O-126-07

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION No 2367607
BY NITTO DENKO CORPORATION
TO REGISTER THE TRADE MARK
AMIAID
IN CLASS 5

AND IN THE MATTER OF OPPOSITION
THERETO UNDER NO 93038
BY TAKEDA PHARMACEUTICAL COMPANY LIMITED

BACKGROUND

1) On 7 July 2004, Nitto Denko Corporation, of 1-2 Shimohozumi, 1-chome, Ibaraki-shi, Osaka 567, Japan applied under the Trade Marks Act 1994 for registration of the trade mark AMIAID in respect of "Ischemic heart disease treatment medicines; bronchodilators; local anaesthetics" in Class 5.

2) On 16 December 2004 Takeda Pharmaceutical Company Limited of 1-1 Doshomachi 4-chome, Chuo-Ku, Osaka, Japan filed notice of opposition to the application. The grounds of opposition are in summary:

a) The opponent is the proprietor of the following trade mark:

Mark	Number	Effective date	Class	Specification
AMIAS	1555568	03.12.93	5	Anti-hypertensive preparations and substances; all included in Class 5.

b) The opponent claims that the goods are identical and/or similar and that the marks are confusingly similar. The opponent also claims to have used its mark in the UK in respect of all the goods registered. The mark therefore offends against Section 5(2)(b) and 5(4)(a) of the Trade Marks Act 1994.

3) The applicant subsequently filed a counterstatement denying the opponent's claims and also puts the opponent to proof of use.

4) Both sides filed evidence in these proceedings. Both sides ask for an award of costs. The matter came to be heard on 28 March 2007 when the opponent was represented by Mr Malynicz of Counsel instructed by Messrs Forrester Ketley & Co. and the applicant was represented by Mr Tritton of Counsel instructed by Messrs Marks & Clerk.

OPPONENT'S EVIDENCE

5) The opponent filed a witness statement, dated 1 September 2005, by Michelle Swift the Head of Medical Affairs at Takeda UK Ltd, a wholly owned subsidiary of the opponent company and its UK licensee. She states that her company has been using the trade mark AMIAS in the UK since December 1997 in relation to goods for hypertension and/or heart failure. She states that it is sold in tablet form and at exhibit MS1 provides copies of the packaging and information leaflet provided with the tablets. These show use of the opponent's mark. She states that the tablets are distributed to licensed medical practitioners/pharmacists and hospitals via pharmaceutical wholesalers. The product is advertised in the medical press but has also received mentions in various newspapers, she exhibits at MS2 a copy of the Times from 2003. She provides an estimate of her company's marketing as £1.5 million per annum on advertising and general promotion and £10 million on sales representatives.

6) Ms Swift provides details of turnover figures as follows:

Year	Sales £ million
1999	6.6
2000	11.7
2001	18
2002	24.8
2003	32
2004	34.8

7) At exhibit MS4 she provides copies of invoices from Takeda to AstraZeneca who she states acted as the distributor for Amias in the UK from December 1997 to December 2004. The invoices are dated 28 July 2000- 1 August 2005. She also provides her opinion as to whether the marks of the two parties are similar, which is not of assistance to me in my decision. She states that the goods are likely to be available through the same trade channels and bought by the same customer group, in particular medical practitioners. She states that there is a high risk of errors when ordering from a wholesaler or even when selecting a product from a GP's computer as the products will appear next to each other in any list.

APPLICANT'S EVIDENCE

8) The applicant filed a witness statement, dated 10 July 2006, by Takashi Kawasaki the General Manager of the Medical and Related Products Division of the applicant company. He provides a brief history of his career which shows that he has worked for the applicant since 1977. He questions whether the opponent's product is for heart failure as it is a blood pressure tablet. He also points to the restrictive nature of the opponent's specification for their trade mark. He points out that the opponent's product would only appear to be available in tablet form. He also suggests that the opponent only began advertising their product as a treatment against heart failure following the CHARM Study Programme, initial results of which came out in 2003 and which is mentioned at exhibit MS2 of the opponent's evidence.

9) Mr Kawasaki also questions other aspects of the opponent's evidence such as the extent of the promotional activity, to whom items were sent, how many, over what period etc. He states that it is not clear if all the promotional expenditure was within the UK. He states that the sales of the opponent's product would relate to its initial or primary therapy as an anti-hypertensive preparation. He points out that the invoices do not display the opponent's name "Takeda" anywhere. He also comments on the similarity of the marks which I will not comment on as it does not assist my decision. Except for his comments at paragraph 10.2 where he states:

> "It is clear that both marks are pronounced with three syllables, namely as "AM-EE-AS" and "AM-EE-AID" and they consequently share the common prefix AMI…, rather than AMIA as alleged."

10) Mr Kawasaki states that the prefix AMI is commonly derived from three sources:

a) AMIDES- members of a group of organic chemical compounds containing nitrogen. At exhibit TK2 he provides information on amides from the Internet.

b) AMINES- organic compounds and a type of function group that contain nitrogen as the key atom. At exhibit TK3 he provides information on amines from the Internet

c) AMINO ACIDS- these are molecular units that make up proteins. All proteins are made up of various compositions of the twenty specific naturally occurring amino acids. At exhibit TK4 he provides information on amino acids from the Internet.

11) At exhibits TK5 & 6 he provides copies of the UK and Community registers showing the number of marks prefixed by the letters AMI. However, such "state of the Register" evidence is of little relevance. He does state that the word "AMIA" is defined in the dictionary as a noun meaning "a genus of fresh-water ganoid fishes, exclusively confined to North America; called dogfish in both Lake Champlain and Lake Eerie and mudfish in South Carolina. Furthermore, the word "AMIAS" is defined as the plural of AMIA". He provides a print-out of these definitions at exhibit TK17. He contrasts this with what he claims is the made up nature of the applicant's mark.

12) Mr Kawasaki states that the goods of the two parties whilst they are both pharmaceuticals are quite different. He states that the primary active ingredients are different and that whilst the opponent's product is for treating high blood pressure (hypertension) the applicant's product is primarily for the treatment of asthmatic and similar respiratory conditions. He states that the term "ischemic" relates to a lack of blood supply and that ischemic heart disease is fairly common. He states that the term "ischemic" may also relate to heart disease in particular a mini stroke.

13) Mr Kawasaki also states that the opponent's product is sold as a tablet whilst the applicant's product is sold as a patch. He states that "the respective uses, users and physical natures of the AMIAS and AMIAID products are quite different". He also claims that the dispensing individuals will exercise a high degree of care and attention. He states that dispensers of such drugs will not use an alphabetical listing but look instead for the active ingredient.

OPPONENT'S EVIDENCE IN REPLY

14) The opponent filed a witness statement, dated 30 October 2006, by Ms Swift who has already provided evidence in the instant case. She points out that hypertension is one possible cause of heart failure. She states:

> "5. It is also of note that the other two classes of medicines that are the mainstay of treatment for heart failure, namely Angtiotensin Converting Enzyme [ACE] Inhibitors and Beta-blockers are also treatments for hypertension. In both cases, the treatment of hypertension was the first indication with the treatment of heart failure following".

15) At paragraph 8 she states: "I also confirm that whilst our registration for the mark covers "anti-hypertensive preparations and substances" these types of goods are closely interrelated with those drugs used in the treatment of heart failure. Indeed, as Mr Kawasaki makes clear, the AMIAS product can be used for both treatments."

16) Ms Swift confirms that all expenditure on promotion of the mark was within the UK. She also points out that her company's product does not derive from any of the three common derivatives suggested by Mr Kawasaki.

17) That concludes my review of the evidence. I now turn to the decision.

DECISION

18) The first ground of opposition is under section 5(2)(b) which reads:

> "5.-(2) A trade mark shall not be registered if because -
>
> (a)....
> (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."

19) An "earlier trade mark" is defined in section 6, the relevant part of which states:

> "6.-(1) In this Act an "earlier trade mark" means -
>
> (a) a registered trade mark, international trade mark (UK) or Community trade mark which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks."

20) The opponent is relying upon its UK trade mark No. 1555568 which has an effective date of 3 December 1993 and is clearly an earlier trade mark.

21) The opposition was filed on 16 December 2004. I must therefore consider the position under The Trade Marks (Proof of Use, etc.) Regulations 2004. Paragraph six of which states:

> "6A Raising of relative grounds in opposition proceedings in cases of non-use.
>
> (1) This section applies where-
>
> (a) an application for registration of a trade mark has been published,
>
> (b) there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and
>
> (c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.

(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if-

(a) within the period of five years ending with the date of publication of the application the earlier trade mark has been put to genuine use in the United kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or

(b) the earlier trade mark has not been so used, but there are proper reasons for non-use.

(4) For these purposes-

(a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United kingdom solely for export purposes.

(5) In relation to a Community trade mark, any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Community.

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.

(7) Nothing in this section affects –

(a) the refusal of registration on the grounds mentioned in section 3 (absolute grounds for refusal) or section 5(4) (relative grounds of refusal on the basis of an earlier right), or

(b) the making of an application for a declaration of invalidity under section 47(2) (application on relative grounds where no consent to registration)."

22) In the instant case the publication date of the application was 17 September 2004. Therefore, the relevant period for the proof of use is 18 September 1999- 17 September 2004. I must first consider whether the opponent has fulfilled the requirement to show that genuine use of the mark has been made.

23) The opponent stated categorically in evidence that it has used its mark since December 1997 in the UK in relation to goods for hypertension. Copies of packaging and instructions were provided. Sales figures and marketing figures have been provided and these are substantial, with sales averaging £21.5 million for each of the

years 2000 -2003 inclusive. Also provided were samples of invoices to the main distributor in the UK for each of the years 1998-2004 inclusive. The opponent therefore easily passes the proof of use requirement and so the full specification will be used in the global assessment of the marks of the two parties.

24) In determining the question under section 5(2)(b), I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.* [1999] E.T.M.R. 1, *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77 *and Marca Mode CV v Adidas AG and Adidas Benelux B.V.* [2000] E.T.M.R 723.

25) In essence the test under section 5(2)(b) is whether there are similarities in marks and goods or services which would combine to create a likelihood of confusion. In my consideration of whether there are similarities sufficient to show a likelihood of confusion I am guided by the judgements of the European Court of Justice mentioned above. The likelihood of confusion must be appreciated globally and I need to address the degree of visual, aural and conceptual similarity between the marks, evaluating the importance to be attached to those different elements taking into account the degree of similarity in the goods, the category of goods in question and how they are marketed. Furthermore, I must compare the applicant's mark and the mark relied upon by the opponent on the basis of their inherent characteristics assuming normal and fair use of the marks on a full range of the goods covered within the respective specifications.

26) The effect of reputation on the global consideration of a likelihood of confusion under Section 5(2)(b) of the Act was considered by David Kitchin Q.C. sitting as the Appointed Person in *Steelco Trade Mark* (BL O/268/04). Mr Kitchin concluded at paragraph 17 of his decision:

> "The global assessment of the likelihood of confusion must therefore be based on all the circumstances. These include an assessment of the distinctive character of the earlier mark. When the mark has been used on a significant scale that distinctiveness will depend upon a combination of its inherent nature and its factual distinctiveness. I do not detect in the principles established by the European Court of Justice any intention to limit the assessment of distinctiveness acquired through use to those marks which have become household names. Accordingly, I believe the observations of Mr. Thorley Q.C in *DUONEBS* should not be seen as of general application irrespective of the circumstances of the case. The recognition of the earlier trade mark in the market is one of the factors which must be taken into account in making the overall global assessment of the likelihood of confusion. As observed recently by Jacob L.J. in *Reed Executive & Ors v Reed Business Information Ltd & Ors*, EWCA Civ 159, this may be particularly important in the case of marks which contain an element descriptive of the goods or services for which they have been registered. In the case of marks which are descriptive, the average consumer will expect others to use similar descriptive marks and thus be alert for details which would differentiate one mark from another. Where a mark has become distinctive through use then this may cease to be such an important consideration. But all must depend upon the circumstances of each individual case."

27) I also have to consider whether the mark that the opponent is relying upon has a particularly distinctive character either arising from the inherent characteristics of the mark or because of the use made of it. The applicant contended that the opponent's mark lacked distinctiveness because of the existence of a large number of other marks on the register and in the market which have as their first three letters AMI. It was contended that this prefix was common amongst pharmaceutical products which are based on a particular chemical compound such as amides, amines or amino acids. However, "state of the register" evidence is never conclusive, and I note that the list of pharmaceuticals on the market in 2002 which was referred to by the applicant contains a very large number of products which have as a prefix the letters "AMIL" not "AMI" as claimed. The mark as registered has a degree of inherent distinctiveness. The mark has been used in the UK and sales have been significant, although they have not been put into context with regard to the size of the market or market share. To my mind the opponent has not shown enough evidence of reputation in its mark to benefit from an enhanced level of protection due to reputation.

28) I shall first consider the specifications of both parties. For ease of reference these are as follows:

Applicant's specification	Opponent's specification
Ischemic heart disease treatment medicines; bronchodilators; local anaesthetics" in Class 5.	Anti-hypertensive preparations and substances; all included in Class 5.

29) In carrying out the comparison of the specifications of the two parties I take into account the factors referred to in the opinion of the Advocate General in *Canon* [1999] ETMR 1. In its judgement, the ECJ stated at page 6 paragraph 23:

> "23. 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 taken into account. Those factors include, *inter alia*, their nature, intended purpose and their method of use and whether they are in competition with each other or are complementary."

30) The opponent contended that there was a degree of similarity if not identicality between the specifications. At the most general level I accept that they are all pharmaceuticals. However, the conditions they treat and their uses are somewhat varied. To my mind a drug which assists in the treatment of hypertension cannot be regarded as being similar to a local anaesthetic. Similarly, the fact that bronchodilators work by dilating the brochi whereas the opponent's medicine relax and widen the blood vessels does not make the drugs similar. Nor does the fact that both treat long term disorders. Clearly, where the two specifications cross are with regard to the applicant's Ischemic heart disease treatment medicines. Perhaps wisely the applicant whilst not conceding this point did not contend the matter with any vigour, other than to point out that there are different regulatory approvals and that blood pressure affects the whole body not just the heart. I would accept that the conditions are not identical but I believe that they are similar. "Ischemic" refers to the lack of blood flow to an organ, in this case the heart. To alleviate this the drug would widen the blood vessels. It was also contended that the method of delivery was

markedly different with the opponent producing its drug in tablet form whilst the applicant produces its ischemic heart disease treatment in the form of patches. However, there is no restriction in the specification reflecting this difference and it is feasible that either side could alter its method of delivery which would mirror the other side.

31) The result as far as the three aspects of the applicant's specification is as follows:

Ischemic heart disease treatment medicines	Quite a high degree of similarity.
Bronchodilators	Very low degree of similarity
Local anaesthetics	Very low degree of similarity

32) I must also consider the average consumer for the types of goods covered by the specifications of both parties. In my opinion, they fall into two distinct camps. Firstly there are those who prescribe or dispense drugs to patients. Then there is the general public or the patients themselves. It was contended that the type of medicines concerned are prescription drugs only. However, this is not reflected in the specifications and I have to take judicial note that there are a number of drugs which were originally prescription drugs which are now available over the counter. Both groups must be considered to be reasonably well informed and reasonably circumspect and observant. In my view, any form of medicines are not prescribed, administered, purchased or taken without a high degree of consideration. Although I must take into account the concept of imperfect recollection.

33) I now move onto consider the marks of the two parties which are as follows:

Applicant's mark	Opponent's mark
AMIAID	**AMIAS**

34) Visually the marks clearly share the initial four letters AMIA. They differ at the end with the applicant's mark ending in the letters ID against the opponent's mark ending with the letter S. It is accepted that in very short marks differences are more pronounced. However, this is usually applied when the differences are at the beginnings of marks. It is generally accepted that the beginnings of words are more important than their endings.

35) Aurally it was common ground that both marks were two syllable marks, AMI-AID and AMI-AS. Therefore, the first syllable in each mark is identical. The second syllable in each begins with the letter A pronounced in much the same manner. Only the endings are different. The applicant contended that the commonality of the prefix AMI in pharmaceuticals would lead professionals to take more notice of the second syllables and would effectively ignore the first syllable.

36) Neither mark would appear to have any conceptual meaning they both appear to be invented words. The applicant again contended that the AMI prefix would be seen as a reference to the chemical compound most frequently used in such treatments.

37) To my mind the similarities far exceed the differences. There is a very high degree of similarity between the marks.

38) Taking account of all of the above when considering the marks globally, I believe that, in relation to "ischemic heart disease treatment medicines" there is a likelihood of both groups of consumers being confused into believing that the goods provided by the applicant are those of the opponent or provided by some undertaking linked to them. The opposition under Section 5(2)(b) therefore succeeds in relation to this part of the specification.

39) With regard to "Bronchodilators; Local anaesthetics" I believe that there is not a likelihood of both groups of consumers being confused into believing that the goods provided by the applicant are those of the opponent or provided by some undertaking linked to them. The opposition under Section 5(2)(b) therefore fails in relation to this part of the specification.

40) The opponent's case under section 5(4)(a) differed only slightly from the position under Section 5(2)(b). Mr Malynicz confirmed that the difference was the publicity surrounding the opponent's product as a treatment for heart failure. To my mind this can only assist the opponent when considering the "ischemic heart disease treatment medicines" part of the applicant's specification. It does not strengthen the case against "Bronchodilators" and "Local anaesthetics". I have already found that the opponent has goodwill in the trade mark used as the basis of this opposition but concluded that this was not enough to result in a likelihood of confusion under Section 5(2) with regard to "Bronchodilators" or "Local anaesthetics". It seems to me that the necessary misrepresentation required by the tort of passing off would not occur here, either. The ground of opposition under Section 5(4) therefore fails in relation to these goods.

41) The applicant, as part of their skeleton argument, requested a fall-back position if I came to the above view. The applicant asked the Registry to consider amending the specification to a method of delivery being "via transdermal patches" for any of the goods which were considered unregistrable. However, such a restriction does not overcome the objection as there is no counter restriction on the opponent's specification such that it could not produce its goods as transdermal patches if it chose to and it were possible to do so. The fall-back position outlined by the applicant is not one that can be adopted.

COSTS

42) As the opponent was partially successful it is entitled to a contribution towards its costs. I order the applicant to pay the opponent the sum of £1,000. This sum to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 14th day of May 2007

George W Salthouse
For the Registrar,
the Comptroller-General