O/188/12

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO 2485722

BY

VOLKER BARTZ

TO REGISTER THE TRADE MARK:

RENAPRO

IN CLASSES 5, 29 AND 30

AND

THE OPPOSITION THERETO

UNDER NO 98346

BY

ELI LILLY AND COMPANY

1) Eli Lilly and Company (Lilly) is opposing the registration of the trade mark RENAPRO in relation to its class 5 goods:

dietetic substances adapted for medical use for dialysis and hypoproteinaemia.

The application for registration was filed by Volker Bartz on 11 April 2008 and it was published on 29 August 2008.

2) Lilly relies upon sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (the Act).

3) Section 5(2)(b) of the Act states:

> "(2) A trade mark shall not be registered if because -
> ……
>
> (b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark."

Section 5(3) of the Act states:

> "(3) A trade mark which –
>
> (a) is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a Community trade mark or international trade mark (EC) in the European Community) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark."

Section 5(4)(a) of the Act states:

> "4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented——
>
> (a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade".

4) In relation to sections 5(2)(b) and 5(3) of the Act Lilly relies on two trade mark registrations. Both registrations are for the trade mark REOPRO. The earlier registration is a United Kingdom registration. It was filed on 20 August 1994 and the registration procedure was completed on 3 May 1996. It is registered for:

pharmaceutical preparations for the prevention and treatment of diseases and conditions of the circulatory system; all included in Class 5.

The later registration is a Community registration. It was filed on 10 June 1996 and the registration process was completed on 10 July 1998. It is registered for:

pharmaceutical preparations and products.

The above goods are in class 5 of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended.

5) Both trade marks had been registered for more than five years at the date of the publication of Mr Bartz's application; consequently, they are subject to proof of genuine use[i] for the period from 30 August 2003 to 29 August 2008. Mr Bartz has requested that Lilly provides proof of genuine use of its trade mark registrations.

6) In relation to the section 5(2)(b) objection Lilly states that a user of the relevant goods could mistakenly use the wrong product with serious consequences. (At the time of the claim the specification of the application covered pharmaceutical preparations at large.) In *Astex Therapeutics Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-48/06 the General Court stated:

> "69 It must also be pointed out that the global assessment must be carried out objectively and cannot be influenced by considerations that are unrelated to the commercial origin of the goods in question, such as any harmful consequences linked to the incorrect use of a pharmaceutical product or, in the present case, an insecticide. Any such consequences result from possible confusion on the part of the consumer as regards the identity or characteristics of the goods at issue and not as regards their commercial origin in the sense of the ground for refusal laid down in Article 8(1)(b) of Regulation No 40/94 (Case T-202/04 Madaus v OHIM – Optima Healthcare (ECHINAID) [2006] ECR II-1115, paragraphs 31 and 32)."

Consequently, this argument is not pertinent to these proceedings. (Moreover, such matters are dealt with by the European Medicines Agency and the Medicines and Healthcare Products Regulatory Agency.) Lilly claims that the trade mark has been used in relation to all of the goods of the specification during the material period for genuine use.

7) There is no particularisation of the claim under section 5(3) of the Act. Lilly claims that its trade mark has a reputation in respect of all the goods of its registrations.

8) In relation to section 5(4)(a) of the Act Lilly claims that it has used the trade mark REOPRO for pharmaceutical preparations since 2000 by application to the packaging of the goods and in related printed matter, sales literature, advertisements, technical literature and information provided on websites.

9) Mr Bartz denies the claims of Lilly and puts it to proof to substantiate its claims.

10) Only Lilly furnished evidence. A hearing was held on 27 April 2012. Only Lilly attended. Lilly was represented by Mr Thomas St Quintin, of counsel, instructed by Page White & Farrer.

11) The evidence consists of a witness statement by Simon Harper. Mr Harper is a director and the United Kingdom and Republic of Ireland legal counsel for Eli Lilly and Company Limited, which is a subsidiary of Lilly.

12) The evidence shows that the proprietor uses the trade mark ReoPro; persons ordering the product and commenting upon it sometimes use REOPRO.

13) According to the National Institute for Health and Clinical Excellence (NICE) REOPRO is a glycoprotein IIb/IIIa inhibitor and should be given to high risk patients who have either had a minor heart attack, unstable angina or who are undergoing a balloon angioplasty. (SH1 page 20) It is used "[f]or the prevention of cardiac ischaemic complication in patients undergoing percutaneous coronary intervention [PCI – balloon angioplasty, atherectomy and stenting]". (SH3 page 1) It is used in relation to percutaneous coronary intervention and unstable angina. (SH3 page 2 and page 81) "ReoPro is for intravenous (IV) administration in adults." (SH3 page 62) "ReoPro should only be administered in conjunction with extensive specialist medical and nursing care". (SH3 page 96).

14) Goods have been sold throughout the United Kingdom since 1996. In the United Kingdom £80,000 per annum, approximately, has been spent on promoting the goods. Figures for the sales of goods are given for the United Kingdom and the Republic of Ireland as follows:

1997	£1,680,532
1998	£2,917,663
1999	£4,276,275
2000	£8,995,121
2001	£12,876,248
2002	£15,637,077
2003	£19,931,307
2004	£24,832,089
2005	£19,719,116
2006	£16,410,763

2007 £17,110,077

Mr Harper states that sales for goods in the United Kingdom averaged £15 million per annum between 2003 and 2010. Exhibited at SH4 are copies of orders for REOPRO from various hospitals in the United Kingdom during the material period (some of them emanate form after the material period).

15) Mr Harper claims that the material exhibited at SH1 shows that Lilly's REOPRO product is well-known. The exhibit includes copies of *The Pharma Letter*, which is a United States publication, although with references to ReoPro's use in Europe. The report from London Bridge Hospital, at pages 14 -30, relates to percutaneous coronary intervention (PCI) and includes details of the use of ReoPro. Mr Harper refers to ReoPro being described as the market leader in *The Pharma Letter* of 1 June 2000; this relates to the position in the United States of America. Exhibited at SH5 are the first pages of Google searches for "reopro". The search limited to the United Kingdom has 8,730 results and the unlimited search 334,000 results. Only the first pages are exhibited and so it is not possible to draw any conclusions from the significance of the searches. The few summaries that are exhibited mostly appear to refer to the product of Lilly. However, at page 3 there is a result for realtors. The goods have been promoted at the British Cardiac Society meeting in May/June 2000 and at Advanced Angioplasty for January 2006 to 2011. Schematics for the ReoPro stand at BSC, Excel from 1 to 3 June 2008 are exhibited at SH2. The stand was 14 metres wide, 8 metres deep and 4 metres high. Examples of promotional materials are exhibited at SH3.

16) Mr Harper gives details of various undertakings which produce pharmaceutical products as well as other products such as supplements; that certain large conglomerates produce a variety of products is not an indication of the similarity of the products. The exhibits relating to Johnson and Johnson show it producing moisturisers, contact lenses, tampons and antipsychotics; the common ownership does not create similarity of the products.

17) Mr Harper claims that the respective goods are similar as Lilly's product is a platelet aggregation inhibitor whilst Mr Bartz's product is for dialysis and hypoproteinaemia which "similarly relates to controlling factors in the blood". Exhibited at SH7 are details of the RENAPRO product. The product is described as a food for special medical purposes which must be used under medical supervision. It can only be purchased with a private prescription in the United Kingdom. (SH7 page 13). (The specification has not been limited to prescription only use and must be considered as it is drafted. Certain products may move from being prescription only to being available without a prescription.)

18) Mr Harper states that hospital prescriptions are often handwritten. He exhibits at SH8 details of the types of form that are used in the writing of prescriptions. Form FP10NC is a handwritten prescription for use by GPs and

hospitals. He states that the likelihood of confusion is increased due to errors in spelling or interpretation. He states that REOPRO is often administered rapidly, in life threatening situations, and picking the incorrect product from a pharmacy shelf could have grave consequences. This is a matter dealt with in paragraph 6. It is, also, hardly feasible that the Lilly product would be mistaken for a dietetic substance.

19) Section 100 of the Act states:

> "100. 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."

Consequent upon section 100, the onus is upon the registered proprietor to prove that it has made genuine use of the trade marks within the material period.

20) The Court of Justice of the European Union (CJEU) in *Ajax Brandbeveiliging BV v Ansul BV* Case C-40/01 stated:

> "36. "Genuine use" must therefore be understood to denote use that is not merely token, serving solely to preserve the rights conferred by the mark. Such use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of goods or services to the consumer or end user by enabling him, without any possibility of confusion, to distinguish the product or service from others which have another origin.
>
> 37. It follows that genuine use of the mark entails use of the mark on the market for the goods or services protected by that mark and not just internal use by the undertaking concerned. The protection the mark confers and the consequences of registering it in terms of enforceability vis-à-vis third parties cannot continue to operate if the mark loses its commercial *raison d'être*, which is to create or preserve an outlet for the goods or services that bear the sign of which it is composed, as distinct from the goods or services of other undertakings. Use of the mark must therefore relate to goods or services already marketed or about to be marketed and for which preparations by the undertaking to secure customers are under way, particularly in the form of advertising campaigns. Such use may be either by the trade mark proprietor or, as envisaged in Article 10(3) of the Directive, by a third party with authority to use the mark.
>
> 38. Finally, when assessing whether there has been genuine use of the trade mark, regard must be had to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark is real, in particular whether such use is viewed as warranted in the

> economic sector concerned to maintain or create a share in the market for the goods or services protected by the mark.
>
> 39. Assessing the circumstances of the case may thus include giving consideration, *inter alia*, to the nature of the goods or service at issue, the characteristics of the market concerned and the scale and frequency of use of the mark. Use of the mark need not, therefore, always be quantitatively significant for it to be deemed genuine, as that depends on the characteristics of the goods or service concerned on the corresponding market."

21) The only written use by Lilly, as opposed to others, of REOPRO rather than ReoPro is at SH3 pages 2 (May 2009), 45 (September 2001), 62 and 63 (February 2006), 96 (from May 2010). (This does not take into account use of www.reopro.com.) So the only use, by Lilly, shown of REOPRO in the material period is one leaflet (pages 62 and 63). The trade mark that is used time and time again by Lilly is ReoPro. However, as Mr St Quintin submitted, use may take into account oral use as this is a word only trade mark. The use of ReoPro instead of REOPRO will not alter the pronunciation. Lilly will refer to the trade mark orally when promoting the product to potential customers. Clinicians will refer to it orally. Consequently, even if the written use were not be considered 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, Lilly can rely on the oral use of the trade mark.

22) Some of the figures for turnover are combined for the United Kingdom and the Republic of Ireland. However, Mr Harper does give approximate turnover figures for the United Kingdom for 2003 to 2010. Part of this period overlaps with the figures given for the United Kingdom and the Republic of Ireland. The overlap shows that the majority of the turnover related to the United Kingdom. Lilly has established genuine use of the United Kingdom trade mark in the material period.

23) In relation to the Community registration the decision of The Fourth Board of Appeal of the Office for Harmonization in the Internal Market in *ILG Ltd v Crunch Fitness International Inc* [2008] ETMR 17 is noted:

> "11 The relevant period is October 1998 to October 2003. Use in one country of the Community, such as Italy, is sufficient (Joint Statements by the Council and the Commission entered in the Minutes of the Council meeting at which the CTMR was adopted, No.B.10, OH OHIM 1996, 607, 613), provided that is it [*sic.*] genuine."

In *PAGO International GmbH v Tirol Milch registrierte Genossenschaft mbH* Case C-302/07 the CJEU considered the requirements for establishing a reputation in respect of a Community trade mark:

> "30 The answer to the first question referred is therefore that Article 9(1)(c) of the regulation must be interpreted as meaning that, in order to benefit from the protection afforded in that provision, a Community trade mark must be known by a significant part of the public concerned by the products or services covered by that trade mark, in a substantial part of the territory of the Community, and that, in view of the facts of the main proceedings, the territory of the Member State in question may be considered to constitute a substantial part of the territory of the Community."

It would be anomalous if reputation in one member state may be enough to satisfy the requirement of Article 9(1)(c) but use in two member states (the United Kingdom and the Republic of Ireland) could not satisfy the use requirement. If use is established, it will be necessary to decide if in the context of the European Union, as it was constituted during the material period, if such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods or services protected by the mark. (The scale of use may be such that it would be warranted in one jurisdiction but not in the European Union as a whole. This position is in conformity with article 112 of Council Regulation (EC) No 207/2009[ii].) In a small clinical sphere there has been a significant amount of use over a lengthy period of time. Lilly has established genuine use to its trade mark in the European Union in the material period.

24) It is necessary to decide upon a fair description for the goods for which genuine use has been shown and which fall within the parameters of the specification. The description must not be over pernickety[iii]. It is necessary to consider how the relevant public would describe the goods[iv]. 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:

> 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 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 sub-categories 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.
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> 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.

In *Animal Trade Mark* [2004] FSR 19 Jacob J considered a fair specification in relation to clothing, where there had been a large range of items of clothing sold:

> "23 So, should "clothing" in the specification be qualified in some other way? The term covers a very wide spectrum of different sorts of garments. But putting aside such specialist things as diving suits, wetsuits, bullet-proof vests and so on, there is a core of goods which are likely to be bought by ordinary consumers for different purposes in their daily wear. The same woman or girl is likely to own T-shirts, jeans, dresses, both formal and informal. Both parties' goods could easily end up in the same wardrobe or drawer. He or she knowing of the range of goods for which use has been proved would, I think, take "clothing" to be fair as a description. He or she might limit the clothing to "casual clothing" but I have concluded in the end that "clothing" is appropriately fair."

In *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited* BL O/345/10 Mr Geoffrey Hobbs QC, sitting as the appointed person, 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

> 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."

The GC has considered appropriate specifications for pharmaceutical products on a number of occasions. In *GlaxoSmithKline SpA and others v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Cases T-493/07, T-26/08, T-27/08 the GC stated:

> "37 In addition, the criterion of the purpose or intended use of the product or service in question is of fundamental importance in the definition of a sub-category of goods or services, and the purpose and intended use of a therapeutic preparation are expressed in its therapeutic indication (RESPICUR, paragraphs 29 and 30)."

25) In *Kureha Corp v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-487/08 the GC stated:

> "61 By contrast, the sub-category of goods identified by the Opposition Division and confirmed by the Board of Appeal, that is 'pharmaceutical preparations for the treatment of the heart', must be approved insofar as, first, it is based on the therapeutic indication of the goods at issue and, second, it is sufficiently broad not to undermine the intervener's legitimate interest in being able, in future, to extend its range of goods or services while enjoying the protection which registration of that trade mark confers on it."

This is a statement of fact and not of law. The REOPRO product is used for PCI and may be used in the treatment of angina. The procedure and the illness both relate to a heart infirmity. The product is clearly used on prescription only, and within hospitals. It is not a product that will switch from prescription only to non-prescription. SH3 at page 96 states:

> "ReoPro should only be administered in conjunction with extensive specialist medical and nursing care".

Taking into account the nature of the use of the product; it is considered, avoiding the pernickety approach and taking into account a reasonable sub-category, that the appropriate specification is: *prescription only pharmaceutical preparations for the treatment of the heart*. The nature of the use of the product gives rise to its being issued on prescription and not to limit the specification would give rise to a specification that goes beyond the legitimate interests of Lilly and potentially

impinges upon the legitimate interests of others when considering the likelihood of confusion. *The Columbia Encylopedia* defines the circulatory system in the following terms:

> "Group of organs that transport blood and the substances it carries to and from all parts of the body. The circulatory system can be considered as composed of two parts: the systemic circulation, which serves the body as a whole except for the lungs, and the pulmonary circulation, which carries the blood to and from the lungs. The organs of circulatory system consist of vessels that carry the blood and a muscular pump, the heart, that drives the blood."

Consequently, the United Kingdom specification includes *prescription only pharmaceutical preparations for the treatment of the heart*.

Likelihood of confusion

26) The average consumer "is deemed to be reasonably well informed and reasonably circumspect and observant"[v]. The relevant public for the respective goods is composed of medical professionals, on the one hand, and patients, as the end consumers, on the other[vi]. (In actual use Lilly's product will not be known to patients, no more than the brand of an anaesthetic will, however, the comparison of goods must be made on the fair specification and not solely on the basis of the goods in relation to which the trade mark has been used.) In *Laboratorios Del Dr Esteve, SA v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-230/07 the GC considered the level of attention in relation to the goods the subject of these proceedings:

> "36 In the present case, the Board of Appeal rightly stated that, considering the nature of the goods concerned, being food supplements, the consumer's level of attention would be rather sustained. It is apparent from case-law that the relevant public's degree of attentiveness with regard to vitamins, food supplements, herbal, medical and pharmaceutical preparations is higher than average because consumers who are interested in that type of product take particular care of their health so that they are less likely to confuse different versions of such products (Case T-202/04 *Madaus* v *OHIM– Optima Healthcare (ECHINAID)* [2006] ECR II-1115, paragraph 33)."

The greater the level of attention, the less will be the effects of imperfect recollection.

27) The respective goods may be purchased by the eye or ordered in writing. Pharmacies often keep certain products behind the counter, even though they are not prescription only. Consequently, aural similarity will have some weight in

relation to the goods of Mr Bartz. (The prescription nature of Lilly's product requires that it is requested in writing.)

28) In "construing a word used in a trade mark specification, one is concerned with how the product is, as a practical matter, regarded for the purposes of trade[vii]". Words should be given their natural meaning within the context in which they are used, they cannot be given an unnaturally narrow meaning[viii]. Consideration should be given as to how the average consumer would view the goods services[ix]. The class of the goods in which they are placed may be relevant in determining the nature of the goods[x]. In assessing the similarity of goods it is necessary to take into account, inter alia, their nature, their intended purpose, their method of use and whether they are in competition with each other or are complementary[xi]. In *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281, Jacob J also gave guidance as to how similarity should be assessed[xii].

29) In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T- 325/06 the GC explained when goods are complementary:

> "82 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)."

30) In *GlaxoSmithKline SpA and others v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Cases T-493/07, T-26/08, T-27/08 the GC held:

> "63 However, the pharmaceutical preparations at issue have different therapeutic indications.
>
> 64 It is therefore irrelevant whether, as the applicants submit, patients can suffer from both illnesses at the same time and whether the treatments may be simultaneous and complementary, since the pharmaceutical preparations at issue have a specific medical use.
>
> 65 In those circumstances, it is appropriate to conclude, as the Board of Appeal correctly concluded, that there is a certain degree of similarity between the goods concerned."

Consequently, the specific medical uses of the respective goods have to be taken into account.
31) The respective goods are for the improvement of the health of a patient; they have the same intended purpose. They may be in the same form and so have the same nature. They could be taken in the same form ie orally. They will be available in pharmacies and so have the same channels of trade. The respective goods are for different conditions and so are not fungible, they are not in competition. One set of goods is not indispensable or important for the use of the other; they are not complementary.

32) Taking into account all of these factors there is a certain degree of similarity between the respective goods.

33) The trade marks to be compared are: **REOPRO** and **RENAPRO**. The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details[xiii]. The visual, aural and conceptual similarities of the marks must, therefore, be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components[xiv]. Consequently, there cannot be an artificial dissection of the trade marks, although it is necessary to take into account any distinctive and dominant components. The average consumer rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he/she has kept in his/her mind and he/she is deemed to be reasonably well informed and reasonably circumspect and observant[xv]. The assessment of the similarity of the trade marks must be made by reference to the perception of the relevant public[xvi].

34) The respective trade marks do not readily divide into distinctive and dominant components. Although, there is nothing to gainsay the rule of thumb that generally the beginnings of words are more important than the endings. The trade marks are of a similar length. Both trade marks being with RE and end PRO and so share a visual and phonetic pattern. Those involved in dialysis will be aware of the significance of the word renal, whether they are a clinician or a patient. Consequently, in relation to use for dialysis, the trade mark of Mr Bartz will have an evocative effect owing to the presence of rena at the beginning. In relation to substances for dialysis there is a degree of conceptual difference between the respective trade marks. In relation to substances for hypoproteinaemia there is no similar obvious connotation[xvii].

35) In relation to substances for hypoproteinaemia there is a good deal of similarity. In relation to substances for dialysis this similarity is mitigated to a certain extent by the evocative effect of the rena element of the trade mark.

36) In considering whether there is a likelihood of confusion various factors have to be taken into account. There is the interdependency principle – a lesser degree of similarity between trade marks may be offset by a greater degree of similarity between goods, and vice versa[xviii]. In this case there is a certain degree of similarity between the respective goods. The degree of similarity between the respective trade marks has been considered in paragraph 35.

37) It is necessary to consider the distinctive character of the earlier trade mark; the more distinctive the earlier trade mark the greater the likelihood of confusion[xix]. The distinctive character of a trade mark can be appraised only, first, by reference to the goods in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public[xx]. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, it is necessary to make an overall assessment of the greater or lesser capacity of the mark to identify the goods for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods from those of other undertakings[xxi]. There is nothing to indicate that Lilly's trade mark is in any way allusive or descriptive of the goods in relation to which it is used. It is an invented word. It enjoys a good degree of inherent distinctiveness. Mr St Quentin prayed in aid the reputation of Lilly's trade mark. It is considered that in relation to a very limited use, the use of the product in PCI, that the trade mark has a reputation. The reputation will be limited to clinicians involved in this particular field. Mr St Quentin argued that it would also extend to the pharmacists dispensing the product. However, pharmacists are dispensing numerous branded products; there is no reason that one particular product, which is effectively used for one procedure, would be recalled by them. To some extent the point is moot anyway owing to the inherent distinctiveness of the trade mark for the goods. In *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* Case C-39/97 the CJEU stated:

> "Since protection of a trade mark depends, in accordance with Article 4(1)(b) of the Directive, on there being a likelihood of confusion, marks with a highly distinctive character, either *per se* **or** because of the reputation they possess on the market, enjoy broader protection than marks with a less distinctive character."

(emphasis added)

38) In *Armour Pharmaceutical Co v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-483/04 the GC stated:

> "79 The Court finds that the level of attention of the average consumer of pharmaceutical preparations must be determined on a case-by-case basis, according to the facts in the case-file, especially the therapeutic indications of the goods in question. Likewise, the Court finds that, in the case of medicinal products subject to medical prescription such as those

being considered in the present case, that level of attention will generally be higher, given that they are prescribed by a physician and subsequently checked by a pharmacist who delivers them to the consumers."

39) The respective goods will involve careful and educated purchasing decisions but this does not of itself necessarily obviate the likelihood of confusion. In *Apple Computer, Inc v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-328/05 the GC stated:

> "59 Accordingly, the fact that the relevant public is composed of persons whose level of attention may be considered high is not sufficient, given the fact that the signs at issue are almost identical and the similarity between the goods in question, to exclude the possibility that that public might believe that the goods and services concerned come from the same undertaking or, as the case may be, from economically-linked undertakings (GALZIN, paragraph 48 above, paragraph 80)."

In *Honda Motor Europe Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-363/06 the GC stated:

> "62 Furthermore, although the relevant consumer's high degree of attention may, admittedly, lead him to be aware of the technical characteristics of car seats in order that he may ensure their compatibility with the relevant car model, it should be borne in mind that, taking into account the identity of the goods concerned, the similarity of the conflicting marks and the high distinctive character of the earlier trade mark, the fact that the relevant public may consist of professionals is not sufficient to rule out the possibility that they may believe that the goods come from the same undertaking or, as the case may be, from economically-linked undertakings (see, to that effect, *ALADIN*, paragraph 100). While the relevant public's high degree of attention implies that it will be well informed about vehicle seats and may thus avoid making mistakes regarding the compatibility of those seats with the relevant car model, it cannot prevent that public from believing that the seats bearing the MAGIC SEAT trade mark are part of a new range of products developed by the well-known Spanish car manufacturer Seat."

40) Mr Harper commented on the use of handwritten prescriptions. There is no evidence that the handwriting of prescriptions gives rise to incorrect fulfilment of prescriptions normally. Any trade mark might be confused with another trade mark if the handwriting is bad enough.

41) Owing to the different medical conditions in relation to which the trade marks are used and the careful and educated purchasing decisions, there is not a likelihood of confusion and the ground of opposition under section 5(2)(b) of the Act is dismissed.

Passing-off

42) Mr St Quentin accepted that if Lilly did not succeed under section 5(2)(b) of the Act, it would not succeed under section 5(4)(a) of the Act. Consequently, there is no need to comment upon this ground of objection.

Section 5(3) of the Act

43) Mr St Quentin continued to pursue the ground of objection under section 5(3) of the Act, on the basis of dilution and unfair advantage. The reputation that Lilly has is in relation to its pharmaceutical product being used in PCI. It is not possible to see how this very discrete reputation would give any advantage in relation to the goods of the application. There is also an absence of any evidence in relation to the unfairness aspect of the claim.

44) In *Intel Corporation Inc v CPM United Kingdom Ltd* Case C-252/07 the CJEU stated:

> "77 It follows that proof that the use of the later mark is or would be detrimental to the distinctive character of the earlier mark requires evidence of a change in the economic behaviour of the average consumer of the goods or services for which the earlier mark was registered consequent on the use of the later mark, or a serious likelihood that such a change will occur in the future."

There is no evidence as to this matter. It cannot be simply inferred that the use of the trade mark of would lead to a change in the economic behaviour of the customers of Lilly[xxii]. Owing to the nature of the reputation of Lilly's product, it is not possible to see how use of the trade mark of Mr Bartz in relation to the goods of the application would have any effect on the economic behaviour of the average consumers of Lilly's product.

45) The ground of opposition under section 5(3) of the Act is dismissed.

Costs

46) Other than file a counterstatement, Mr Bartz has taken no part in the adversarial part of the proceedings. Consequently, it is considered appropriate to only compensate him in relation to preparing a statement and considering the statement of Lilly; for which he is awarded £300.

47) Eli Lilly and Company is ordered to pay Volker Bartz the sum of £300. This sum is 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 9th day of May 2012

David Landau
For the Registrar
the Comptroller-General

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[i] Section 6A of the Act reads:

> "(1) This section applies where –
>
> (a) an application for registration of a trade mark has been published,
>
> (b) there is an earlier trade mark of a kind falling within section 6(1)(a), (b) or (ba) 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)."

Under Section 100 of the Act the onus is upon the proprietor of the earlier trade mark(s) to show genuine use:

"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."

[ii] "2. Conversion shall not take place:

(a) where the rights of the proprietor of the Community trade mark have been revoked on the grounds of non-use, unless in the Member State for which conversion is requested the Community trade mark has been put to use which would be considered to be genuine use under the laws of that Member State;"

[iii] *Animal Trade Mark* [2004] FSR 19:

"20 The reason for bringing the public perception in this way is because it is the public which uses and relies upon trade marks. I do not think there is anything technical about this: the consumer is not expected to think in a pernickety way because the average consumer does not do so. In coming to a fair description the notional average consumer must, I think, be taken to know the purpose of the description. Otherwise they might choose something too narrow or too wide. Thus, for instance, if there has only been use for three-holed razor blades imported from Venezuela (Mr T.A. Blanco White's brilliant and memorable example of a narrow specification) "three-holed razor blades imported from Venezuela" is an accurate description of the goods. But it is not one which an average consumer would pick for trade mark purposes. He would surely say "razor blades" or just "razors". Thus the "fair description" is one which would be given in the context of trade mark protection. So one must assume that the average consumer is told that the mark will get absolute protection ("the umbra") for use of the identical mark for any goods coming within his description and protection depending on confusability for a similar mark or the same mark on similar goods ("the penumbra"). A lot depends on the nature of the goods--are they specialist or of a more general, everyday nature? Has there been use for just one specific item or for a range of goods? Are the goods on the High Street? And so on. The whole exercise consists in the end of forming a

value judgment as to the appropriate specification having regard to the use which has been made."

[iv] *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd* [2003] RPC 32:

"29 I have no doubt that Pumfrey J. was correct to reject the approach advocated in the Premier Brands case. His reasoning in paras [22] and [24] of his judgment is correct. Because of s.10(2), fairness to the proprietor does not require a wide specification of goods or services nor the incentive to apply for a general description of goods and services. As Mr Bloch pointed out, to continue to allow a wide specification can impinge unfairly upon the rights of the public. Take, for instance, a registration for "motor vehicles" only used by the proprietor for motor cars. The registration would provide a right against a user of the trade mark for motor bikes under s.10(1). That might be understandable having regard to the similarity of goods. However, the vice of allowing such a wide specification becomes apparent when it is envisaged that the proprietor seeks to enforce his trade mark against use in relation to pedal cycles. His chances of success under s.10(2) would be considerably increased if the specification of goods included both motor cars and motor bicycles. That would be unfair when the only use was in relation to motor cars. In my view the court is required in the words of Jacob J. to "dig deeper". But the crucial question is--how deep?

30 Pumfrey J. was, I believe, correct that the starting point must be for the court to find as a fact what use has been made of the trade mark. The next task is to decide how the goods or services should be described. For example, if the trade mark has only been used in relation to a specific variety of apples, say Cox's Orange Pippins, should the registration be for fruit, apples, eating apples, or Cox's Orange Pippins?

31 Pumfrey J. in Decon suggested that the court's task was to arrive at a fair specification of goods having regard to the use made. I agree, but the court still has the difficult task of deciding what is fair. In my view that task should be carried out so as to limit the specification so that it reflects the circumstances of the particular trade and the way that the public would perceive the use. The court, when deciding whether there is confusion under s.10(2), adopts the attitude of the average reasonably informed consumer of the products. If the test of infringement is to be applied by the court having adopted the attitude of such a person, then I believe it appropriate that the court should do the same when deciding what is the fair way to describe the use that a proprietor has made of his mark. Thus, the court should inform itself of the nature of trade and then decide how the notional consumer would describe such use."

[v] *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV* Case C-342/97.

[vi] See paragraph 66 of *Armour Pharmaceutical Co v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-483/04.

[vii] *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281.

[viii] *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another* [2000] FSR 267.

[ix] *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd* [2003] RPC 32 dealt with a non-use issue but are still pertinent to the consideration of the meaning and effect of specifications:

> "In my view that task should be carried out so as to limit the specification so that it reflects the circumstances of the particular trade and the way that the public would perceive the use. The court, when deciding whether there is confusion under section 10(2), adopts the attitude of the average reasonably informed consumer of the products. If the test of infringement is to be applied by the court having adopted the attitude of such a person,

then I believe it appropriate that the court should do the same when deciding what is the fair way to describe the use that a proprietor has made of his mark. Thus, the court should inform itself of the nature of trade and then decide how the notional consumer would describe such use"

[x] *Altecnic Ltd's Trade Mark Application* [2002] RPC 34.

[xi] *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* Case C-39/97.

[xii] He considered that the following should be taken into account when assessing the similarity of goods and/or services:

"(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."

[xiii] *Sabel BV v Puma AG* Case C-251/95.

[xiv] *Sabel BV v Puma AG* Case C-251/95.

[xv] *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV* Case C-342/97.

[xvi] *Succession Picasso v OHIM - DaimlerChrysler (PICARO)* Case T-185/02.

[xvii] As per *Phillips-Van Heusen Corp v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-292/01 : "from the point of view of the relevant public, a clear and specific meaning so that the public is capable of grasping it immediately". The GC has noted the pertinence of an evocative effect on a number of occasions eg *Ontex NV v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T- 353/04.

[xviii] *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* Case C-39/97.

[xix] *Sabel BV v Puma AG* Case C-251/95.

[xx] *Rewe Zentral AG v OHIM (LITE)* Case T-79/00.

[xxi] *Windsurfing Chiemsee* v *Huber and Attenberger* Joined Cases C-108/97 and C-109/97.

[xxii] In *Mäurer + Wirtz GmbH & Co KG v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-63/07 the GC stated:

"40 It is possible, particularly in the case of an opposition based on a mark with an exceptionally high reputation, that the probability of a future, non-hypothetical risk of detriment to the earlier mark or of unfair advantage being taken of it by the mark applied for is so obvious that the opposing party does not need to put forward and prove any other fact to that end. However, it is also possible that the mark applied for does not, at first sight, appear capable of giving rise to one

of the risks covered by Article 8(5) of Regulation No 40/94 with respect to the earlier mark with a reputation, even though it is identical with or similar to the earlier mark, in which case the non-hypothetical, future risk of detriment or unfair advantage must be established by other evidence, which it is for the opposing party to put forward and prove (Case T-215/03 *Sigla* v *OHIM – Elleni Holding (VIPS)* [2007] ECR II-711, paragraph 48)."

From the evidence, this is not a case which falls within these parameters.