TRADE MARKS ACT 1994

IN THE MATTER OF
APPLICATION NO. 2177090
BY ALLERGAN INC.

AND IN THE MATTER OF
OPPOSITION NO. 50441 THERETO
BY GLAXO GROUP LIMITED

AND IN THE MATTER OF AN APPEAL
TO THE APPOINTED PERSON
BY THE OPPONENT
AGAINST THE DECISION OF MR. S. P. ROWAN
DATED 25 SEPTEMBER 2001

DECISION

Introduction

1. This is an appeal against a decision of Mr. S. P. Rowan, Principal Hearing Officer, acting on behalf of the registrar, dated 25 September 2001, in which he rejected an opposition against UK Trade Mark Application No. 2177090 in the name of Allergan Inc. ("the applicants") for MIRAGAN in Class 5 in respect of: "Pharmaceutical preparations for the treatment of glaucoma". The date of Application No. 2177090 is 11 September 1998.

2. Opposition No. 504411 was brought by Glaxo Group Limited ("the opponents") on the basis of earlier registered and unregistered rights in the trade mark IMIGRAN. Mr Rowan dismissed the opponents' grounds of opposition both under section 5(2)(b) and 5(4)(a) of the Trade Marks Act 1994 ("TMA"). The opponents appeal only against Mr. Rowan's decision under section 5(2)(b) of the TMA and for that purpose IMIGRAN has achieved the following registrations:

Reg. No.	**Date**	**Goods**
CTM Reg. 2088901	10.07.1996	Pharmaceutical preparations and substances; all included in Class 5
UK Reg 1400920	06.10.1989	Pharmaceutical preparations and substances; all included in Class 5

3. As a preliminary issue on appeal the opponents sought to adduce further evidence in the form of a witness statement of James A. Thomas, Vice President and Trade Mark Counsel for GlaxoSmithKline, dated 14 May 2002 and eight exhibits. In the event, I refused the opponents leave to admit that fresh evidence for reasons that I would detail in my written decision. I set out those reasons below.

4. At the hearing of the preliminary application and the appeal, Mr. David Wilkinson, Solicitor-Advocate of Bristows appeared for the opponents and the applicants were represented by Mr. Douglas Campbell of Counsel.

The Application to Introduce Further Evidence

5. The principles governing the discretion of the Appointed Person or the High Court to admit fresh evidence in trade mark appeals were recently considered by Lawrence Collins J. in *Etat Française Representee par la Ministere de l'Agriculture de la Foret v. Bernard Matthews plc (LABEL ROUGE)* [2002] EWHC 190 (Ch), 18 February 2002. The *Ladd v. Marshall* criteria ([1954] 1 WLR 1489 at 1491, per Denning L.J.) are central to the exercise of that discretion, although as matters to be taken into account rather than so-called rules. Other circumstances may also be relevant.

6. The opponents accept that the material exhibited to Mr. Thomas' statement predates and could have been obtained with due diligence for the original hearing on 12 July 2001. Moreover, no explanation is offered by the opponents for the delay in filing beyond general reorganisation difficulties encountered following the GlaxoSmithKline merger on 1 January 2001

7. The opponents' main argument in support of the application is that the new evidence, if given, would probably have an important influence on the result of the opposition. Exhibits 1 - 4 inclusive to Mr. Thomas' statement contain extracts published in the British Medical Journal devoted to the subject of medical errors occurring in Britain and the United States of America. Management solutions are offered particularly from the aviation industry. Whilst it is true that these articles discuss the very serious problems associated with stress and working conditions in the healthcare sectors, none mention the specific issue in this appeal of conflicts between pharmaceutical trade marks. JAT 5 and 6 give American examples of fatal mix-ups between pharmaceutical brands attributed to the poor handwriting of doctors. However the article at JAT 6 notes: "Even drugs with names as seemingly dissimilar as Cournadin and Avandia can be confused – if a doctor's handwriting is bad enough". Without wishing to detract from the obviously distressing nature of these examples, I note Mr. Campbell's point that one could conclude that no pharmaceutical names should be allowed registration as trade marks.

8. More pertinent I believe to this application, is the fact that such matters were brought to Mr. Rowan's attention at the original hearing through submissions made by the opponents and reference to case law decided by the Boards of Appeal of the Office for Harmonisation in the Internet Market (Trade Marks

and Designs) ("OHIM"). In particular, Mr. Rowan mentions in his decision that he was referred by the opponents to an article at [2001] 134 Trademark World, page 26, entitled "OHIM's Approach to Pharmaceutical Oppositions" authored by Jane Mutimear. Ms. Mutimear's article provides similar background information to that contained in JAT 1 - 8 and also lists documented examples of the consequences of mix-ups between drug names. I therefore reached the conclusion that the new evidence the opponents sought to introduce, if given, would be unlikely to affect the outcome of the case.

9. As to the third *Ladd v. Marshall* criterion, I accept Mr. Wilkinson's submission that there is no reason to doubt the credibility of Mr. Thomas' statement.

10. Finally, Mr. Wilkinson argued that the new evidence should be admitted because of the public interest in not allowing confusingly similar pharmaceutical trade marks onto the Register. For the reasons stated above, I do not believe that the new evidence would be influential on the outcome of the opposition. Mr. Wilkinson's public interest argument accordingly advances the opponents' application no further.

11. To conclude on the application to introduce fresh evidence, the opponents failed to satisfy me on two out of three of the *Ladd v. Marshall* criteria. Nor did they convince me that any other circumstances are relevant. The opponents' application is denied.

The Appeal: Approach

12. Both parties referred me to the recent Court of Appeal judgment in *Bessant v. South Cone Inc. (REEF)* [2002] EWCA Civ 763, 28 May 2002. Where an appellate court reviews a lower court's evaluation of, and conclusion on, the primary facts – here the hearing officer's evaluation of, and conclusion on, the likelihood of confusion taking into account all the circumstances in the case – the appellate court should: "show a real reluctance, but not the very highest degree of reluctance, to interfere in the absence of a distinct and material error of principle." Furthermore:

> "The appellate court should not treat a judgment or written decision as containing an error of principle simply because of its belief that the judgment or decision could have been better expressed."

REEF, *supra*., paras. 26 - 28, Robert Walker L. J.

The Appeal: Section 5(2)(b)

13. The opponents accept that the hearing officer correctly found:

(a) The respective goods are identical.

(b) IMIGRAN enjoyed a reputation in the UK at the relevant date (11 September 1998) but only in respect of pharmaceutical preparations for the treatment of migraine and headaches, not pharmaceuticals generally.

(c) The average consumer of the goods in question are both healthcare professionals (doctors and pharmacists) and the general public, since the goods may be available on prescription or sold direct to the public over the counter.

(d) Members of the public are unlikely to see the two trade marks side by side but instead must carry around an imperfect picture of them in their minds.

14. Instead, Mr. Wilkinson contends that the hearing officer fell into error at paragraph 16 of his decision when having mentioned the 'debate' whether a higher or a lower threshold needs to be reached before confusion can be established in conflicts between pharmaceutical marks, he said:

> "It seems to me that the role of the registrar is to apply the Trade Marks Act 1994 and its subordinate legislation to the proceedings brought before her. Other provisions and authorities exist for the licensing of pharmaceuticals and in my view, it is not the role of the Trade Marks Registry to stray into these areas."

15. According to Mr. Wilkinson, paragraph 16 of the decision shows that the hearing officer closed his mind to "special" factors affecting the global assessment of likelihood of confusion in pharmaceutical cases. Mr. Wilkinson cites the decision of the First Board of Appeal of OHIM in *TEMPOVATE/EMOVATE, EUMOVATE* Case R 1178/2000-1, 14 February 2002 and my own decision in *OROPRAM/SEROPRAM*, SRIS 0/203/02, 8 May 2002, to the effect that relevant factors may include that some medicinal products are administered over the counter, some consumers resort to self-prescription and professionals are often overworked and may write in hardly legible handwriting.

16. Mr. Campbell makes three main points in response:

(a) The alleged paragraph 16 error of principle is nowhere identified as such in the opponents' statement of grounds of appeal. However, Mr. Campbell acknowledges that the statement of grounds of appeal was drafted at a time when the relevance of identifying such an error might not have been fully appreciated by the parties, that is, shortly after the decision of Pumfrey J. in *REEF* [2002] RPC 19 and Simon Thorley Q.C. sitting as the Appointed Person in *ROYAL ENFIELD Trade Marks* [2002] RPC 508.

(b) For the purposes of their preliminary application, the opponents argued that no evidence of "special" factors was before the hearing officer. They cannot now say on appeal that the hearing officer closed his mind to such factors.

(c) There is a "flip-side" to the pharmaceutical argument, which is that especially in the case of prescription drugs the average consumer may be more attentive.

17. It is important to view paragraph 16 in context. The relevant parts of Mr. Rowan's decision are as follows:

> "14. During the course of the hearing, submissions were made as to the approach I should adopt when considering opposition proceedings to trade marks covering pharmaceuticals. In summary, Mr Wilkinson argued that when considering such cases and assessing the likelihood of confusion between the trade mark the subject of the application and other trade marks, the registrar should adopt a cautious approach, taking into account the danger to the health of consumers in the event that two trade marks are confused. On the other hand, Mr Campbell suggested that the average consumer is more careful when purchasing pharmaceuticals and so trade marks that might otherwise be similar and lead to confusion could exist side by side when applied to pharmaceuticals.
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> 15. This is not a new debate to trade mark law and Mr Wilkinson referred me to an article written by Jane Mutimear "OHIM's Approach to Pharmaceutical Oppositions" [2001] 134 Trademark World at page 26. As the title suggests, this article analyses the approach taken by the Office for Harmonisation in the Internal Market in several oppositions to Community Trade Marks which cover pharmaceutical products. The article suggests that at present OHIM adopts a higher threshold before confusion can be found. The article is critical of that approach pointing to the potential consequences to public health when two pharmaceuticals are confused. At the hearing reference was also made to a recent decision of OHIM's Third Board of Appeal *Alimirall Prodesfarma S.A. v. Mudipharma A.G* (Case R 622/1999-3). This case concerned the trade marks CODIDOL and CODEROL for pharmaceutical goods in class 5. The Third Board of Appeal upheld the decision of the opposition division and found that there was a likelihood of confusion. The parties in that case advanced similar arguments to those before me. The Board did not express a view as to the correct approach but concluded:
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> > "Furthermore, even if, as the applicant argues, the Board were to apply a higher threshold for a finding of a likelihood of confusion, that would not be sufficient to counter the Board's finding in the present case."
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> 16. It seems to me that the role of the registrar is to apply the Trade Marks Act 1994 and its subordinate legislation to the proceedings brought before her. Other provisions and authorities exist for the licensing of pharmaceuticals and in my view, it is not the role of the

> Trade Marks Registry to stray into these areas. Under the provisions of the Act and acting on behalf of the registrar I must consider whether there exists a likelihood of confusion if the applicants' and opponents' trade marks are used in respect of the goods for which they are respectively applied for and registered. I must find a likelihood of confusion not merely a possibility of confusion; *Reactor* at page 290.
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> 17. Of course, in assessing the likelihood of confusion I must consider this matter through the eyes of the average consumer of the goods in question. Consequently, I have to take into account the way or ways in which the products in question reach the end consumer. In a case such as this a pharmaceutical may be available only on a doctor's prescription or through a pharmacist, these are professionals who are accustomed to dealing with the various products that are available and one might expect them to be more observant and circumspect than others. Other pharmaceuticals are available over the counter and are available to the general public without the intervention of a pharmacist or doctor when different considerations may apply. Each case must be determined on its own facts and on the evidence that is presented to the registry. In this case I have no evidence as to how these two pharmaceuticals preparations covered by the respective specifications will be sold. The specifications are not limited in any way and so I must assume that they are or may be made available directly to the general public over the counter."

18. I am unable to detect an error of principle in the hearing officer's decision. It seems to me that at paragraph 16, Mr. Rowan indicates a reluctance to enter into the "debate" identified by him in the preceding paragraph. Rather, his task is to determine whether there exists a likelihood of confusion between the respective marks within the meaning of section 5(2)(b) of the TMA. There is no indication in paragraph 16 that Mr. Rowan, in performing the global assessment of likelihood of confusion, closed his mind to any circumstance relevant to the case. On the contrary at paragraph 17, Mr. Rowan expressly states that he is taking into account the fact that the pharmaceutical products in question may be sold on prescription or direct to the public over the counter. As Mr. Campbell reminded me, I recently expressed similar views in *OROPRAM/SEROPRAM, supra.*, at para. 25:

> "I have arrived at this view without engaging in the debate whether a higher or lower threshold needs to be reached before confusion can be established in conflicts between pharmaceutical trade marks. 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)."

19. Mr. Wilkinson urged me that if I decided that there was no error of principle in the hearing officer's decision, I should nevertheless intervene on public interest/public health grounds. There is no discretion under the TMA to refuse registration to a trade mark that otherwise satisfies the requirements of the Act (section 37 TMA; *Procter & Gamble Ltd's Trade Mark Application* [1999] RPC 673 at 675 per Robert Walker L.J., *EUROLAMB Trade Mark* [1997] RPC 279 at 288 per Geoffrey Hobbs Q.C. sitting as the Appointed Person) and I have already upheld Mr. Rowan's decision to reject the opponents' opposition under section 5(2)(b).

Conclusion

20. In the result both the preliminary application and the appeal fail. Mr. Rowan ordered that the opponents should pay the applicants the sum of £835 in respect of the opposition and I direct that a further sum of £1000 be paid to the applicants towards the costs of this preliminary application and appeal, to be paid on the same basis as indicated by Mr. Rowan.

Professor Ruth Annand, 5 July 2002

Mr. David Wilkinson, Bristows appeared as Solicitor-Advocate on behalf of the opponents

Mr. Douglas Campbell instructed by Carpmaels & Ransford appeared as Counsel on behalf of the applicants