

O-313-04

TRADE MARKS ACT 1994

**IN THE MATTER OF INTERNATIONAL TRADE MARK REGISTRATION
No. M798409**

IN THE NAME OF CHUGAI SEIYAKU KABUSHIKI KAISHA

**AND IN THE MATTER OF AN APPLICATION FOR A DECLARATION OF
INVALIDITY THEREOF UNDER No. 16037
BY BIOPARTNERS GMBH**

**AND IN THE MATTER OF AN APPEAL TO THE APPOINTED PERSON
BY THE APPLICANT
AGAINST THE DECISION OF MR. G. ATTFIELD
DATED 21 MAY 2004**

DECISION

Background

1. This is an appeal against a decision of Mr. Graham Attfield, the Hearing Officer acting on behalf of the Registrar, dated 21 May 2004, BL O/143/04.
2. Chugai Seiyaku Kabushiki Kaisha is the proprietor of International Registration No. M798409 for the trade mark RAVANSA claiming a priority date of 10 December 2002 and protected in the United Kingdom as from 19 February 2003 in Class 5 for "medicines for human purposes".
3. Biopartners GmbH is the proprietor of the following earlier trade marks:

Mark	Number	App./priority date	Class	Goods
RAVANEX	UK Registration 2302711	11 February 2002	5	Pharmaceutical preparations; sanitary preparations for medical purposes; dietetic substances adapted for medical use, foods for babies; plasters; materials for dressings; material for stopping teeth; dental wax; disinfectants; pharmaceutical preparations for the

				treatment of hepatitis C
RAVANEX	CTM	11 February	5	As above
	Application	2002		
	E2572246			

4. On 12 November 2003, Biopartners GmbH applied for a declaration that the later international trade mark was protected in the United Kingdom invalidly in breach of the rights to which the applicant was entitled by virtue of its earlier trade marks. Particularly, protection of RAVANSA had been contrary to section 5(2)(b) of the Trade Marks Act 1994 (“the TMA”) in that because it was similar to RAVANEX and was to be registered for goods identical to those for which RAVANEX was registered or applied, there existed a likelihood of confusion on the part of the public, which included the likelihood of association on the part of the public with the earlier trade marks. Accordingly, the conditions for invalidation set out in section 47(2)(a) of the TMA were made out.
5. The invalidity application was undefended. The registered proprietor neither appointed a UK representative nor filed Form TM8 and counterstatement. However the later international trade mark (UK) benefited from the rebuttable presumption of validity contained in section 72 of the TMA. It was therefore necessary for the Registrar to examine the objections to registration for acceptability based on their merits. This was done on the basis of the papers on file including the written submissions of the applicant.

The Hearing Officer’s decision

6. The Hearing Officer determined the application on the basis of UK Registration No. 2302711. At the time, the CTM application was under opposition and, in any event, the applicant’s CTM application and UK registration shared the same mark, goods and priority. There is no appeal against that aspect of the Hearing Officer’s decision.
7. On 21 May 2004, the Hearing Officer issued a written decision rejecting the application. In short:

“... the respective trade marks, even though they are registered for the same goods, are not similar such that there exists a likelihood of confusion on the part of the public, which includes association with the earlier trade mark, if the registration in suit remains on the register”.

The Hearing Officer based his conclusion on the following observations:

“I have found that there is a small degree of visual similarity but no aural or conceptual similarity between the registered proprietor’s and the applicant’s marks. Given the nature of the goods, these are not common products on a supermarket shelf, the consumer will be more circumspect about the product selection, even if bought off the shelf in

a pharmacy. The applicant has argued that consumers could make an association between the marks in the circumstances set out in *Canon v. MGM*. In particular, it gives rise to the question as to whether consumers, who were not confused between the marks, might nevertheless consider that the presence of the similar prefix type element in the marks suggested products from the same, or economically linked, manufacturer or supplier. However, without evidence to the contrary this does not seem likely and bearing in mind that the Act requires a likelihood of confusion, a mere possibility is not sufficient to sway the argument in favour of the applicant (see *REACT Trade Mark* [2000] RPC 285 at page 290).”

The appeal

8. On 16 June 1994, the applicant filed notice of appeal to an Appointed Person under section 76 of the TMA. The grounds of appeal are, in summary:
 - (i) When assessing the likelihood of confusion for section 5(2)(b) of the TMA, the Hearing Officer did not, as required by the case law of the Court of Justice of the European Communities (“the ECJ”), put into the balance:
 - (a) the interdependence between the identity of the goods and the similarity between the marks;
 - (b) the respective channels of trade. In particular, the Hearing Officer did not take into account that the products at issue could be sold in supermarkets;
 - (c) imperfect recollection on the part of the consumer, in that the respective marks share the same first five-letter string namely, RAVAN-;
 - (d) the overall impression of the marks given that they differ only in their two-letter endings;
 - (e) the inherently high distinctive character of the earlier trade mark RAVANEX affording it a wider penumbra of protection;
 - (f) given their shared elements, any association the consumer might make between the earlier and later trade marks, which was likely to lead to indirect origin confusion.
 - (ii) The Hearing Officer relied on findings of fact that were unsubstantiated on the evidence namely:
 - (a) particular syllabic constructions of the marks;
 - (b) medical prescriptions are computerised;

(b) the goods at issue are not common products in supermarkets.

9. At the hearing of the appeal before me, the applicant was represented Mr. J. Parker of Messrs. Rouse & Co. International, the applicant's trade mark attorneys. The registered proprietor confirmed through their representatives, Messrs. Takeda & Partners, that they were no longer interested in this case in the United Kingdom. Accordingly, they were neither represented nor appeared at the oral hearing.
10. It is accepted that the nature of the appeal is review and that I should not interfere in the decision of the Hearing Officer in the absence of material error (*REEF Trade Mark* [2003] RPC 101, CA).

The merits of the appeal – section 5(2)(b)

11. Section 5(2) of the TMA implements Article 4(1)(b) of Council Directive 89/104/EEC (“the Directive”). The case law of the ECJ early on made clear that any comparison of allegedly conflicting marks for the purposes of Article 4(1)(b) is not to be conducted in the abstract. Thus, in Case C-251/95, *Sabel BV v. Puma AG* [1997] ECR I-6191, the ECJ said (at para. 23):

“That global appreciation of the visual, aural or conceptual similarity of the marks in question, must be based on the overall impression given by the marks, bearing in mind, in particular, their distinctive and dominant components. The wording of Article 4(1)(b) of the Directive – ‘... there exists a likelihood of confusion on the part of the public ...’ – shows that the perception of marks in the mind of the average consumer of the type of goods or services in question plays a decisive role in the global appreciation of the likelihood of confusion. The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details.”

Subsequently, the ECJ added in Case C-342/97, *Lloyd Schufabrik Meyer & Co. GmbH v. Klijsen Handel BV* [1999] ECR I-3830, para. 26:

“For the purposes of that global appreciation, the average consumer of the category of products concerned is deemed to be reasonably well-informed and reasonably observant and circumspect (see, to that effect, Case C-210/96 *Gut Springenheide and Tusky* [1998] ECR I-4657, paragraph 31). However, account should be taken of the fact that the average consumer only rarely has a chance to make a direct comparison between the different marks but must place his trust in the imperfect picture of them that he has kept in his mind. It should also be borne in mind that the average consumer's level of attention is likely to vary according to the category of the goods or services in question.”

12. The Hearing Officer's consideration was as follows:

“16. The applicant's mark is “RAVANEX” and that of the registered proprietor is “RAVANSA”.

17. The trade marks differ only in as far as the sixth and seventh characters are different, in one these are the letters “EX” and in the other the letters “SA”, and as such the trade marks have a small degree of visual similarity.
 18. From the phonetic perspective the trade marks have differing syllabic constructions, albeit both having three syllables. The first being in the form RA – VA – NEX and the second in the form RA – VAN – SA. With the only common syllable being the first, the overall aural impression is that the trade marks can be distinguished one from the other. Therefore from the phonetic point of view I regard these marks as dissimilar.
 19. Both marks are invented words and as such do not individually relay a concept that would attract consumers’ attention and thereby imply a conceptual similarity.
 20. Overall, on taking the visual, aural and conceptual analysis into account I consider there to be little similarity between these trade marks.”
13. Those paragraphs indicate to me that the Hearing Officer did not undertake a global appreciation of the visual, aural or conceptual similarity between the marks but instead conducted that exercise in the abstract apparently paying regard to differences rather than similarities and differences. Moreover, I have found nothing in his decision to persuade me otherwise. The applicant says that the syllables of the marks are RA – VAN – EX/RA – VAN – SA. There is nothing in the evidence to support either view. The Hearing Officer concluded that there was no conceptual similarity between the marks because neither word had a meaning. However, marks need not necessarily convey a meaning in order to be conceptually similar to the average consumer (*Sabel*, supra., para. 24,). Indeed, the fact that neither word has a known meaning renders the marks less easily distinguishable (Case T-292/01, *Philips-Van Heusen Corp v. OHIM (BASS/PASH)*, 14 October 2003, CFI, para. 54, Case T-185/02, *Claude-Ruiz Picasso v. OHIM (PICARO/PICASSO)*, 22 June 2004, CFI, para. 56).
 14. The applicant criticises the Hearing Officer for failing to regard the decision of the OHIM First Board of Appeal in *TEMPOVATE/EMOVATE, EUMOVATE*, Case R 1178/2000-1, 14 February 2002, as anything more than “of some interest”. The applicant in written submissions below had referred the Hearing Officer to a passage in that decision (at para. 51), which, it was suggested, indicated that a lower threshold needed to be reached for showing the likelihood of confusion between pharmaceutical trade marks. I considered this issue sitting as the Appointed Person in *SEROPRAM/OROPRAM*, BL O/208/02 and concluded:

“For my own part, I do not believe that different standards exist or are necessary to exist. The test of likelihood of confusion is flexible enough to allow each case to be judged according to its own peculiar

facts. Relevant considerations may include those mentioned by the First Board of Appeal in *TEMPOVATE/EMOVATE, EUMOVATE*, supra., namely that some medicinal products are administered over the counter without prescriptions, some consumers resort to self-prescription and professionals are often overworked and may write prescriptions in hardly legible handwriting (although drugs may be prescription only, professionals may be on hand to assist choice with OTC products and pharmacists usually check illegible prescriptions).”

The applicant further criticises the Hearing Officer for observing: “In modern medical practices prescriptions are no longer completed by hand, they are now completed from a computer terminal and printed onto the prescription form”. I do not believe the Hearing Officer was here disregarding the fact that some health professionals continue to issue hand written prescriptions. He was merely responding to the passage referred to him in the Board of Appeal’s decision.

15. I am more concerned at the Hearing Officer’s comment that the goods in question “are not common products on a supermarket shelf”. Neither specification is limited to prescription only medicines (in any event, some supermarkets nowadays have dispensaries) and would cover for example, ointment, pain relievers, cough medicine, eye-wash and so on, all of which are products commonly found on supermarket shelves. The Hearing Officer does seem to have appreciated that the respective specifications covered prescription and non-prescription medicines/pharmaceutical preparations (because of his comment “even if bought off the shelf in a pharmacy”) but proper consideration should have been given by him to the goods concerned (prescription and OTC), their channels of trade (pharmacies, supermarkets, convenience stores) and the average consumer (health professionals and the general public).
16. The Hearing Officer acknowledged that RAVANEX is an invented word. There is no suggestion in the evidence that it (or any of its elements) bears any relation to the goods for which it is registered. As such, the earlier trade mark is per se highly distinctive. In Case C-39/97, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc.* [1998] ECR I-5507, the ECJ confirmed that the distinctiveness of the earlier trade mark must be taken into account when assessing the likelihood of confusion:

“... the more distinctive the earlier mark, the greater the risk of confusion (*SABEL*, paragraph 24). Since the protection of a trade mark depends, in accordance with Article 4(1)(b) of the Directive, on there being a likelihood of confusion, marks with a highly distinctive character, either *per se* or because of the reputation they possess on the market, enjoy broader protection than marks with a less distinctive character.” (para. 18)

I can find nothing in the decision to indicate that the Hearing Officer paid any regard to the highly distinctive character of the earlier trade mark when

determining whether the conditions set out in section 5(2)(b) obtained for the purposes of section 47(2)(a). I accept the applicant's criticism in that regard.

17. The interdependence of relevant factors in the global assessment of likelihood of confusion extends also to the identity of the goods in question. As the ECJ explained in *Lloyd*, supra., at paras. 19 and 21:

“19. That global assessment implies some interdependence between the relevant factors, and in particular a similarity between the trade marks and between the goods or services covered. Accordingly, a lesser degree of similarity between those goods or services may be offset by a greater degree of similarity between the marks, and vice versa. The interdependence of these factors is expressly mentioned in the tenth recital in the preamble to the Directive, which states that it is indispensable to give an interpretation to the concept of similarity in relation to the likelihood of confusion, the appreciation of which depends, in particular, on the recognition of the trade mark on the market and the degree of similarity between the mark and the sign and between the goods or services identified (see *Canon*, paragraph 17).

[...]

21. It follows that, for the purposes of Article [4(1)(b)] of the Directive, there may be a likelihood of confusion, notwithstanding a lesser degree of similarity between the trade marks, where the goods or services covered by them are very similar and the earlier mark is highly distinctive (see, to that effect, *Canon*, paragraph 19).”

The Hearing Officer found that the goods in issue were “effectively identical” (para. 15). The applicant complains that he did not put that finding into the balance when assessing likelihood of confusion. The Hearing Officer's conclusion is expressed to be “even though [the respective trade marks] are registered for the same goods”. That suggests to me that the Hearing Officer did appreciate the significance of the identity of the goods in the global assessment although, without doubt, the interdependence between similarity of marks and goods should have been better expressed.

18. The tenth recital to the Directive expressly lists “the association which can be made with the used or registered sign” as one of the factors relevant to the global appreciation of likelihood of confusion. The decision indicates that the Hearing Officer did not address his mind to whether the relevant buying public might surmise from the common five-letter strings RAVAN-, in spite of the differing suffixes, -EX/SA-, that goods bearing the respective trade marks were products in the same range. In my view, the Hearing Officer did not consider the risk of indirect confusion.
19. For those reasons, I believe that Hearing Officer did fall into error in refusing the application for a declaration of invalidity. Therefore, after a careful consideration of the relevant legal principles and the papers, I have made my own assessment of whether the applicant's ground for invalidity under section

47(2)(a) is made out. Taking into account the interdependent factors of the highly distinctive character of RAVANEX, of the association that can be made with RAVANSA, of the degree of similarity between RAVANEX and RAVANSA and of the identity of the goods concerned, I believe that the applicant has proved that the conditions of section 5(2)(b) obtain.

Conclusion

20. In the result the appeal succeeds and the protection of protected International Trade Mark (UK) No. M798409 is declared invalid. The registered proprietor contested neither the application for a declaration of invalidity nor the appeal. In those circumstances, I believe the just course is to make no order as to costs.

Professor Ruth Annand, 13 October 2004

Mr. J. Parker, Messrs. Rouse & Co. International, appeared on behalf of the applicant

The registered proprietor did not appear and was not represented