O-348-11

PUBLIC VERSION OF DECISION

TRADE MARKS ACT 1994

CONSOLIDATED PROCEEDINGS
RELATING TO TRADE MARK APPLICATIONS 2505534A &B
IN THE NAME OF FANNIN UK LIMITED
FOR THE TRADE MARKS: ASMACORT & AZMACORT

AND

OPPOSITIONS (NOs 99709 & 99710) BY AVENTIS PHARMA S.A
ON THE BASIS OF THE EARLIER MARK/SIGN: NASACORT

THE BACKGROUND AND THE PLEADINGS

1) Neolab Limited ("Neolab") applied for the trade marks ASMACORT & AZMACORT on 24 December 2008. The trade marks were applied for as a series of two, but following an objection by the Intellectual Property Office under section 41(2) of the Trade Marks Act 1994 ("the Act"), Neolab opted to divide the application to form two separate applications. The goods are pharmaceutical preparations and substances, but Neolab later restricted its specifications; I will come back to the restrictions later. Shortly before the conclusion of the proceedings Neolab assigned its applications to Fannin UK Limited ("Fannin"). Fannin, therefore, now stands as the applicant in these proceedings[1]. Nevertheless, I will primarily refer to Neolab in the body of this decision given that it filed the evidence/submissions.

2) Aventis Pharma S.A. ("Aventis") opposes the registration of both marks. The grounds of opposition are under sections 5(2)(b), 5(3) and 5(4(a) of the Act. The earlier mark/sign relied on in each case consists of the word NASACORT[2]. The goods are also pharmaceutical products. There is no dispute that the earlier marks are subject to the use conditions contained in section 6A of the Act. Neolab, when filing its counterstatement denying the grounds of opposition, put Aventis to proof that its earlier marks had been genuinely used. It also put Aventis to proof on its claim to its earlier marks and sign possessing a reputation/goodwill.

3) The proceedings relating to the two oppositions were consolidated. Both sides filed evidence. I will come back to the evidence when it is necessary and relevant to do so. Neither party requested a hearing, both filing written submissions instead.

THE AMENDED SPECIFICATIONS

4) An unconditional restriction to the applications' specifications was requested reading:

> "Pharmaceutical preparations and substances for the treatment of respiratory disorders and/or asthma"

5) Following a further round of written submissions, a further unconditional restriction was requested reading:

[1] Fannin subsequently confirmed that it stood by the counterstatement and evidence filed by Neolab and that it accepted its liability for costs.

[2] The trade marks relied upon under s.5(2)/5(3) are UK registration 1504818 and Community Trade Mark ("CTM") 2303493. The sign relied upon under s.5(4)(a) is claimed to have been used since the 1 March 1997.

> "Pharmaceutical preparations being finished dosage forms for pressurized metered dose inhalers and dry powder inhalers for the treatment of lower respiratory disorders such as asthma and Chronic Obstructive Pulmonary Disorder; none of the aforesaid goods being nasal sprays or for the treatment of hay fever or of nasal allergies"

6) Although Neolab termed this as a further unconditional restriction, it indicated that the specification was provided "should it assist the hearing officer"; this introduces a degree of condition. However, any doubt about the position is cleared up when at the end of its written submissions it asked for its application to proceed for the second limited specification; I will therefore make my assessments based on the second limitation. There is one point I should make at this stage, namely, that the exclusion at the end of the specification cannot remain. This is because an inhaler, by its nature, cannot be a nasal spray, nor can a pharmaceutical for lower respiratory conditions be a hay fever or nasal allergy treatment. The exclusion is an attempt to exclude goods that are not included in the specification itself; this is not permitted in the interests of achieving legal certainty[3]. I will consider the application in respect of:

> "Pharmaceutical preparations being finished dosage forms for pressurized metered dose inhalers and dry powder inhalers for the treatment of lower respiratory disorders such as asthma and Chronic Obstructive Pulmonary Disorder"

SECTIONS 5(2)(b)/5(3) – THE USE CONDITIONS

7) The use conditions are set out in section 6A(3) of the Act which reads:

> "…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."

8) Section 6A(5) provides that when a CTM is in issue genuine use must be in the EC. Section 100 is also relevant which reads:

> "If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it."

[3] See, by analogy, Case C-363/99 *Koninklijke KPN Nederland NV v Benelux-Merkenbureau*.

9) When considering whether genuine use has been shown, I bear in mind the leading authorities on the principles to be applied namely: the judgments of the Court of Justice of the European Union ("CJEU") in *Ansul BV v Ajax Brandbeveiliging BV [2003] R.P.C. 40* ("*Ansul*") and *Laboratoire de la Mer Trade Marks* C-259/02 ("*La Mer*"). For reasons that will become apparent, I do not intend to summarise these cases in full. It is clear, however, that the test is a qualitative one rather than a quantitative one, a test which focuses on whether an outlet for the goods has been created or preserved. The reason why it is not necessary to assess the case-law in any greater detail is because Neolab appears to concede in its written submissions that genuine use has been made, albeit it questions whether the earlier marks have been genuinely used for the full range of goods for which they are registered; it is stated that:

> "…It is submitted that proof of use in relation to these limited goods is not sufficient for the earlier rights relied upon by the Opponent to be construed as covering the broad ranges of goods…"
>
> and
>
> "It is therefore submitted that NASACORT should be considered as registered only in relation to nasal sprays for treatment of hay fever and not the broader range of goods."

10) I will therefore proceed on the basis that genuine use is no longer challenged per se, the only challenge being made to the breadth of the specification. In terms of specifications, I must decide upon a fair description for the goods. The description must not be over pernickety[4]. It is necessary to consider how the relevant public (which for these goods would include both healthcare professionals and end-users) would likely describe the goods[5]. The General Court ("GC") in *Reckitt Benckiser (España), SL v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-126/03 held:

> "43 Therefore, the objective pursued by the requirement is not so much to determine precisely the extent of the protection afforded to the earlier trade mark by reference to the actual goods or services using the mark at a given time as to ensure more generally that the earlier mark was actually used for the goods or services in respect of which it was registered.
>
> 44 With that in mind, it is necessary to interpret the last sentence of Article 43(2) of Regulation No 40/94 and Article 43(3), which applies Article 43(2) to earlier national marks, as seeking to prevent a trade mark which has been used in relation to part of the goods or services for which it is registered being afforded extensive protection merely because it has been

[4] See *Animal Trade Mark* [2004] FSR 19.

[5] See *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd* [2003] RPC 32

registered for a wide range of goods or services. Thus, when those provisions are applied, it is necessary to take account of the breadth of the categories of goods or services for which the earlier mark was registered, in particular the extent to which the categories concerned are described in general terms for registration purposes, and to do this in the light of the goods or services in respect of which genuine use has, of necessity, actually been established.

45 It follows from the provisions cited above that, if a trade mark has been registered for a category of goods or services which is sufficiently broad for it to be possible to identify within it a number of sub-categories capable of being viewed independently, proof that the mark has been put to genuine use in relation to a part of those goods or services affords protection, in opposition proceedings, only for the sub-category or subcategories relating to which the goods or services for which the trade mark has actually been used actually belong. However, if a trade mark has been registered for goods or services defined so precisely and narrowly that it is not possible to make any significant sub-divisions within the category concerned, then the proof of genuine use of the mark for the goods or services necessarily covers the entire category for the purposes of the opposition.

46 Although the principle of partial use operates to ensure that trade marks which have not been used for a given category of goods are not rendered unavailable, it must not, however, result in the proprietor of the earlier trade mark being stripped of all protection for goods which, although not strictly identical to those in respect of which he has succeeded in proving genuine use, are not in essence different from them and belong to a single group which cannot be divided other than in an arbitrary manner. The Court observes in that regard that in practice it is impossible for the proprietor of a trade mark to prove that the mark has been used for all conceivable variations of the goods concerned by the registration. Consequently, the concept of ‘part of the goods or services’ cannot be taken to mean all the commercial variations of similar goods or services but merely goods or services which are sufficiently distinct to constitute coherent categories or sub-categories.

53 First, although the last sentence of Article 43(2) of Regulation No 40/94 is indeed intended to prevent artificial conflicts between an earlier trade mark and a mark for which registration is sought, it must also be observed that the pursuit of that legitimate objective must not result in an unjustified limitation on the scope of the protection conferred by the earlier trade mark where the goods or services to which the registration relates represent, as in this instance, a sufficiently restricted category.”

11) I also note the comments of Mr Geoffrey Hobbs QC, sitting as the appointed person, in *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited* BL O/345/10, where he stated:

> "However, that does not appear to me to alter the basic nature of the required approach. As to that, I adhere to the view that I have expressed Page 23 of 68 in a number of previous decisions. In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned."

12) The goods of the UK and CTM registrations are "pharmaceutical preparations and substances" and "pharmaceutical products" respectively. Such terms, self-evidently, cover a broad range of pharmaceuticals covering a whole host of possible medical applications. What is clear from Aventis' evidence is that is sells only one type of product under its NASACORT trade mark. Aventis' primary witness, Joelle Sanit-Hugot[6], states:

> "It is evident from the print-outs that NASACORT Allergy Spray is a once-a-day treatment for hay fever available from chemists without a prescription."

13) Throughout his witness statement Mr Sanit-Hugot refers to the product as the "NASACORT nasal spray" or "NASACORT Nasal Spray Suspension". I note, however, that whilst many of the accompanying exhibits refer specifically to the product being a treatment for hay fever, other exhibits refer more generally to nasal allergies (also known as allergic rhinitis).

14) In terms of a fair description, the position of Neolab is set out in paragraph 9. Aventis' initial written submissions contained no concession that its specification required limitation at all. It did not detail why the full specification should be retained. However, I wrote to both parties following their initial written submissions allowing them an opportunity to provide further submissions. I did so because Neolab had requested a specification limitation and, given that it also argued that Aventis' specification should be restricted, I wanted to understand what the parties' positions were from this perspective. In terms of a fair specification, Aventis submitted that if its specifications were to be restricted then a restriction to pharmaceuticals for the treatment of respiratory disorders and/or hay fever would be a fair description.

15) Whilst some pharmaceuticals may have multiple functions, most are typically manufactured and sold (or prescribed) on the basis of their ability to cure or

[6] Mr Sanit-Hugot identifies himself as "..the proxy holder of Aventis Pharama SA"

alleviate the symptoms of a particular condition. For this reason, it would be the norm for a particular pharmaceutical to be described with reference to the condition it treats. In the present case, the mark is used in relation to only one type of product. I consider that the product would be described, at its broadest, as a hay fever and/or nasal allergy treatment. That is certainly the case from the perspective of the end-user who, in my view, is extremely unlikely to describe the product more generally as a treatment for respiratory conditions. In terms of the healthcare professional, I come to the same view. As will be seen later, evidence was filed as to the similarity of goods. Whilst this shows that there may be a link between hay fever and asthma, I agree with Neolab's submission that the product would not be described by the general term respiratory. A more particular category, reflecting the particular condition(s) would be used. In terms of those conditions, whilst hay fever is the primary condition, the product also appears to treat nasal allergies more generally, such conditions representing, in my view, a reasonable sub-category of pharmaceuticals.

16) Neolab refers to the nasal spray aspect of the product and that this should be reflected in the specification. This, though, is simply the method of application. It is no doubt possible for hay fever and other nasal allergy conditions to be treated in other ways. Including a limitation to nasal spray/sprays would, in my view, be pernickety. In terms of the grounds of opposition under sections 5(2) and 5(3) of the Act, the earlier marks will be considered in respect of:

> "Pharmaceutical preparations and substances for the treatment of hay fever and other nasal allergies"

SECTION 5(2)(B) – LIKELIHOOD OF CONFUSION

17) Section 5(2)(b) 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."

18) In reaching my decision I have taken into account the guidance provided by the CJEU in a number of judgments: *Sabel BV v. Puma AG* [1998] R.P.C. 199, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* [1999] R.P.C. 117, *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* [2000] F.S.R. 77, *Marca Mode CV v. Adidas AG + Adidas Benelux BV* [2000] E.T.M.R. 723, *Medion AG V*

Thomson multimedia Sales Germany & Austria GmbH (Case C-120/04) and *Shaker di L. Laudato & Co. Sas* (C-334/05).

19) The existence of a likelihood of confusion must be appreciated globally, taking into account all relevant factors (*Sabel BV v Puma AG*). As well as assessing whether the respective marks and the respective goods are similar, other factors are relevant including:

> The nature of the average consumer of the services in question and the nature of his or her purchasing act. This is relevant because it is through such a person's eyes that matters must be judged (*Sabel BV v Puma AG*);
>
> That the average consumer rarely has the chance to make direct comparisons between trade marks and must, instead, rely upon the imperfect picture of them he or she has kept in mind (*Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel B.V.)* This is often referred to as the concept of "imperfect recollection"*;*
>
> That the degree of distinctiveness of the earlier trade mark (due either to its inherent qualities or through the use made of it) is an important factor because confusion is more likely the more distinctive the earlier trade mark is (*Sabel BV v Puma AG*);
>
> That there is interdependency between the various factors, for example, a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the respective goods, and vice versa (*Canon Kabushiki Kaisha v Metro- Goldwyn-Mayer Inc)*.

The average consumer

20) The case-law informs me that the average consumer is reasonably observant and circumspect (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* paragraph 27). The degree of care and attention the average consumer uses when selecting goods can, however, vary depending on the particular goods in question (see, for example, the judgment of the GC in *Inter-Ikea Systems BV v OHIM* (Case T-112/06)). Guidance has come from the CJEU relating to average consumers of pharmaceuticals. This is exemplified by the judgment in *Alcon Inc v OHIM* C-412/05 P ("*Alcon"*) where it was stated:

> "56 In the present case, having regard to that case-law, the Court of First Instance was fully entitled to hold, which indeed is not disputed by any party in these appeal proceedings, that the healthcare professional at issue must be included in the relevant public for the purposes of the application of Article 8(1)(b) of Regulation No 40/94, the function of the trade mark as an indication of origin being also relevant to intermediaries who deal with the goods commercially in so far as it will tend to influence

their conduct in the market (see, to that effect, Case C-371/02 *Björnekulla Fruktindustrier* [2004] ECR I-5791, paragraphs 23 and 25).

57 However, contrary to what the applicant claims, the fact that intermediaries such as healthcare professionals are liable to influence or even to determine the choice made by the end-users is not, in itself, capable of excluding all likelihood of confusion on the part of those consumers as regards the origin of the goods at issue.

58 In so far as it found in paragraph 49 of the judgment under appeal, in its definitive assessment of the facts, that the products at issue are sold in pharmacies to the end-users, the Court of First Instance was fully entitled to infer therefrom that, even though the choice of those products is influenced or determined by intermediaries, such a likelihood of confusion also exists for those consumers since they are likely to be faced with those products, even if that takes place during separate purchasing transactions for each of those individual products, at various times.

59 It is settled case-law that the perception of the marks in the mind of the average consumer of the category of goods or services in question plays a decisive role in the global assessment of the likelihood of confusion (*Lloyd Schuhfabrik Meyer*, paragraph 25, and Case C-361/04 P *Ruiz-Picassoand Others* v *OHIM* [2006] ECR I-643, paragraph 38).

60 In addition, the Court of Justice has already held that the average consumer only rarely has the chance to make a direct comparison between the different signs but must place his trust in the imperfect picture of them that he has kept in his mind (*Lloyd Schuhfabrik Meyer*, paragraph 26, and judgment of 23 September 2004 in Case C-107/03 P *Procter & Gamble* v *OHIM*, not published in the ECR, paragraph 44).

61 Furthermore, since it is undisputed that the whole process of marketing the goods at issue is aimed at the end-user's acquisition of them, the Court of First Instance was entitled to hold that the role played by intermediaries, even if they are healthcare professionals whose prior intervention is required in order to sell those goods to end-users, must be in part balanced against the high degree of attentiveness which may be shown by those users, in the light of the fact that the goods at issue are pharmaceutical products, when they are prescribed and, consequently, against those users' ability to make those professionals take into account their perception of the trade marks at issue and, in particular, their requirements or preferences.

62 In this connection, it should be recalled that the Court has already ruled that where the goods or services with which the registration application is concerned are intended for all consumers, the relevant

> public must be deemed to be composed of the average consumer, reasonably well-informed and reasonably observant and circumspect (Joined Cases C-473/01 P and C-474/01 P *Procter & Gamble* v *OHIM* [2004] ECR I-5173, paragraph 33, and Case C-329/02 P *SAT.1* v *OHIM* [2004] ECR I-8317, paragraph 24).

21) The above case is highlighted by Aventis in its submissions to demonstrate that there are two average consumers. Despite much of its evidence relating to the position of healthcare professions, Neolab does not shy away from this but highlights that even the end-user will be attentive to pharmaceuticals and will not select/use them casually.

22) The goods are all pharmaceutical products. Even if the goods are not identical (a point I will assess shortly) they could all be prescribed/dispensed by healthcare professionals and will be purchased or used by members of the public who have the particular condition concerned. There are, therefore, two distinct average consumers to consider as suggested by the above guidance. I acknowledge, though, that the end-user will have less technical/specialist knowledge than a healthcare professional.

23) In terms of the degree of care and attention used, this will, in many cases, be higher than the norm given that the goods are aimed at treating particular medical conditions and that the products will be closely inspected to ensure that the right one is being taken in the correct dosage etc. However, a flexible approach still needs to be adopted and the particular pharmaceuticals in question need to be borne in mind. To that extent, the evidence shows that asthma treatments are prescription only. When such goods are being considered the higher than norm approach stands good. Although hay fever pharmaceuticals may be obtained through a variety of methods (not limited to prescription) the nature of the product and its importance to a hay fever sufferer is also suggestive of a higher than normal degree of consideration. It is considered that aural and visual considerations equally apply given the various ways in which the goods may be selected, including asking for pharmaceuticals orally in a chemist.

Comparison of goods

24) In making an assessment of goods similarity, all relevant factors relating to the goods in the respective specifications should be taken into account in determining this issue. In *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* the CJEU stated at paragraph 23 of its judgment:

> "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 ali*a,

their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary."

25) Guidance on this issue has also come from Jacob J In *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281 where the following factors were highlighted as being relevant when making the comparison:

> "(a) The respective uses of the respective goods or services;
>
> (b) The respective users of the respective goods or services;
>
> (c) The physical nature of the goods or acts of service;
>
> (d) The respective trade channels through which the goods or services reach the market;
>
> (e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
>
> (f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors."

26) In terms of being complementary (one of the factors referred to in *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer*), this relates to close connections or relationships that are important or indispensible for the use of the other. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T- 325/06 it was stated:

> "It is true that goods are complementary if 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 (see, to that effect, Case T-169/03 *Sergio Rossi* v *OHIM – Sissi Rossi* (*SISSI ROSSI*) [2005] ECR II-685, paragraph 60, upheld on appeal in Case C-214/05 P *Rossi* v *OHIM* [2006] ECR I-7057; Case T-364/05 *Saint-Gobain Pam* v *OHIM – Propamsa* (*PAM PLUVIAL*) [2007] ECR II-757, paragraph 94; and Case T-443/05 *El Corte Inglés* v *OHIM – Bolaños Sabri* (*PiraÑAM diseño original Juan Bolaños*) [2007] ECR I-0000, paragraph 48)."

27) Both sets of goods have been limited; the applications by way of an unconditional limitation, the earlier marks by way of my proof of use assessment. The competing specifications are:

"Pharmaceutical preparations and substances for the treatment of hay fever and other nasal allergies"

against

"Pharmaceutical preparations being finished dosage forms for pressurized metered dose inhalers and dry powder inhalers for the treatment of lower respiratory disorders such as asthma and Chronic Obstructive Pulmonary Disorder"

28) So, on the one hand, I am considering pharmaceuticals for the treatment of hay fever and other nasal allergies and, on the other, pharmaceuticals consisting of inhaler doses for the treatment of asthma and chronic obstructive pulmonary disorder. Evidence/submissions were filed to address the goods conflict. Aventis attempted to demonstrate a correlation between hay fever and asthma. To this extent a witness statement is provided by Ms Sarah Jane Redmond of SJ Berwin & Co, the trade mark attorneys representing Aventis. She conducted searches on the Internet and provided prints from various website as follows:

- A print from www.hayfeverexpert.co.uk which suggests that those who suffer from asthma tend to be more likely to suffer from hay fever. Furthermore, asthma can be a complication of untreated or ineffectively treated hay fever.

- A print from reflexclinic.com which suggests that hay fever affects the upper respiratory passages (nose, throat, sinus, eyes).

- A print from yamoa.natural-remedies-clinic.co.uk., relating to a product which provides relief for asthma and hay fever. The product is a natural herbal remedy.

- A print from www.ivy-rose.co.uk which identifies a list of conditions which affect the respiratory system. Asthma and hay fever are listed along with other conditions such as bronchitis.

- A print from www.asthma.org.uk, relating to a new product for the treatment of hay fever, " a common trigger from asthma".

- A print from www.patient.co.uk which again refers to a person being more likely to develop hay fever if they already have asthma (or eczema). The same print suggests that if a hay fever sufferer develops asthma during the hay fever season then they may be prescribed an inhaler.

- A print from childrenfirst.nhs.uk which refers to a person being more likely to develop hay fever if they already have asthma (or eczema).

- A print from www.whiar.org which is a world health organisation to educate and implement evidence based management of allergic rhinitis in conjunction with asthma.

29) Aventis submits that the goods are either identical or that they are highly similar. It refers to the purpose, the trade channels, the consumers and to a complementary link.

30) Neolab's evidence as to goods similarity comes from John Hywel Davies who, since 1999, has been Neolab's Chairman or Executive Chairman. Mr Davies is a chemist who graduated with two master degrees. He has worked in the pharmaceutical industry since 1972. He is also a fellow of the Royal Society of Medicine. Much of his evidence focuses on a comparison between nasal sprays and dry powder inhalers. He says that one is for nasal delivery the other for delivery to the lungs. He highlights the three pharmaceutical sales categories (in summary: a) general sales, b) supervised, over the counter sales in pharmacies and c) prescription only) and that NASACORT is prescription only. It is stated that even if this were not so, ASMACORT/AZMACORT would only ever be prescribed by a GP or hospital physician. It is stated that ASMACORT is a corticosteroid anti-asthmatic, hence the ASMA/AZMA in combination with CORT. Much is made of the goods selection being the responsibility of healthcare professionals.

31) Mr Davies states that Aventis has provided little clinical evidence to support the link between asthma and hay fever. He does not, though, state that there is no link. He says that whatever the merits of Aventis' argument, the conditions are still extremely different, with different symptoms and with different treatments. He highlights that the Monthly Index of Medical Specialities (MIMS), which he describes as the GP's reference bible, puts nasal sprays in the ear, nose and throat section, whereas asthma treatments are in the respiratory section. He also provides information relating to a number of pharmaceutical products which contain corticosteroid (the pharmaceutical names often end with "cort") and other drugs that end in "cort". He says this will also be known by a healthcare professional. He says that if NASACORT were to be made available without prescription, confusion is even less likely due to the different routes the products will then take to get to the patient (ASMACORT/AZMACORT always being prescription only).

32) In its submissions, Neolab submits that little clinical evidence is provided regarding the link between asthma and hay fever. It submits that even though one of Aventis' web site extracts refers to hay fever being a condition of the upper respiratory passages, asthma is a condition of the lower respiratory system. It submits that the "yamoa" product referred to by Aventis in its evidence, which is claimed to alleviate both asthma and hay fever, is not a prescription medicine as per the applicant's product.

33) Although the specifications refer, respectively, to hay fever and other nasal allergies and asthma and chronic obstructive pulmonary disorder, the strongest case must relate to the clash between the pharmaceuticals for treating hay fever compared to the pharmaceuticals for treating asthma. This is because of the claimed link between these two conditions. If Aventis cannot succeed on this basis then it is in no better position with any broader assessment. I will focus of the strongest case.

34) The claim to there being identical goods must be dismissed as the therapeutic applications of the pharmaceutical preparations must be borne in mind. An illustrative example of this can be seen in the GC's judgment in Case T-487/08, *Kureha Corp v OHIM*:

> "75 It is clear that, in the present case the goods covered by the marks at issue are of the same kind, namely pharmaceutical products, they are directed at the same consumers, namely health professionals and patients, and they use the same channels of distribution, namely health centres and chemist's shops. The only differences between them are their therapeutic indications.
>
> 76 In those circumstances, it must be held that the similarities outweigh the differences and that the goods at issue are therefore similar; the applicant's exclusion of drugs 'administered intravenously or used in the treatment of heart conditions' from the list of goods referred to in the application for the mark is, in that regard, irrelevant.
>
> 77 Contrary to the Board of Appeal's assertion in paragraph 9 of the contested decision, the Court does not however consider that the goods in question display a high level of similarity, because their therapeutic indications differ greatly."

35) Asthma and hay fever are different medical conditions. In terms of the pharmaceutical products that treat them, they appear to be different. Whilst I bear in mind the YAMOA product, this is simply an herbal supplement that its producer claims will help with a wide variety of conditions. I place little weight on this in terms of establishing that the two conditions are treated with the same type of products. There is only one method of use of the asthma treatment, namely the dose being placed in the inhaler with the pharmaceutical then inhaled into the lungs. The method of application of the hay fever pharmaceutical is not defined, the closest would be pharmaceuticals for direct entry into the nasal passage as opposed to tablets or medicines[7], I think this creates a degree of similarity in terms of this aspect. The method of application (or method of use) is, of course, but one factor; in *Alcon* this was not felt to be a particularly significant factor to consider. At the end of the day both goods are pharmaceuticals in nature.

[7] There is a greater distance between tablets/medicine and doses to be used in asthma inhalers than there is between pharmaceuticals for nasal entry and doses to be used in asthma inhalers

Aventis argues on the basis of a link between asthma and hay fever. The evidence, which I accept, is that people who have asthma are more likely to suffer from hay fever. However, that does not mean that the goods in question are complementary to each other in the sense described in *Boston Scientific Ltd*. Whilst a healthcare professional may be alive to such a link, that does not mean that the products for treating them are complementary. Nor does the link, as it has been set out in the evidence (including the extracts from the whiar website), establish a greater prospect of the products being complementary.

36) As is often the case there are competing factors. The goods are both pharmaceuticals but they treat different conditions. There is a link between asthma and hay fever, but the goods are neither competitive nor complementary. The goods both treat conditions of the respiratory system but I regard asthma and hay fever (despite the linkage) to be quite different conditions, one treating the lower respiratory system (asthma treats the lungs) and the other treating the nasal passages, an upper respiratory passage. MIMS, the so-called GP's bible, puts the products into different categories. Some pharmaceuticals are clearly more similar to each other than others may be. I come to the view that in this case, there is a neither a high nor low degree of goods similarity; the analysis falls somewhere in the middle.

Comparison of marks

37) The competing marks are:

ASMACORT/AZMACORT v NASACORT

38) In terms of submissions, Aventis rightly reminds me that it is not a comparison between ASMA/AZMA and NASA but a whole mark comparison. It submits that confusion can arise despite there being differences in the beginnings of marks (it highlights previous decisions involving marks such as INADINE v ANADIN, VIKROM v EYE CROM and OROPRAM v SEROPRAM). It also highlights what it says is a similar rhyming and oral quality (it refers to decisions involving the words Galvalloy/Galvallia and Seroslim/Serostim). On the other hand, Neolab's submissions refer to the evocativeness of the ASMA/AZMA and NASA elements of the marks and that this is at the beginning of the mark and, therefore, more likely to be remembered, and remembered as being different. It highlights the key difference between these beginning parts of the marks and that the only real point of similarity is the word CORT which is often used in trade marks.

39) 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. It would be wrong, therefore, to artificially dissect the trade marks, although, it is necessary to take into account any distinctive and dominant components.

40) I will firstly make a conceptual analysis. This is not only to assess whether there are conceptual differences/similarities, but also because a conceptual meaning underpinning the marks may influence the way in which the marks are pronounced. In terms of NASACORT, the fact that its goods are for the treatment of hay fever and other nasal allergy conditions means that the average consumer may regard the inclusion of NASA as a reference to NASAL. This may be relevant even though the goods are not limited to being nasal sprays given that the condition stills effects the nasal passage and NASA could still evoke this; evocative references are legitimate considerations to bear in mind[8]. I think there is a greater likelihood of an evocative reference being taken on the part of a healthcare professional but less likelihood on the part of the end user. For an end-user, too much of an analytical exercise would be required to come to this view. Neither do I feel the end-user will evoke a reference to NASA (as in the North American Space Agency), for similar reasons. Nor do I feel that the end-user will place any meaning on the CORT element. Whilst there is some evidence of other CORT pharmaceuticals (some of which contain corticosteroid) the evidence is not sufficient to demonstrate that end-users are particularly familiar with this. My view is that the end-user will see NASACORT as an invented whole. The position is somewhat different from the perspective of the healthcare professional. They will, in my view, understand that CORT is a contraction of corticosteroid and that NASA is a reference to the nasal passage. Less of a process of analysis is required due to their more specialist knowledge and this will be immediately apparent to such a person. The mark will therefore be viewed as a combination of two suggestive words.

41) In terms of the ASMACORT/AZMACORT marks, when one bears in mind the restricted goods, I take the view that both average consumers will see an evocative reference to ASTHMA on account of there being such a strong phonetic similarity between ASTHMA and ASMA/AZMA. The evocativeness is much clearer than with NASA which is why I have come to different views on the part of the end-user. The same point in relation to the CORT element as per NASACORT applies here in that the end-user may not know of it, but the healthcare professional will. The healthcare professional will view the mark as a combination of two suggestive words, the end user will view the mark as an invented whole, but with the beginning part being evocative of the relevant condition, asthma.

42) The conceptual comparison from the point of view of end-users means that there is no conceptual similarity given that CORT has no meaning in either mark and given that one mark makes an evocative reference (ASMA/AZMA) whereas

[8] See the judgment of the GC in Case T-189/05, *Usinor SA v OHIM.*

the other does not. In fact, for these reasons, there is a degree of conceptual difference. From the perspective of the healthcare profession, they will see that both marks have beginnings which evoke a particular medical condition and that both marks contain the word CORT (a contraction of corticosteroid). This creates a degree of conceptual similarity, but I must bear in mind that the nature of such similarity is informative.

43) In terms of the visual comparison, all of the marks are of similar length, each being of 8 letters. The last five letters –ACORT are shared. There is also an S in both ASMACORT and NASACORT, and a Z in AZMACORT (a Z is closer to an S than many other letters). Furthermore there is also an A in the beginning part of each of the marks albeit it is the first letter of the earlier marks but the second letter in the applied for mark. Whilst this creates an inevitable degree of similarity, the presence of an N as the first letter in NASACORT and the reasonably clear difference between the beginning parts of the marks (NASA v ASMA/AZMA) reduces this similarity. The fact that the more significant differences are at the beginning of the mark is also a relevant factor although I accept that this is only a rule of thumb, albeit a rule of thumb that has some relevance here. There is a moderate, neither high nor low, degree of visual similarity.

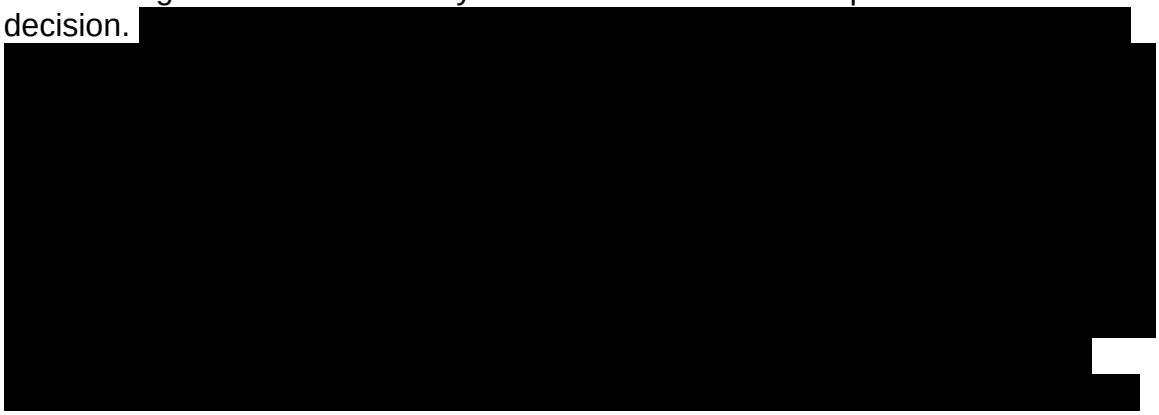
44) In terms of pronunciation, the evocativeness of NASA is likely to result in NASACORT being pronounced as NAYS-UH-COURT (sharing the beginning sound of the word nasal) by the healthcare professional, but the end user will pronounce it as NASS-A-COURT. There may be variations on a theme but not of any particular significance. The earlier marks are likely to be pronounced as AZ-MUH-COURT and ASS-MUH-COURT (again with non significant variations on a theme). The end sounds of all the respective marks are the same. There is also a further degree of similarity as there is an UH/A sound towards the middle of each of them preceded by an S/SS/Z sound. There is, though, a hard N sound at the beginning of NASACORT and an M sound which is not shared; from the perspective of the healthcare professional there is also an AY sound in NASACORT which is not shared. Again, this combines so that there is a moderate, neither high nor low, degree of phonetic similarity from the perspective of the end-user but only a low to moderate degree of similarity from the perspective of the healthcare professional. I will bring all of the above observations forward when I come to make an assessment on whether there exists a likelihood of confusion.

Distinctiveness of the earlier mark

45) The degree of distinctiveness of the earlier mark is another important factor to consider. This is because the more distinctive the earlier mark (based either on its inherent qualities or because of the use made of it), the greater the likelihood of confusion (see *Sabel BV v. Puma AG*, paragraph 24).

46) From an inherent perspective, and from the point of view of the healthcare professional, the earlier mark is made up of two suggestive elements. As a whole it is still invented despite its suggestiveness. I consider it to have a reasonable degree of distinctiveness. From the point of view of the end-user, I have found that the mark is an invented whole and that they may not see either suggestive meaning. In view of this, the mark stands as being distinctive to a reasonably high degree.

47) In terms of whether the use made of the mark has enhanced its degree of distinctive character, I return to the evidence of Mr Sanit-Hugot. He provided evidence of turnover, marketing expenditure and market share. Such evidence has been granted confidentiality so is redacted from the public version of this decision.



48) Aventis submits that its evidence demonstrates a high level of distinctiveness and reputation. Neolab submits that the evidence is not convincing, that there is no evidence of a significant market share and that there are no details as to how the figures were compiled. In terms of the market share figures, these are said to relate to goods sold under the mark. However, whether this means hay fever treatments per se, or, alternatively, nasal spray hay fever treatments, is not clear. Without knowing exactly what is being measured, the tribunal is left in some difficulty in understanding the significance of the mark in the market place. Furthermore, there is no evidence about the nature of the market (the number of players in it etc) to assist in making determinations as to significance. Advertising figures are provided but this is not broken down by country so the impact on the UK average consumer(s) is not known. In any event, what such expenditure is spent on is not clear as there is no real information as to trade or end-user advertising. The goods have clearly been sold – the figures alone demonstrate this, as does the provided example of the mark on the Net Doctor website. However what impact the presence on Net Doctor has is not at all clear. The mark also appears on websites that list UK licensed medications, but this could apply to many pharmaceutical products regardless of significance. I come to the view that the mark is clearly sold but the evidence is not sufficient to alter the degree of distinctiveness as assessed from the inherent perspective.

Conclusions under section 5(2)(b)

49) It is clear that the factors assessed so far have a degree of interdependency (*Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17) and that a global assessment of them must be made when determining whether there exists a likelihood of confusion (*Sabel BV v. Puma AG,* paragraph 22). However, there is no scientific formula to apply. It is a matter of considering the relevant factors from the viewpoint of the average consumer(s) and determining whether they are likely to be confused.

50) There are complexities in this case due to the different average consumers. It is, though, necessary to draw distinctions as both are relevant in terms of assessing whether there exists a likelihood of confusion. This was highlighted in Case T-256/04 *Mundipharma v OHIM*, which, due to the prevailing facts in that case, found confusion on the part of the end-user but not on the part of the healthcare professional; the former was sufficient to uphold the opposition.

51) I will firstly make an assessment on the part of the end-user. The facts to bring forward are that the mark is reasonably high in distinctive character, that there is a mid-range degree of goods similarity (neither high nor low), that there is a moderate degree of visual and aural similarity, but a degree of conceptual difference on account of one mark having an evocative beginning whereas the other is a completely invented whole. I must of course bear in mind the concept of imperfect recollection, but also the higher than normal degree of care and consideration. I come to the clear view that there is no likelihood of confusion. I agree with Neolab's submission that the evocativeness in the first part of the ASMACORT/AZMACORT marks is such that this gives them as a whole a recollectable trigger such that the end-user is unlikely to mistake this with the invented whole of NASACORT. When this is weighed with the degree of mark similarity as assessed, and that the goods are for different conditions, means that confusion is not likely. Furthermore, there is no likelihood, once the marks are distinguished, that any shared similarities will be put down to there being an economic link between the companies responsible for the goods.

52) In terms of the healthcare professional, the facts to bring forward are that the mark has a reasonable (but not high) degree of distinctive character, that there is a mid-range degree of goods similarity (neither high nor low), that there is a moderate degree of visual similarity and a low to moderate degree of aural similarity. In this case there is a degree of conceptual similarity albeit that the concepts are informative. I must, again, bear in mind the concept of imperfect recollection, but also the higher than normal degree of care and consideration. I come to the same view that there is no likelihood of confusion. As the different evocative meanings of NASA and ASMA/ASTMA will be apparent, this, when the other factors are considered, means that the healthcare professional will have little difficulty in differentiating between the marks. It could be argued that the factors I have assessed lead to a greater likelihood of a same stable argument,

but I take the view, absent any evidence of a family of suggestive CORT suffixed marks, that the healthcare professional will regard the make-up of the mark and their inherent similarities as being a co-incidental use of a (different) suggestive word together with a word CORT indicating an ingredient of the product.

53) I will give one fall back finding. If I am wrong on my assessment of the evocative beginnings of the marks and that both marks will be perceived as having distinctive as opposed to evocative beginnings[9], then I still do not consider that there is a likelihood of confusion on the part of either average consumer. In my view, the inherent differences between the marks, when the degree of consideration is borne in mind, together with the fact that the goods treat different conditions, are sufficient in combination to avoid confusion.

54) In view of all of the above, the opposition under section 5(2)(b) fails.

OTHER GROUNDS OF OPPOSITION

55) In terms of the other grounds of opposition, there is no greater prospect of success under section 5(4) than there is under section 5(2). For the reasons outlined above, there would be no misrepresentation. Under section 5(3), my views expressed in relation to reputation for the purposes of distinctive character apply, at least in relation to the UK mark. In relation to the CTM, whilst the use made is more substantial in some EC countries than it is in the UK, I do not that this can really improve the position. This is because the matter of whether a link[10] will be made between the marks by the relevant public must be judged from the perspective of the UK relevant public. Therefore, even if the CTM had a reputation, the lack of a reputation in the UK (which must be a significant factor in establishing a link) means that a link will not be made. This finding is further supported by the degree of similarity of the mark (and their intrinsic qualities) and the goods. The ground under section 5(3) also fails.

56) The opposition fails in its entirety in respect of the limited specification set out in paragraph 6.

[9] This represents Aventis' primary submission on concepts as it stated in its submissions: "..The prefixes ASMA/AZMA and NASA do not have any conceptual meaning in the context of their overall impressions.."

[10] See *Intel Corporation Inc v CPM (UK) Ltd* (C-252-07).

COSTS

57) Fannin is the successful party and is entitled to a contribution towards costs[11]. When making the following assessment I have reduced the amount for filing evidence and submissions from what I may otherwise have decided because the amended specifications resulted in the necessity to provide further submissions and evidence. Such a change to the context of the proceedings, if it had been put forward earlier, would have produced a more efficient set of proceedings, putting the other party to less cost. I order Aventis Pharma S.A. to pay Fannin UK Limited the sum of £1400, calculated as follows:

Preparing statements and considering the other side's statements - £600

Considering evidence and filing its own evidence - £400

Written submissions - £400

58) The above sum should 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 13th day of October 2011

Oliver Morris
For the Registrar,
The Comptroller-General

[11] Costs are normally awarded on the basis of the registrar's published scale in Tribunal Practice Notice 4/2007.