

**O/942/22**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF  
TRADE MARK APPLICATION NO. UK3639588  
IN THE NAME OF JIANGSU YAHONG MEDITECH INCORPORATED COMPANY  
TO REGISTER AS A TRADE MARK**

**Vesique**

**IN CLASS 5**

**AND**

**IN THE MATTER OF OPPOSITION THERETO  
UNDER NUMBER 427543  
BY NOVARTIS AG**

## BACKGROUND AND PLEADINGS

1. On 11 May 2021, Jiangsu Yahong Meditech Incorporated Company (“the applicant”) applied to register trade mark number UK3639588 for the mark shown on the cover page of this decision in the United Kingdom. The application was accepted and published for opposition purposes on 16 July 2021, in respect of the following goods:

Class 5: *Medicines for human purposes; Chemico-pharmaceutical preparations; Chemical preparations for pharmaceutical purposes; Chemical preparations for medical purposes; Biological preparations for medical purposes; Crude drugs; Drugs for medical purposes; Pharmaceutical preparations; Troche; Injectable pharmaceuticals; Anaesthetic preparations for injection; Medical and pharmaceutical preparations for the suppression of tumors; Dietetic substances adapted for medical use; Medicines for veterinary purposes; Antiseptics.*

2. The application is opposed by Novartis AG (“the opponent”). The opposition was filed on 15 October 2021 and is based upon Section 5(2)(b) of the Trade Marks Act 1994 (“the Act”). The opposition is directed against all of the goods in the application. The opponent relies upon the following comparable marks:

### VSIQQ

UK trade mark registration number 811226773

Filing date: 20 June 2019

Registration date: 21 February 2020

Registered in Class 5

Relying on all goods, namely:

*Préparations pharmaceutiques.*<sup>1</sup>

(“**Mark 1**”); and

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<sup>1</sup> The UK comparable mark is based on the EU designation of an International Registration (IR) number 1226773. IRs may be filed in English, French or Spanish. The goods relied upon which are shown above in French are also shown on the WIPO website translated into English as “*Pharmaceutical preparations.*”

## **VAZEKAI**

UK trade mark registration number 918251254

Filing date: 09 June 2020

Registration date: 22 September 2020

Registered in Class 5

Relying on all goods, namely:

*Pharmaceutical preparations.*

(“**Mark 2**”); and

## **VAZEKAY**

UK trade mark registration number 918250073

Filing date: 08 June 2020

Registration date: 22 September 2020

Registered in Class 5

Relying on all goods, namely:

*Pharmaceutical preparations.*

(“**Mark 3**”).

3. On 1 January 2021, the UK left the EU. Under Article 54 of the Withdrawal Agreement between the UK and the EU, the UK IPO created comparable UK trade marks for all right holders with an existing EUTM or International Trade Mark designating the EU. As a result, the opponent’s marks were converted into comparable UK trade marks. Comparable UK marks are now recorded in the UK trade mark register, have the same legal status as if they had been applied for and registered under UK law, and the original filing dates remain the same.<sup>2</sup>

4. In its statement of grounds, the opponent submits that the competing marks are visually and phonetically highly similar, and that the applicant’s goods are identical and/or highly similar to the goods covered by the earlier marks. As a result, it submits that there exists a likelihood of confusion, contrary to Section 5(2)(b) of the Act. The opponent requests refusal of the application and an award of costs in its favour.

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<sup>2</sup> See also Tribunal Practice Notice (“TPN”) 2/2020 End of Transition Period – impact on tribunal proceedings.

5. The applicant filed a counterstatement denying the claims that the marks at issue are visually and aurally highly similar. It admits that there is identity of certain goods, but denies that all the applicant's goods are identical and/or highly similar to the goods covered by the earlier marks. The applicant further denies that there would be any likelihood of confusion or association between the marks and therefore asks that the opposition be rejected in its entirety and that an award of costs be made in its favour.

6. Both parties filed written submissions which will not be summarised, but will be referred to as and where appropriate during this decision. Both parties elected to file evidence, which will be summarised to the extent considered necessary. Neither party requested a hearing, therefore this decision is taken following careful consideration of the papers.

7. In these proceedings, the opponent is represented by Abel & Imray LLP and the applicant is represented by Marks & Clerk LLP.

### **Preliminary Issues**

8. I note that, in accordance with rule 19(2) of the Trade Mark Rules 2008, a Preliminary Indication (PI) was issued to both parties on 07 January 2022, where it was considered that, irrespective of any identity or similarity between the competing goods, there was insufficient similarity between the competing marks to give rise to a likelihood of direct or indirect confusion, and that the opposition should be rejected for all of the goods.

9. PIs are issued to give the respective parties an indication on a prima facie basis as to the likely decision in respect of the grounds of opposition, giving either party the opportunity to withdraw either the opposition or the application accordingly, without incurring costs. The PI is not binding, nor does it replace a full decision by a different Hearing Officer.

10. As the PI was that the opposition should be rejected for all goods, if the opponent does not accept the PI, it has the right to formally give notice to that effect. In order to

proceed, the opponent must file form TM53, otherwise the opposition is accordingly deemed to be withdrawn. In this instance, the opponent was invited to file Form TM53, with a deadline given for doing so of 8 February 2022.

11. On 25 January 2022, the opponent filed form TM53 to request that the opposition proceed to evidence rounds.

12. As I am not bound by the PI, following careful consideration of all of the evidence before me, I will make my own assessment of the likelihood of confusion between the competing marks and the opponent's goods against the opposed goods of the application.

## **EVIDENCE**

### **Opponent's Evidence**

13. The opponent's evidence consists of a witness statement by Rebecca Atkins of Abel & Imray LLP, who is the representative of the opponent. The witness statement is dated 28 March 2022, to which there is attached one exhibit, labelled **Exhibit RA1**. Ms Atkins states that on 25 March 2022, she reviewed the December 2021 version of Mims, an extract from the Index of which is contained in Exhibit RA1, and which lists all pharmaceutical product names in the UK beginning with V, which shows no product names containing the letter string V-SIQ.

### **Applicant's Evidence**

14. The applicant's evidence consists of a witness statement dated 27 May 2022 by Megan Rannard of Marks & Clerk LLP, who is the representative of the applicant. Ms Rannard adduces two exhibits, labelled **Exhibit 1** and **Exhibit 2**. Ms Rannard states that the purpose of the witness statement is to respond to the points raised in the witness statement of Rebecca Atkins and corresponding Exhibit RA1 on behalf of the opponent, and "to provide information from publicly available and independent sources regarding pharmaceutical product names."

15. I have read and considered all of the evidence of both parties, which I do not intend to summarise in detail here, but I will refer to the relevant parts at the appropriate points in the decision, to the extent that I consider necessary.

## **DECISION**

16. Although the UK has left the European Union, section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Act relied on in these proceedings are derived from an EU Directive. Therefore, this decision contains references to the trade mark case-law of the European courts.

### **Section 5(2)(b)**

17. Section 5(2)(b) is relied on, which reads as follows:

“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”.

18. Section 5A states:

“Where grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the trade mark is applied for, the application is to be refused in relation to those goods and services only.”

19. An earlier trade mark is defined in section 6 of the Act, the relevant parts of which state:

“6.- (1) In this Act an “earlier trade mark” means –

(a) a registered trade mark, international trade mark (UK), European Union trade mark or international trade mark (EC) 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,

...”

20. Each of the trade marks upon which the opponent relies qualifies as an earlier trade mark under the above provisions. As the trade marks had not been registered for more than five years at the date the application was filed, they are not subject to the proof of use provisions contained in section 6A of the Act. The opponent is, therefore, entitled to rely upon them in relation to all of the goods indicated without having to prove that genuine use has been made of them.

21. I am guided by the following principles which are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (“OHIM”)*, Case C-3/03, *Medion AG v Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P:

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, 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, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a greater degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings to mind the earlier mark, is not sufficient;

(j) 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;



(k) if the association between the marks creates a risk that the public will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

### **Comparison of goods**

22. Section 60A of the Act provides:

“(1) For the purposes of this Act goods and services —

(a) are not to be regarded as being similar to each other on the ground that they appear in the same class under the Nice Classification;

(b) are not to be regarded as being dissimilar from each other on the ground that they appear in different classes under the Nice Classification.

(2) In subsection (1), the “Nice Classification” means the system of classification under the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, which was last amended on 28 September 1979.”

23. I am therefore mindful of the fact that the appearance of respective goods in the same class is not sufficient in itself to find similarity between those goods.

24. The goods to be compared are as follows:

Opponent's goods	Applicant's goods
<p data-bbox="220 255 331 286"><u>Class 5</u></p> <p data-bbox="220 309 624 340"><i>Pharmaceutical preparations.</i><sup>3</sup></p>	<p data-bbox="815 255 927 286"><u>Class 5</u></p> <p data-bbox="815 309 1374 1043"><i>Medicines for human purposes; Chemico-pharmaceutical preparations; Chemical preparations for pharmaceutical purposes; Chemical preparations for medical purposes; Biological preparations for medical purposes; Crude drugs; Drugs for medical purposes; Pharmaceutical preparations; Troche; Injectable pharmaceuticals; Anaesthetic preparations for injection; Medical and pharmaceutical preparations for the suppression of tumors; Dietetic substances adapted for medical use; Medicines for veterinary purposes; Antiseptics.</i></p>

25. In *Gérard Meric v OHIM*, Case T-133/05, the General Court (“GC”) stated that:

“In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM - Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark”.<sup>4</sup>

26. In *Canon*, Case C-39/97, the Court of Justice of the European Union (“CJEU”) stated that:

“In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be

<sup>3</sup> See Footnote 1.

<sup>4</sup> Paragraph 29.

taken into account. Those factors include, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary”.<sup>5</sup>

27. Additionally, the factors for assessing similarity between goods and services identified in *British Sugar Plc v James Robertson & Sons Limited* (“*Treat*”) [1996] R.P.C. 281 include an assessment of the channels of trade of the respective goods or services.

28. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods. In *Boston Scientific Ltd v OHIM*, Case T-325/06, the GC stated that “complementary” means:

“...there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking”.<sup>6</sup>

29. For the purposes of considering the issue of similarity of goods, it is permissible to consider groups of terms collectively where appropriate. In *Separode Trade Mark*, BL O-399-10, Mr Geoffrey Hobbs QC (as he then was), sitting as the Appointed Person, said:

“The determination must be made with reference to each of the different species of goods listed in the opposed application for registration; if and to the extent that the list includes goods which are sufficiently comparable to be assessable for registration in essentially the same way for essentially the same reasons, the decision taker may address them collectively in his or her decision.”<sup>7</sup>

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<sup>5</sup> Paragraph 23.

<sup>6</sup> Paragraph 82

<sup>7</sup> Paragraph 5

30. In its Statement of Grounds, and as referred to in its written submissions, the opponent submits that the applicant's goods are clearly identical and/or highly similar to the goods covered by the earlier marks, the majority being, or encompassed by, the broad term "*Pharmaceutical preparations*".

31. In its counterstatement, the applicant admits that its "*Pharmaceutical preparations*" are identical to the opponent's "*Pharmaceutical preparations*", but submits that not all its goods are identical and/or highly similar to those covered by the earlier marks. I note that in its written submissions, it also provides a comparison which explains why it considers certain goods to differ.

32. I will now set out my own considerations of the comparison of the remaining goods, grouping them together where this is appropriate, as per *Separode*.

33. The goods relied upon by the opponent are identical for all three of its earlier marks, being "*Pharmaceutical preparations*". I note that the Collins English Dictionary defines a "pharmaceutical" as "of or relating to drugs or pharmacy", while "pharmacy" is defined as "a shop or a department ...where medicines are sold and given out" and "the job or science of preparing medicines."<sup>8</sup>

*Medicines for human purposes; Drugs for medical purposes.*

34. Given the earlier definitions of the terms 'pharmaceutical' and 'pharmacy' as defined in *Collins*, I consider the above goods to be self-evidently identical to the opponent's "*Pharmaceutical preparations*".

*Chemico-pharmaceutical preparations; Chemical preparations for pharmaceutical purposes; Injectable pharmaceuticals; ... pharmaceutical preparations for the suppression of tumors.*

35. The applicant acknowledges that there is an overlap and a degree of similarity between the above goods and the opponent's "*Pharmaceutical preparations*", but does not state to what degree. The applied-for goods listed above are qualified as being of a pharmaceutical nature. In my view, they are encompassed by the broader

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<sup>8</sup> Definition taken from the Collins Dictionary online, sourced on 13 October 2022.

category “*Pharmaceutical preparations*” and so, as per the principle outlined in *Meric*, I find them to be identical.

*Chemical preparations for medical purposes; Biological preparations for medical purposes; Medical ... preparations for the suppression of tumors.*

36. I again consider that the applicant’s “*Chemical preparations for medical purposes; Biological preparations for medical purposes; Medical ... preparations for the suppression of tumors*” are covered by the wider term “*Pharmaceutical preparations*”, and as such they are *Meric* identical.

#### *Troche*

37. A “*troche*” is defined in the Collins English Dictionary as “*medicine another name for lozenge*”<sup>9</sup> The applicant has also explained that a troche is a lozenge, but submits that they are different in nature to “*Pharmaceutical preparations*” because they are available for purchase through retail outlets without the input of pharmacists or doctors. While this may be the case, lozenges are medicinal in nature, often intended to alleviate symptoms such as a sore throat. Further, products which are classed as pharmaceuticals may be provided both on prescription/over the counter, as well as self-selected off the shelf. As such, I consider that the applicant’s “*Troche*” is covered by the broader term “*Pharmaceutical preparations*”, and is therefore identical to the opponent’s goods as per *Meric*.

#### *Anaesthetic preparations for injection.*

38. I consider “*Anaesthetic preparations for injection*” to fall under the umbrella of “*Pharmaceutical preparations*”, and consequently, I find them to be *Meric* identical.

#### *Medicines for veterinary purposes*

39. While the opponent has not distinguished between its goods as being for human use or for animals, I consider the applicant’s “*Medicines for veterinary purposes*” to be covered by the opponent’s broad term “*Pharmaceutical preparations*”, which may equally apply to those products intended for use by humans and/or for the treatment

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<sup>9</sup> See footnote 9.

of animals. Consequently, I consider the competing goods to be identical as per *Meric*.

#### *Antiseptics*

40. The applicant submits that antiseptics are substances intended to stop or slow down the growth of microorganisms and that the intended purpose is dissimilar to the purpose of pharmaceuticals, which is to treat, cure, prevent or diagnose disease. In my view, if an antiseptic is intended to stop or slow growth, then there is an overlap with the intended purpose of pharmaceuticals, as both are used to treat or prevent disease. I therefore find that “*Antiseptics*” are encompassed within the broader term “*Pharmaceutical preparations*”, rendering them *Meric* identical. If I am wrong in this, then I consider them to be similar to a high degree.

#### *Crude drugs*

41. The applicant submits that its “*Crude drugs*” are different in nature to “*Pharmaceutical preparations*”, with the former being “plant or animal drug(s) occurring in either fresh or dried condition...”, while it submits that pharmaceutical products are created through chemical synthesis. In my view, while the physical make-up of the goods may differ, regardless of the manufacturing process, there will be an overlap in method of use of the respective products and an overlap in users. There will also be an overlap in trade channels and the competing goods may be in competition with each other. Overall, I consider that “*Crude drugs*” are similar to “*Pharmaceutical preparations*” to a high degree.

#### *Dietetic substances adapted for medical use*

42. While dietetic substances alone may not necessarily be classed as pharmaceutical preparations, the above goods have been qualified as being adapted for medical use. I therefore construe the applicant’s “*Dietetic substances adapted for medical use*” to be similar in nature to “*Pharmaceutical preparations*”, both being used to treat medical symptoms, with an overlap in users and channels of trade. To my mind, the respective goods are similar to at least a medium degree.

### **The average consumer and the nature of the purchasing act**

43. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. (as he was then) described the average consumer in these terms:

“The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The word “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median”.<sup>10</sup>

44. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer’s level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer*, Case C-342/97.

45. In its written submissions, the opponent admits that while the relevant public comprises health care professionals and/or end consumers who will pay an above average degree of attention when purchasing the goods in question, the way the goods are marketed and selected must also be taken into account. It submits that the goods at issue could be sold over the counter or by prescription only and therefore aural considerations will be of most importance in these circumstances.

46. The competing marks all cover goods under the broad term “pharmaceutical preparations”, which I consider includes highly complex drugs which are available through prescription only, as well as generic medicines selected off the shelf, for example, to treat or alleviate headaches or the common cold.

47. In my view, the competing goods will be utilised by both the general public and health care professionals, such as a medical professional who will prescribe such goods as prescription drugs, and the pharmacist who will check the goods before they are passed to the end user. Where the goods may be purchased off the shelf in a

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<sup>10</sup> Paragraph 60

retail store or online equivalent, visual considerations will dominate the process. In the case of goods which are supplied on prescription only, or requested verbally over the counter without a prescription, aural considerations will be more important.

48. In *Olimp Laboratories sp. z o.o. v EUIPO*, Case T-817/19, EU:T:2021:41, the GC considered the average consumer for and level of attention which would be paid in the selection of pharmaceutical and medical products in class 5. It said:

“39 Where the goods in question are medicinal or pharmaceutical products, the relevant public is composed of medical professionals, on the one hand, and patients, as end users of those goods, on the other (see judgment of 15 December 2010, *Novartis v OHIM – Sanochemia Pharmazeutika (TOLPOSAN)*, T-331/09, EU:T:2010:520, paragraph 21 and the case-law cited; judgment of 5 October 2017, *Forest Pharma v EUIPO – Ipsen Pharma (COLINEB)*, T-36/17, not published, EU:T:2017:690, paragraph 49).

40 Moreover, it is apparent from case-law that, first, medical professionals display a high degree of attentiveness when prescribing medicinal products and, second, with regard to end consumers, in cases where pharmaceutical products are sold without prescription, it must be assumed that those goods will be of concern to consumers, who are deemed to be reasonably well informed and reasonably observant and circumspect where those goods affect their state of health, and that these consumers are less likely to confuse different versions of such goods. Furthermore, even assuming that a medical prescription is mandatory, consumers are likely to demonstrate a high level of attentiveness upon prescription of the goods at issue in the light of the fact that those goods are pharmaceutical products. Thus, medicinal products, whether or not issued on prescription, can be regarded as receiving a heightened level of attentiveness on the part of consumers who are normally well informed and reasonably observant and circumspect (see judgment of 15 December 2010, *TOLPOSAN*, T-331/09, EU:T:2010:520, paragraph 26 and the case-law cited).

41 [...]



42 In the present case, having regard to the nature of the goods concerned, namely medical or pharmaceutical products in Class 5, the Board of Appeal acted correctly in finding in paragraphs 18 to 21 of the contested decision – which, moreover, is not disputed by the applicant – that, in essence, the relevant public was made up of medical professionals and pharmacists and consumers belonging to the general public with a higher than average degree of attentiveness.”.

49. In *Mundipharma AG v OHIM*, Case T-256/04, the GC accepted that there were two groups of relevant consumers for a pharmaceutical product, professional users and the general public. While the professional user is less likely to be confused, to the general public, the differences between the marks may be less obvious:

“73. Moreover, although, because of the interdependence of the relevant factors for the assessment of the likelihood of confusion and the fact that the more distinctive the mark on which the opposition is based the greater will be the likelihood of confusion (Lloyd Schuhfabrik Meyer, paragraph 20), the weak distinctive character of the earlier mark precludes any likelihood of confusion for the professional public, that fact is not sufficient in respect of the end consumers, for whom the opposing marks are highly similar.”

50. In accordance with the findings in *Olimp Laboratories*, I consider the level of attention of the average consumer for the Class 5 goods at issue to be higher than average for more complex pharmaceuticals, such as prescription only antibiotics, and in particular where the consumer is a healthcare professional.

51. I accept that consumers in general are likely to pay greater attention to the purchase of even low cost goods which are related to their health, but I also consider that for everyday generic goods bought from a supermarket, such as simple painkillers and cough remedies as purchased by the general public, that the degree of attention will vary between low to medium, depending on the purpose and cost of the goods in question.

## Comparison of marks

52. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The CJEU stated in *Bimbo SA v OHIM* Case C-591/12P, that:

“.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”<sup>11</sup>

53. It would be wrong, therefore, to artificially dissect the trade marks, although, it is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

54. The respective trade marks are shown below:

Opponent's trade marks	Applicant's trade mark
<u>Mark 1</u>  <b>VSIQQ</b>	<b>Vesique</b>
<u>Mark 2</u>  <b>VAZEKAI</b>	

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<sup>11</sup> Paragraph 34

Mark 3

**VAZEKAY**

55. The opponent submits that with regard to its Mark 1, it shares the first letter V with the contested mark, and the marks also share the letters S-I-Q, which appear in the same order in the respective marks, and therefore it considers the marks to be visually similar. Phonetically, it submits that the letter strings SIQQ and SIQUE will be pronounced identically, as for the word 'physique', and that the average consumer would add a vowel sound to the earlier mark to facilitate the pronunciation, and will pronounce the competing marks identically, or at least highly similarly.

56. The opponent submits that with regard to its Mark 2 and Mark 3, they are of identical length to the applicant's mark, each comprising seven letters, and that all three marks begin with the letter V. Phonetically, it submits that the marks are highly similar as a result of the respective prefixes VAZE and VESI and the /k/ sound in the second part of the marks.

57. The applicant submits that in the case of the earlier Mark 2 and Mark 3, although the competing marks all have seven letters, the marks only share the same first letter, with no other coinciding letters in the marks, and that the visual impression of the marks is clearly distinguishable. It further submits that phonetically, the marks are notably distinct from its own mark, and that the earlier marks will be pronounced as three syllables, while its mark will be pronounced as only two syllables. It also contends that the start of the opponent's marks VAZE is not phonetically highly similar to VESI, and the endings of the marks are clearly phonetically dissimilar as ZEKAI/ZEKAY cannot be said to be similar to SIQUE.

58. In relation to the opponent's Mark 1, the applicant submits that the visual and dominant element is the unusual double "Q" at the end of the mark which provides a clear point of visual differentiation from the application mark. It submits that the earlier mark is "quite phonetically ambiguous", and that it is likely that different pronunciations will be used depending on the consumer's interpretation of the letters used.

59. Both parties agree that a conceptual comparison of the marks cannot be made.

### **Overall impression**

60. The opponent's Mark 1 is a word mark consisting of the letters "VSIQQ", presented in capital letters in a standard typeface. As the mark contains no other elements, the overall impression therefore rests in the combination of letters as presented.

61. The opponent's Mark 2 and Mark 3 are word marks, each consisting of the single word "VAZEKAI" and "VAZEKAY", respectively. Each word is presented in capital letters in a standard typeface. As neither mark contains any other elements, in each, the overall impression rests in the word itself.

62. The applicant's mark is a figurative mark which consists of the single word "Vesique", presented in a standard typeface in title case. As the mark contains no other elements, the overall impression therefore rests in the word itself.

### **Visual comparison**

63. The applicant's mark consists of a single word of seven letters. The opponent's Mark 1 comprises five letters, VSIQQ, which is likely to be seen as an arbitrary selection of letters. The first four letters of the earlier mark, V S I Q, appear in the same order as the identical letters within the contested mark VESIQUE, although the letter E sits between the first letter V and the subsequent three letters SIQ, and the applicant's mark ends with the letters UE, being a further point of differentiation between the competing marks. The marks share four letters in common, and considering the marks as a whole, I find there to be no more than a medium degree of visual similarity between them.

64. The opponent's Mark 2 consists of seven letters, VAZEKAI. The applicant's mark is also seven letters in length and shares the same first letter as the earlier mark. In *El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02, the GC noted that the beginning of words tend to have more visual and aural impact than the ends, although

I accept that this is not always the case. While I acknowledge the submissions of both parties that each of the marks are invented words, due to the structure of the applicant's mark it brings to mind the look of a French word, which is not consistent with the opponent's mark. Overall, I consider that the marks are visually similar to a very low degree.

65. The opponent's Mark 3 comprises seven letters, VAZEKAY. The applicant's mark also consists of seven letters and the marks share the letter V at the beginning of each mark. For the same reasons given above in relation to the opponent's Mark 2, I consider that the competing marks are visually similar to a very low degree.

### **Aural comparison**

66. The applicant's mark would be pronounced as two syllables VES-EEK, (which rhymes with 'physique', as the opponent suggests). I acknowledge that although it may also be articulated as three syllables VES-EEK-EH, I consider the proportion of consumers who would voice it in this way to be insignificant.

67. The opponent's Mark 1 may be articulated as an initialism, with each individual letter pronounced separately as VEE ES EYE CUE CUE. To those consumers who pronounce the mark in this way, I consider it to be aurally dissimilar to the applicant's mark. In the absence of punctuation or spaces between the individual letters, I again consider the proportion of consumers who would voice it in this way to be insignificant. To my mind, a significant proportion of consumers will try to pronounce the mark as a tangible word, and in doing so, they are likely to add a vowel sound between the letter V and the letter S, articulating it as two syllables, VES-EEK or VIS-EEK/VUS-EEK/VAS-EEK. In these instances, I find the competing marks to be aurally identical for the former pronunciation, and aurally similar to a very high degree for any of the latter articulations.

68. The opponent's Mark 2 and Mark 3 share the same first six letters, being V A S E K A, with the last letter of Mark 2 being I and the last letter of Mark 3 being Y. Accordingly, I consider it most likely that both marks would be pronounced equally as

three syllables, VAS-EEK-EH, although some consumers may pronounce Mark 2 as VAS-EEK-EYE.

69. To those consumers who pronounce the applicant's mark as two syllables VES-EEK, and the opponent's marks as either VAS-EEK-EH or VAS-EEK-EYE, I consider the marks to be aurally similar to a medium degree.

### **Conceptual comparison**

70. For a conceptual message to be relevant, it must be capable of immediate grasp by the average consumer - Case C-361/04 P *Ruiz-Picasso and others v OHIM* [2006]<sup>12</sup>.

71. None of the competing marks have a defined meaning in British English, and they are likely to be perceived by a significant proportion of the average consumer as invented words with no conceptual meaning. I also consider that some consumers may assume that the applicant's mark is a French word, although as the word bears no resemblance to any English counterpart, no English translation immediately springs to mind. Some consumers may also perceive the opponent's Mark 2 and Mark 3 to be foreign words, without attributing them to any particular language, while the opponent's Mark 1 may be considered an initialism, although it is unclear what the initials might stand for. As none of the marks have any clear and recognisable semantic content, no conceptual comparison can be made.

### **Distinctive character of the earlier marks**

72. The distinctive character of a trade mark can be appraised only, first, by reference to the goods in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public – *Rewe Zentral AG v OHIM (LITE)* [2002] ETMR 91.

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<sup>12</sup> Paragraph 56.

73. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that:

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

74. Registered trade marks can possess varying degrees of inherent distinctive character, being low where they are allusive or suggestive of a character of the goods and services, whereas invented words usually have the highest degree of distinctive character. The distinctiveness of a mark can be enhanced by virtue of the use made of it. The opponent has not claimed that its mark has enhanced distinctiveness and no evidence of use has been filed, although it submits that the evidence filed to show that pharmaceutical product names containing the letter string V-SIQ- are rare increases the degree of distinctiveness of its earlier Mark 1.

75. Earlier in my decision, I found that the opponent’s marks would be perceived as invented words by a significant proportion of the relevant consumer. I do not consider

them to be allusive of the goods at issue. Consequently, I find all three of the earlier marks to be inherently distinctive to a high degree.

### **Likelihood of confusion**

76. There is no simple formula for determining whether there is a likelihood of confusion. It is clear that I must make a global assessment of the competing factors (*Sabel* at [22]), keeping in mind the interdependency between them i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and vice versa (*Canon* at [17]). I must consider the various factors from the perspective of the average consumer, bearing in mind that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he has retained in his mind (*Lloyd Schuhfabrik* at [26]).

77. There are two types of possible confusion: direct, where the average consumer mistakes one mark for the other, or indirect, where the average consumer recognises that the marks are different, but assumes that the goods and/or services are the responsibility of the same or connected undertakings. The distinction between these was explained by Mr Iain Purvis Q.C., sitting as the Appointed Person, in *L.A. Sugar Limited v Back Beat Inc*, Case BL-O/375/10. He said:

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: “The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark.



17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right (“26 RED TESCO” would no doubt be such a case).

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as “LITE”, “EXPRESS”, “WORLDWIDE”, “MINI” etc.).

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension (“FAT FACE” to “BRAT FACE” for example).”

78. The above are examples only which are intended to be illustrative of the general approach. These examples are not exhaustive but provide helpful focus.

79. Earlier in this decision, I found that:

- All the contested goods are either identical or similar to at least a medium degree to the opponent’s goods;
- The opponent’s Mark 1 is visually similar to the applicant’s mark to no more than a medium degree, while Mark 2 and Mark 3 are visually similar to the applicant’s mark to a very low degree;
- Depending on the exact pronunciation, where it is voiced as a tangible word, the opponent’s Mark 1 is either identical or aurally similar to the applicant’s mark to a very high degree;

- The opponent's Mark 2 and Mark 3 are aurally similar to a medium degree;
- A conceptual comparison of the competing marks could not be made;
- The average consumer will pay a higher than average degree of attention to the selection process for more complex, prescribed pharmaceuticals, although the degree of attention will vary between low to medium for low cost, everyday goods such as non-prescription painkillers;
- Aural considerations will be more important for those goods that are requested over the counter, while visual considerations will be more important for goods which are self-selected;
- The earlier marks are inherently distinctive to a high degree.

80. Both parties have provided evidence to support its own submissions regarding pharmaceutical products which share the same letter strings and any resulting confusion or lack thereof. I also note the applicant's enclosures to its written submissions where it states that it has identified earlier decisions of the EUIPO and the UKIPO in respect of oppositions in Class 5 where the marks were of the same length but were considered dissimilar and therefore no likelihood of confusion was found. However, the circumstances in the case before me are somewhat different.

81. I will begin with my conclusion in relation to the likelihood of confusion between the applicant's mark and the opponent's Mark 2 and Mark 3.

82. While allowing that the average consumer is unlikely to see the marks side-by-side and will therefore be reliant on the imperfect picture of them they have kept in their mind, given the higher than average degree of attention that the average consumer will pay during the purchasing process, albeit to a lesser degree for everyday pharmaceutical goods, I do not consider it likely that the average consumer would mistake "Vesique" for either the earlier Mark 2 or Mark 3, or vice versa. Even though the goods at issue were found to be identical, in view of the very low level of visual similarity and the medium degree of aural similarity between the marks, I find it unlikely

that the consumer would make such an error. I therefore find no likelihood of direct confusion.

83. Taking into account the previously outlined guidance of Mr Iain Purvis Q.C. in *L.A. Sugar*, I will now consider whether there might be a likelihood of indirect confusion. In *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17, Mr James Mellor Q.C. (as he then was), as the Appointed Person, stressed that a finding of indirect confusion should not be made merely because the two marks share a common element. In this connection, he pointed out that it is not sufficient that a mark merely calls to mind another mark. This is mere association not indirect confusion.

84. Keeping in mind the global assessment of the competing factors in my decision, it is my view that it is unlikely that the average consumer would assume that there is an economic connection between the brands. I acknowledge that the categories listed by Mr Iain Purvis Q.C. in *L.A. Sugar* are not exhaustive, however, I do not see anything which would lead the average consumer into believing that one mark is a brand extension of the other, or assume that there is an economic connection between the parties. I therefore find no likelihood of indirect confusion for either Mark 2 or Mark 3.

85. I now turn to the likelihood of confusion between the contested mark and the opponent's Mark 1.

86. The applicant submits that the relevant consumer of the products in question are sophisticated enough to differentiate brand names sharing similar letter strings, and that there are numerous examples of brand names for pharmaceutical products within the UK market that share letter strings and that appear to be co-existing in the marketplace without confusion.<sup>13</sup> However, in *Roger Maier and Another v ASOS*, [2015] EWCA Civ 220, Kitchen L.J. found that absence of evidence of confusion does not necessarily mean an absence of actual confusion.<sup>14</sup>

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<sup>13</sup> See paragraphs 57 of the applicant's submissions in lieu dated 26 August 2022.

<sup>14</sup> At [80].

87. I have weighed up each of the competing factors in my decision, not least the differences as well as the similarities between the competing marks, including the degree of aural and visual similarity between them, as identified above, both of which play a part. Despite the higher level of attention paid to the purchasing process by the average consumer, be this a healthcare professional or a member of the general public, bearing in mind the principle of imperfect recollection, I consider that confusion will be more prevalent on the part of the latter as a layperson with less familiarity of the goods at issue as a matter of routine, and particularly when the goods are requested orally. I take into account that the earlier mark is considered to be highly distinctive, for goods which are either identical or similar to at least a medium degree. Overall, I consider that there is a likelihood of direct confusion between the marks.

88. As I have found a likelihood of confusion between the applied-for mark and the earlier Mark 1, the opposition succeeds under section 5(2)(b) of the Act in respect of all goods.

## **OUTCOME**

89. The opponent has been successful. Subject to any successful appeal, the application by Jiangsu Yahong Meditech Incorporated Company will be refused.

## **COSTS**

90. The opponent has been successful, and is therefore entitled to a contribution towards its costs based upon the scale published in Tribunal Practice Notice (“TPN”) 2/2016. Applying the guidance in that TPN, I award the opponent the sum of £1,100, which is calculated as follows:

Official fee: £100

Preparing the notice of opposition and considering the counterstatement: £400

Preparing and filing written submissions and evidence: £600

**Total:**

**£1,100**

91. I therefore order Jiangsu Yahong Meditech Incorporated Company to pay Novartis AG the sum of £1,100. The above sum should be paid within twenty-one days of the expiry of the appeal period or, if there is an appeal, within twenty-one days of the conclusion of the appeal proceedings.

**Dated this 28<sup>th</sup> day of October 2022**

**Suzanne Hitchings**

**For the Registrar,**

**the Comptroller-General**