten and nine letters respectively. In such long words I consider that the difference of one letter is quite minimal visually. Especially taking into account imperfect recollection or a mere cursory glance. I find that the respective signs are visually similar.

28) Aurally similar considerations apply, the only difference in sound is produced by the presence in the earlier registration of the letter “x”. Taking into account the length of the signs, the possibility of not listening attentively or mishearing, I find that the respective signs are aurally similar.

29) It is likely that the signs will each be seen as the conjoining of two English words: “next” and “health”, and “net” and “health”. “Health” will have the same conceptual association in both trade marks. However, the words “next” and “net” clearly have very different meanings. Considering each sign in its entirety I find that they are conceptually dissimilar.

Conclusion

30) The applicant refers in his evidence to various trade marks that begin with “net” or end with “health”. I cannot see that this assists his case as none of the trade marks combine the two elements or two similar elements. It is also, of course, the case that state of the register evidence tells nothing about what is happening in the market place (*Treat* [1996] RPC 281 and *Madame Trade Mark* [1966] RPC 541). All that the state of the register evidence tells us is that there are lots of trade marks that begin with the word “net” and end in the word “health”. Not something that is particularly surprising. The applicant in his evidence attempts to slice the respective trade marks up rather than have them compared in their entireties. He effectively wants “next” compared to “net”, such a comparison would be favourable to him. However, the comparison I must make is the respective signs in their entireties. Consumers do not indulge in the dissection and analysis of trade marks.

31) In considering the issue of likelihood of confusion I must take into account that the average consumer will be circumspect but that he will not normally be in a position to directly compare the respective signs. He will be prey to imperfect recollection. Also I need to consider the interdependency principle in relation to the proximity of goods and/or signs. In the instant case many of the goods and services are either identical or very similar.

32) According to the jurisprudence of the European Union I have to take into account the distinctiveness of the earlier sign and consider whether it is particularly distinctive, either per se or through the use made of it. In the instant case no use has been shown. The word “health” in relation to the goods and services of the earlier registration is lacking in

distinctiveness. However, the trade mark is not for “health” simpliciter. NEXTHEALTH combines two common English words, and gives an allusion to the nature of the goods and services but as a whole it enjoys a reasonable degree of distinctiveness; in itself it means nothing. I would not put the trade mark in the category of the particularly distinctive. The “health” element is not a distinctive element.

33) My task is to make a global appreciation of the two signs, in making this appreciation I must compare the marks in their entirety. I consider taking into account the degree of similarity between the signs both visually and aurally and the proximity of the goods and services that there is a likelihood of confusion. I do not consider that the conceptual dissimilarity of the respective signs militates against this finding.

34) I, therefore find that there is a likelihood of confusion in respect of all the goods and services of the application in suit, with the exception of computer software to enable searching of data.

35) Consequent upon the above decision the applicant should file within one month of the expiry of the appeal period from the decision a form TM21 to restrict the specification to “computer software to enable searching of data”. If no form TM21 is filed within the period set the application will be refused in its entirety.

36) The opponent is entitled to a contribution towards his costs and I therefore order the applicant to pay him the sum of £1200 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 15TH day of March 2002

**D.W.Landau
For the Registrar
the Comptroller-General**