TRADE MARKS ACT 1994

IN THE MATTER OF UK TRADE MARK REGISTRATION NO. 777861 IN THE NAME OF CHEMIDEX PHARMA LIMITED

AND IN THE MATTER OF A REVOCATION APPLICATION NO. 500722 THERETO IN THE NAME OF ACRE PHARMA LIMITED

AND IN THE MATTER OF TRADE MARK APPLICATION NO. 3087417 IN THE NAME OF ACRE PHARMA LIMITED

AND IN THE MATTER OF OPPOSITION NO 404042 BY CHEMIDEX PHARMA LIMITED

Introduction

- 1. This is an appeal against the decision of Mr Oliver Morris, acting on behalf of the Registrar, dated 13 October 2016 (O-482-16). In his decision the Hearing Officer found that:
 - (1) The earlier mark, namely Trade Mark Registration No 777861, relied upon by Chemidex Pharma Limited ("*Chemidex*") in the Opposition proceedings could not form the basis of an opposition on the basis that Chemidex had not proved genuine use of the mark within the relevant period. As a result the Opposition No 404042 failed; and
 - (2) Trade Mark Registration No 777861 should be revoked with effect from 23 December 2014.

Background

- 2. On 24 December 2014 Acre Pharma Limited ("Acre") applied to register a series of marks **DECADRON** and **Decadron** in respect of the following goods in Class 5 'Pharmaceutical preparations and substances'.
- 3. The mark was opposed by Chemidex under sections 5(1) and 5(2)(a) of the Trade Marks Act 1994 ("the 1994 Act"). It did so on the basis of its earlier Trade Mark Registration No 777861 which was filed on 20 May 1958 for the word DECADRON in respect of the following goods in Class 5 'Pharmaceutical preparations containing hormones'.

- 4. Acre filed a counterstatement in which it accepted that sections 5(1) and 5(2)(a) of the 1994 'would seem to be applicable' but required proof of genuine use of the earlier trade mark pursuant to section 6A of the 1994 Act.
- 5. On the same date as it filed the trade mark application Acre also filed an application for revocation of Trade Mark Registration No 777861 in the name of Chemidex i.e. the same mark as was relied upon as the earlier mark in the Opposition.
- 6. Chemidex filed a counterstatement in relation to the application for revocation claiming that it had made genuine use of the mark and annexing evidence in support of that contention.
- 7. Both parties submitted evidence.
- 8. A hearing took place before the Hearing Officer on 21 September 2016 at which Chemidex was represented by Miss Amanda Michaels instructed by Withers & Rogers LLP and Acre by Stephen Hodsdon of Mewburn Ellis LLP.

The Hearing Officer's Decision

- 9. As noted in paragraph 7 of the Decision both sides accepted at the hearing that it was genuine use issue that was paramount to the determination of the two proceedings. That is to say if Trade Mark Registration No 777861 survived the proof of use/revocation assessment then the Opposition to the trade mark application by Acre would succeed. As the Hearing Officer stated and with which I entirely agree this was 'a sensible basis on which to approach the matter'.
- 10. On that basis the Hearing Officer first of all set out the relevant statutory provisions and the leading case law in relation to *inter alia* "genuine use" in paragraphs 8 to 14 of his Decision. There is no suggestion on this appeal that the Hearing Officer erred in his approach in this regard. Nor is there any suggestion that the case law identified in paragraphs 57 to 59 and the Hearing Officer's statement in paragraph 60 with regard to the approach to be taken to the assessment of evidence relied upon in support of a requirement for "proof of use" was incorrect.
- 11. The Hearing Officer then identified the relevant periods for proof of use in paragraphs 15 and 16 of the Decision as being 24 January 2010 to 23 January 2015 for the purposes of the Opposition; and 23 December 2009 to 22 December 2014 for the purposes of the application for revocation pursuant to section 46(1)(b) of the 1994 Act. Again there is no suggestion that the Hearing Officer made any error with regard to the relevant periods.
- 12. Having summarised and then analysed the evidence that was before him the Hearing Officer concluded as follows:

70. The answers to the factual questions are to be based upon the balance of probabilities. Overall, I come to the view that the 2010 prescriptions were not in respect of Chemidex's Decadron. It is more probable that the drugs that were prescribed and dispensed were Decadron imports from unrelated third parties. Chemidex cannot rely on such use as it is not use by it or with its consent. I also take the view that the 2011/2012 IMS data does not show any sales of Chemidex's Decadron. There is simply nothing to rely on. No use having been made means that the genuine use test cannot be met. I should add that even if the question was more evenly balanced (for the record I do not consider it is and the evidence as a whole points towards Acre's interpretation), I take the view that the counter-evidence is sufficiently strong to call Dr Engineer's evidence into significant doubt, doubt which Chemidex have not even come close to overcoming. As such, it would have failed to have discharged the onus placed upon it to establish use.

71. One final point to note is that even if I am wrong on the 2010 Decadron sales and that Chemidex's Decadron was dispensed, perhaps due to old stocks of the previously named medicine being used up, I do not consider that such use would constitute genuine use. I say this for a number of reasons. Such use, despite the market being relatively small, is proportionately tiny and took place for a very short period of time. Further, the using up of old stock (if that is what is is) is not in my view a serious attempt to create or maintain a market share. The nature of such use is simply an incidental use of a name which had been changed. The only use Chemidex has made in order to create or maintain a market share in the product was in respect of Dexamethasone.

The Appeal

- 13. On the 7 of November 2016 Withers & Rogers LLP, on behalf of Chemidex, filed an appeal against the Decision under section 76 of the 1994 Act.
- 14. The grounds of appeal were identified in paragraph 9 of the Grounds of Appeal as being in summary as:
 - "i) The Hearing Officer erred materially in rejecting the "Prescription Cost Analysis England 2010" data produced by Chemidex ("the PCA data") as proving use of the trade mark by Chemidex during the period;

- ii) The Hearing Officer erred materially in accepting Acre's theory that products bearing the trade mark were imports to which the trade mark had been applied by unidentified third parties unconnected with Chemidex;
- iii) The Hearing Officer erred materially in relying upon his own speculative theory that Chemidex's evidence showed (at best) the sale of old stock of dexamethasone¹ tablets marked with the trade mark by Chemidex;
- iv) The Hearing Officer erred materially in failing to take into account and give due weight to data from IMS Health produced by Chemidex ("the IMS data") which proved use of the trade mark by Chemidex in 2011 and 2012; and
- v) The Hearing Officer failed to give due weight to the evidence as to the size of the relevant market and wrongly concluded that if use had been shown it was not on a scale or for a period sufficient to prove genuine use.'
- 15. Further, in so far as the PCA data was concerned it was accepted in the Grounds of Appeal as 'being common ground' that the mark Chemidex 'is used by unconnected third parties abroad' i.e. outside the UK.
- 16. No Respondent's Notice was filed.
- 17. At the hearing of the appeal Chemidex was represented by Miss Amanda Michaels instructed by Withers & Rogers LLP and Acre by Stephen Hodsdon of Mewburn Ellis LLP.

Standard of review

18. There was no dispute between the parties that the appeal is by way of review. Neither surprise at a Hearing Officer's conclusion, nor a belief that he has reached the wrong decision suffice to justify interference in this sort of appeal. Before that is warranted, it is necessary for me to be satisfied that there was a distinct and material error of principle in the decision in question or that the Hearing Officer was wrong. See Reef Trade Mark [2003] RPC 5; BUD Trade Mark [2003] RPC 25; and more recently the decision of Geoffrey Hobbs Q.C. in ALTI Trade Mark (O-169-16) at paragraphs [19] to [20]; and the decision of Daniel Alexander Q.C. in Talk for Learning Trade Mark (O-017-17) referred to by Arnold J. in Apple Inc v. Arcadia Trading Ltd [2017] EWHC 440 (Ch).

¹ Dexamethasone is the generic name for the drug in relation to which it is said by Chemidex that the mark Decadron had been used.

 In <u>Fine & Country Ltd v Okotoks Ltd (formerly Spicerhaart Ltd)</u> [2013] EWCA Civ 672; [2014] FSR 11 Lewison LJ said:

50. The Court of Appeal is not here to retry the case. Our function is to review the judgment and order of the trial judge to see if it is wrong. If the judge has applied the wrong legal test, then it is our duty to say so. But in many cases the appellant's complaint is not that the judge has misdirected himself in law, but that he has incorrectly applied the right test. In the case of many of the grounds of appeal this is the position here. Many of the points which the judge was called upon to decide were essentially value judgments, or what in the current jargon are called multi-factorial assessments. An appeal court must be especially cautious about interfering with a trial judge's decisions of this kind. There are many examples of statements to this effect. I take as representative Lord Hoffmann's statement in *Designers Guild Ltd v Russell Williams (Textiles) Ltd* [2000] 1 WLR 2416, 2423:

'Secondly, because the decision involves the application of a not altogether precise legal standard to a combination of features of varying importance, I think that this falls within the class of case in which an appellate court should not reverse a judge's decision unless he has erred in principle.'

20. This approach was reiterated by the Court of Appeal in Fage UK Ltd v. Chobani UK Ltd [2014] EWCA Civ 5; [2014] E.T.M.R. 26 at paragraphs [114] and [115]. Moreover in paragraph [115] Lewison LJ said:

115 It is also important to have in mind the role of a judgment given after trial. The primary function of a first instance judge is to find facts and identify the crucial legal points and to advance reasons for deciding them in a particular way. He should give his reasons in sufficient detail to show the parties and, if need be, the Court of Appeal the principles on which he has acted and the reasons that have led him to his decision. They need not be elaborate. There is no duty on a judge, in giving his reasons, to deal with every argument presented by counsel in support of his case. His function is to reach conclusions and give reasons to support his view, not to spell out every matter as if summing up to a jury. Nor need he deal at any length with matters that are not disputed. It is sufficient if what he says shows the basis on which he has acted. These are not controversial observations: see Customs and Excise Commissioners v A [2002] EWCA Civ 1039; [2003] Fam. 55; Bekoe v Broomes [2005] UKPC 39; Argos Ltd v Office of Fair Trading [2006] EWCA Civ 1318; [2006] U.K.C.L.R. 1135.

21. It is necessary to bear these principles in mind on this appeal.

Decision

- 22. As noted above there is no suggestion in this appeal that the Hearing Officer did not identify the correct legal principles to be applied to the issue of "genuine use" or incorrectly identify the correct approach when considering the evidence filed on behalf of a proprietor in support of a claim to have made "genuine use" of a mark. What the appeal boils down to is an allegation that in a number of respects the Hearing Officer incorrectly assessed the evidence that was before him. It is further said on behalf of Chemidex that whether taken individually or cumulatively these errors let to the Hearing Officer's incorrect conclusions.
- 23. It is not a matter of dispute that the onus of proving "genuine use" is on the registered trade mark proprietor.
- 24. Before turning to the specific criticisms of the approach of the Hearing Officer to the evidence that was before him I note that, as was accepted on behalf of Chemidex before the Hearing Officer, the evidence in the present case is characterised by an absence of evidence that would normally be expected namely 'invoices, delivery notes, purchase orders and internal records such as turnover figures' (see paragraphs 55, 56, 64 and 67 of the Decision). In this connection I would observe that this is the position despite the fact that Acre had taken issue with the evidence of use filed in support of a claim for use of the mark and Chemidex has availed itself of the opportunity to file evidence in reply (as to which see further below).
- 25. I also note, as the Hearing Officer did and with whom I agree, that the industry with which this case is concerned, i.e. the pharmaceutical industry, is one that is highly regulated and one where you would expect records including with respect of drug authorisations and sales to be easily locatable (see paragraph 57 of the Decision).
- 26. Having made those observations the Hearing Officer nonetheless made clear that he could not reject Chemidex's case *purely* on the basis of the absence of certain types of evidence but must consider the evidence that had been filed and then decide what could be taken from such evidence and whether genuine use had been established (see paragraph 60 of the Decision).
- 27. There are two time periods for which evidence of use of the mark Decadron is relied upon by Chemidex. The first is evidence relating to use in 2010; and the second is evidence relating to use in 2011/12. The assessments of both by the Hearing Officer are the subject of the present appeal.

Evidence of use in 2010

- With regard to the evidence of use in 2010 relied upon by Chemidex, as stated in the Hearing Officer's Decision at paragraph 64, and reiterated by Acre on this appeal, it was not disputed (or really disputed) that the Prescription Costs Analysis England 2010 showed a 'a (very small) number of prescriptions for Decadron in 2010' ("the PCA data"). However it was Acre's position that such evidence did not show that it was Chemidex's product that had been sold under and by reference to the mark Decadron.
- 29. The Hearing Officer's analysis of the 2010 use was set out in paragraphs 61 to 65 of his Decision.
- 30. The PCA data exhibited to the first witness statement of Dr Nikesh Engineer is contained in a document that is published by The Health and Social Care Information Centre. The data is described as 'Prescription items dispensed in the community in England and listed alphabetically within chemical entity by therapeutic class'. It is clear from the page heading within the document that the classifications are the 'British National Formulatory classifications'. With regard to the entry relied upon in the Drug Name column there is an entry for 'Decadron_Tab 500mcg'. In the table the number of Prescription items dispensed (thousands) is identified as 0.1 and the quantity (thousands) is identified as 4.0. There is nothing in the table which links the entry for Decadron to Chemidex.
- 31. Acre disputed that this evidence could be relied upon by Chemidex as evidence of use. As identified by the Hearing Officer in paragraphs 29 to 35 of his Decision, Acre identified on the basis of evidence, two main reasons in support of why the reference to Decadron within the PCA data for 2010 should not be relied upon as evidence that Chemidex had made use of the mark Decadron.
- 32. Firstly, the Medicines and Healthcare products Regulatory Agency ("MHRA") in its best practice guidance on the labelling and packaging of medicines dated July 2012 states that the name that is registered in the summary of product characteristics ("SPC") must be used on all packaging components. Acre made a Freedom of Information request to the MHRA relating to all of the approved and published versions of SPCs for dexamethasone 500 microgram tablets between March 2009 and December 2014. The SPCs, all of which identified Chemidex as the authorisation marketing holder, also identified the relevant product name as dexamethasone from 2 March 2009 (previously it had been identified as Decadron). In further support of this a further search of the Prescription Costs Analysis for 2009 to 2015 was produced from the relevant English, Scottish, Welsh and Northern Irish authorities which showed that Decadron was not listed other than in the 2010 analysis produced on behalf of Chemidex.

- 33. Secondly, that some or all of the 133 out of around 29,700 prescriptions for dexamethasone in 2010 may not have been of UK origin. In support of this contention evidence was given that: (1) in 2009 there was a shortage of dexamethasone (this was not disputed); (2) in documents where the shortage of product from Chemidex is referred to there is reference only to dexamethasone not to Decadron; and (3) the MHRA granted permission to import into the UK three dexamethasone products identified under the brand name Decadron that were not licensed in the UK. It was accepted by Acre that there was no evidence before the Hearing Officer that such products had in fact been imported into the UK.
- As noted in paragraphs 42 to 45 of his Decision, Chemidex did not in its evidence in reply accept that Acre's evidence was such as to undermine the evidence of use contained in the PCA data. With regard to the position with respect to the SPCs it was said, amongst other things, that the evidence was irrelevant prior to July 2012 when the MHRA Guidelines exhibited on behalf of the Acre came into force. With regard to the importation of Decadron by third parties, it was confirmed that the mark Decadron was used by third parties abroad in relation to dexamethasone, but disputed that any such importation in fact occurred. That contention was supported by evidence that Chemidex would have been notified of any such importation by the MHRA and/or any parallel importer (which it was not) and that any prescriptions filled by imported/unlicensed products would have been identified on the PCA Data (which they were not).
- 35. The approach to the assessment of genuine use has frequently been the subject of judgments of the Courts in Luxembourg. A recent example of the approach is set out in the Judgment of the General Court in Case T-741/14 Hersill, SL v. EUIPO ECLI:EU:T:2017:165 at [20] to [23]:
 - 20 When assessing whether use of the trade mark is genuine, regard must be had to all the facts and circumstances necessary to establish that the commercial exploitation of the mark is real and, in particular, to usages regarded as warranted in the economic sector concerned as a means of maintaining or creating a share in the market for the goods or services protected by the mark; the nature of those goods or services; the characteristics of the market; and the scale and frequency of use of the mark (see judgments of 8 July 2004, MFE Marienfelde v OHIM — Vétoquinol (HIPOVITON), T-334/01, EU:T:2004:223, paragraph 34 and the case-law cited, and 27 February 2015, L'Wren Scott, T-41/12, not published, EU:T:2015:125, paragraph 22 and the case-law cited; see also, by analogy, judgment of 11 March 2003, Ansul, C-40/01, EU:C:2003:145, paragraph 43).

- As to the extent of the use to which the earlier mark has been put, account must be taken, in particular, of the commercial volume of the overall use, as well as of the length of the period during which the mark was used and the frequency of use (judgments of 8 July 2004, *HIPOVITON*, T-334/01, EU:T:2004:223, paragraph 35, and 8 July 2004, *VITAFRUIT*, T-203/02, EU:T:2004:225, paragraph 41; see, also, judgment of 27 February 2015, *L'Wren Scott*, T-41/12, not published, EU:T:2015:125, paragraph 23 and the case-law cited).
- Genuine use of a trade mark cannot be proved by means of probabilities or suppositions, but must be demonstrated by solid and objective evidence of effective and sufficient use of the trade mark on the market concerned (judgment of 12 December 2002, *Kabushiki Kaisha Fernandes v OHIM*—*Harrison (HIWATT)*, T-39/01, EU:T:2002:316, paragraph 47; see, also, judgment of 27 February 2015, *L'Wren Scott*, T-41/12, not published, EU:T:2015:125, paragraph 26 and the case-law cited).
- 23 Lastly, it is possible that an accumulation of items of evidence may allow the necessary facts to be established, even though each of those items of evidence, taken individually, would be insufficient to constitute proof of the accuracy of those facts (judgment of 17 April 2008, Ferrero Deutschland v OHIM, C-108/07 P, not published, EU:C:2008:234, paragraph 36, and 24 May 2012, TMS Trademark-Schutzrechtsverwertungsgesellschaft v OHIM — Comercial Jacinto Parera (MAD), T-152/11, not published, EU:T:2012:263, paragraph 34). In that respect, even if the probative value of an item of evidence is limited to the extent that, individually, it does not show with certainty whether, and how, the goods concerned were placed on the market, and although that item of evidence is therefore not in itself decisive, it may nevertheless be taken into account in the overall assessment as to whether the use is genuine. That is also the case, for example, where that evidence corroborates the other relevant factors of the present case (see judgment of 6 March 2014, Anapurna v OHIM — Annapurna (ANNAPURNA), T-71/13, not published, EU:T:2014:105, paragraph 45 and the case-law cited).
- 36. The Hearing Officer correctly identified by reference to the decision of Daniel Alexander Q.C. in <u>PLYMOUTH LIFE CENTRE</u> (BL-O-236-13) and Geoffrey Hobbs Q.C. <u>CATWALK</u> (BL-O-404/13) the approach to the assessment of the specificity and solidity of the evidence which addresses the actuality of use. Of particular importance in the context of the present case is the observation of Geoffrey Hobbs

Q.C, in <u>CATWALK</u> in which he stated (emphasis added) 'When it comes to proof of use for the purpose of determining the extent (if any) to which the protection conferred by registration of a trade mark can legitimately be maintained, the decision taker must form a view as to <u>what the evidence does and just as importantly what it</u> <u>does not 'show'</u> (per Section 100 of the Act) with regard to the actuality of use . . . '. That this was the correct approach is not challenged on this appeal.

- 37. In the present case, Acre filed evidence which challenged the evidence of use filed on behalf of the Chemidex. Whilst Chemidex filed evidence in reply it seems to me that such evidence did not:
 - (1) Provide any explanation or interpretation of the various SPCs that were in evidence and in particular what Chemidex's position was with regard to the change in the SPCs from the registered name Decadron to the registered name dexamethasone; and/or
 - (2) Provide any explanation as to whether the position with respect to the MHRA guidance was different prior to July 2012; and/or
 - (3) Provide sufficient details (in particular by reference to third party documentation) of the regulatory regime with regard to either the notification of Chemidex in the event of the importation into the UK of dexamethasone under the mark Decadron or the identification of such imported/unlicensed products in the PCA data.
- 38. Nor was there any attempt by Chemidex to produce any evidence in the form of 'invoices, delivery notes, purchase orders and internal records such as turnover figures' or indeed packaging or any other evidence to substantiate the claim to use said to be evidenced by the PCA Data from 2010.
- 39. It seems to me that the information and materials referred to in paragraphs 37 and 38 above, in particular given the regulatory environment for the product in respect of which use was claimed, should have been readily available to Chemidex.
- 40. I also note that, as observed by the Hearing Officer that the fact that in late 2009 when there was an accepted shortage of the medicine the correspondence between Chemidex, MHRA and Dales Pharma there is no mention of Decadron but only dexamethasone.
- 41. In the light of the totality of the evidence it seems to me that it was open to the Hearing Officer to find as he did:
 - (1) In paragraph 63 of his Decision that the name Decadron was changed to the generic name dexamethasone by Chemidex on 2 March 2009;

- (2) In paragraph 64 of his Decision that given the supply problems with regard to the medicine that this was a logical reason why the medicine appeared on the import permissions list;
- (3) In paragraph 64 of his Decision that the aforesaid findings provided a plausible explanation as to why the dispensed Decadron may not have been Chemidex's Decadron;
- (4) In paragraph 64 of his Decision that any doubts with regard to the use of the mark in 2010 could have been addressed by Chemidex;
- (5) In paragraph 65 of his Decision to make the findings he did with regard to Dr Engineer's evidence with respect to the absence of notification to Chemidex with regard to any parallel importation of dexamethasone under the mark Decadron; and
- (6) In paragraph 70 of his Decision that the evidence filed on behalf of Acre was such as to call Dr Engineer's evidence into 'significant doubt'.
- 42. It seems to me that on the basis of those findings the Hearing Officer was entitled to come to the view that he did in paragraph 70 of his Decision that the 2010 prescriptions in the PCA data were not in respect of Chemidex's Decadron.
- 43. Chemidex raise two further complaints on this appeal with regard to the findings made by the Haring Officer in relation to the PCA data.
- 44. The first is a point made by the Hearing Officer in paragraph 64 of his Decision with regard to the price differential for the costs of the dispensed Decadron listed in the PCA data compared to that of the UK licensed dexamethasone. The price differential was not a matter that was dealt with in the evidence as it was raised only in the course of the hearing before the Hearing Officer as he himself acknowledged. I have some sympathy with Chemidex's submission that the Hearing Officer should have placed no weight as opposed to some weight on the price differential evidence as he appears to have done given that there had been no opportunity for Chemidex to address the issue. In this connection it should be noted that the evidence of such a price discrepancy was contained within the evidence filed on behalf of Chemidex. However in so far as the Hearing Officer relied upon this issue at all, it seems to me that against the background of his other findings and in the absence of any evidence, in particular of the type identified in paragraph 38 above, it is not such as to make a material difference to his conclusions.
- 45. The second is a point in relation 'old stock'. In paragraph 64 the Hearing Officer makes reference to the possibility that the Decadron within the PCA data could be a

reference to 'old stock' of Chemidex's Decadron. However having raised this as a possibility the Hearing Officer immediately and explicitly went on to discount it. It is said on behalf of Chemidex that this was a point that was 'the Hearing Officer's own theory'. That may be correct but it did not form any part of his decision making with respect to the conclusions that he came to with regard to the evidence of use in 2010.

Evidence of use 2011/2012

- 46. With regard to the evidence of use relied upon by Chemidex for the years 2011/12 this was data produced by IMS Health which was said by Dr Engineer to be 'the world's largest pharmaceutical data house'. The data from IMS Health was said by Dr Engineer to show that '103 individual packs of medicines bearing the Registration were sold during 2011. . . [and] . . .56 individual packs for medicines bearing the Registration were sold during 2012' ("the IMS data"). See paragraph 18 of the Decision. I note that there was nothing in the relevant exhibit which links the entry for Decadron to Chemidex.
- 47. Acre disputed that any such sales were made under and by reference to the mark Decadron it did so, so far as is relevant to the present appeal for two reasons:
 - (1) That two trade publications namely Chemist & Druggist ("*C&D*") from September 2012, March 2013 and November 2014 and the British National Formulary ("*BNF*") including from September 2009, March 2010, September 2011 contained listings for dexamethasone but not for Decadron. It was also pointed out that in the BNF from March 2004 the entry for dexamethasone showed its availability under the name Decadron. See paragraphs 37 to 39 of the Decision.
 - (2) That IMS data which Acre had obtained in answer to a request for information concerning Decadron and the generic dexamethasone (and which is the subject of a confidentiality order)

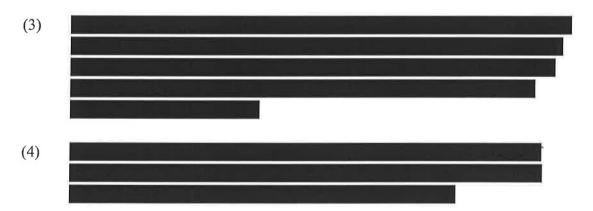
 See paragraph 41 of the Decision.
- 48. In its evidence in reply Chemidex: (1) with respect to C&D publication it was accepted that Decadron was not listed and that in relation to BNF publication this was not telling as it was an independent publication; and (2) sought to explain the inconsistencies with regard to the IMS data that had been obtained by the parties.

| 49. | With regard to resolving the inconsistencies in the IMS data Chemidex put in |
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| | evidence (which is also the subject of a confidentiality order) |
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- 50. With regard to the Hearing Officer's findings with respect to the IMS data put forward on behalf of the parties it seems to me that the Hearing Officer in paragraphs 66 to 68 of his Decision:
 - (1) Correctly began by noting that it would be odd if there had been any sales of product under the name Decadron given his finding that the name was changed in March 2009;
 - (2) Rightly accepted that the IMS data produced by the two parties were not necessarily measuring the exact same thing;



- (5) Rightly put weight on the absence of any listing for Decadron in either the C&D or the BNF publications; and
- (6) Was correct to observe that the evidence from Dr Engineer in reply did not (a) deal with (or deal in any detail with) the naming convention issue and (b) did not contain any evidence of the type identified in paragraphs 37 and 38 above.
- Against this background, it seems to me it was open to the Hearing Officer to come to the view that he did that: (1) the 2011/2012 IMS data does not show any sales of

Chemidex's Decadron; and/or (2) that the evidence filed by Acre challenging the evidence of use put forward was such as to require an answer. That answer was not provided by the evidence served on behalf of Chemidex in reply such that Acre had not filed evidence of use that met the required standard.

Other points raised on appeal

- Finally, although it was not necessary for him to do so, the Hearing Officer considered the position should he have been wrong in his finding that the use in 2010 was not use in respect of Chemidex's Decadron (see paragraph 71 of his Decision). That finding is challenged by Chemidex in the event that the appeal against the findings in respect of genuine use was upheld.
- 53. Although it is also not necessary for me to do so, given my findings above, it seems to me that it was open to the Hearing Officer to find that the use in 2010 was not such as to constitute genuine use for the purposes of the legislation for the following reasons.
- 54. First, whist there is no de minimis rule with regard to proof of use the decision taker is entitled, as is made clear in the case law set out above, to take into account the commercial volume of the overall use, as well as of the length of the period during which the mark was used and the frequency of use. The use in 2010, if it had been in respect of Chemidex's Decadron, was as the Hearing Officer correctly pointed out, whilst the market the product was small proportionately tiny. Moreover it took place over a short space of time.
- 55. Second, such use took place in a context where, as the Hearing Officer had held, by 2 March 2009 the product name had been changed from Decadron to dexamethasone and therefore it was open to the Hearing Officer to conclude that (1) any use of Decadron by 2010 could not have been a serious attempt to create or maintain a market share under and by reference to the mark Decadron (whether or not such use could be said to be in relation to product that could properly be referred to as 'old stock'); and (2) given the name change the only use by Chemidex in order to create or maintain a market share in the product was under and by reference to dexamethasone.

Conclusion

- 56. For the reasons set out above I am satisfied that it was open to the Hearing Officer to come to the view that he did that Chemidex has not established genuine use of the mark Decadron within the relevant five year periods. In the result the appeal fails.
- 57. Neither side has asked for any special order as to costs. Since the appeal has been dismissed Acre is entitled to its costs of the Appeal. I will therefore make an order that Chemidex pay to Acre a contribution of £2,000 towards its costs of the appeal. This sum should be paid in addition to the costs of £2,600 ordered by the Hearing

Officer below. I therefore order Chemidex Pharma Limited to pay to Acre Pharma Limited £4,600 within 14 days of the date of this decision.

58. On 1 March 2016 Mr Raoul Colombo, on behalf of the Registrar, made an order (which replaced that made on 17 February 2016) that certain evidence filed by both parties to these proceedings and in respect of which a claim for confidentiality was maintained should be the subject of a confidentiality order. For that reason the Hearing Officer's Decision was only made available in redacted form to those other than the parties to the proceedings. For the avoidance of any doubt I hereby direct that the order for confidentiality be continued such that the material is kept confidential to the Registrar, the parties, their legal advisors and IMS Health and shall not be disclosed to any other party notwithstanding that it has been referred to and/or relied upon before me on this appeal. For that reason I also direct that only a redacted version of this decision should be made available to persons other than the parties.

Emma Himsworth Q.C.

Appointed Person

21 July 2017

Miss Amanda Michaels instructed by Withers & Rogers LLP appeared on behalf of Chemidex Pharma Limited (the Appellant).

Stephen Hodsdon of Mewburn Ellis LLP appeared on behalf of Acre Pharma Limited (the Respondent).

The Registrar was not represented at the hearing and took no part in the Appeal.