

O-031-14

TRADE MARKS ACT 1994

TRADE MARK APPLICATION No. 2594065

BY PHARMAVITAL GMBH

AND

OPPOSITION 102913

BY NOVARTIS AG

Background

1. This is an opposition by Novartis AG against an application filed on 9 September 2011 by PharmVital GmbH to register the trade mark shown below for a range of goods in class 5 of the register.



2. The opponent is the owner of international registration 928391 ("IR") which is protected in the European Union ("EU") in class 5 of the Community trade mark register for '*Pharmaceutical preparations*'. The IR is shown below.



3. The opponent appears to have designated the EU for protection on 22 June 2007. The IR is therefore an earlier trade mark.

4. The Community trade mark office ("OHIM") published a notice on 16 June 2008 stating that the IR had been protected in the EU.

5. The opponent's grounds of opposition are that:

- i) The earlier trade mark is protected for goods which are identical with, or similar to, those covered by the application.
- ii) The earlier mark is entitled to a broad scope of protection on account of highly distinctive character, both as a result of its inherent characteristics and as a consequence of the longstanding use and promotion of the mark in the UK and the EU.

- iii) The device element of the opposed mark is similar to the earlier mark and has an independent distinctive role in the opposed mark. The marks are therefore similar.
- iv) As a result of (i) to (iii) above, use of the applicant's mark would create a likelihood of confusion on the part of the public, including the likelihood of association.
- v) The earlier mark has a reputation in the UK and EU for the goods on which the opposition is based.
- vi) Use of the opposed mark for the same or similar goods would:
 - a) Diminish, blur and erode the distinctive character of the earlier mark.
 - b) Exploit, without due cause, the reputation of the earlier mark by transferring the positive connotations it evokes to the goods of the applicant.
- vii) Use of the opposed mark for the same or similar goods may tarnish the reputation of the earlier mark.
- viii) Registration of the opposed mark would therefore be contrary to s.5(2)(b) and/or s.5(3) of the Act.

6. The applicant filed a counterstatement in which it:

- i) Denies that the marks are similar enough to cause confusion or that use of the opposed mark would take unfair advantage of the earlier mark.
- ii) Draws attention to the verbal element of the opposed mark as the primary distinguishing feature of that mark, and denies that the device element has any such role.
- iii) Asserts that the device element is of very limited distinctiveness, drawing attention to the use of human figures for other registered marks for similar products.
- iv) Denies that the opponent's IR has a considerable reputation in the UK or EU.
- v) Puts the opponent to proof of use of the IR.

- vi) Denies that registration of the opposed mark would be contrary to s.5(2)(b) or 5(3) of the Act.

7. Sections 6A(1) and (2) of the Act state that:

“6A Raising of relative grounds in opposition proceedings in case of non-use

(1) This section applies where-

- (a) an application for registration of a trade mark has been published,
- (b) there is an earlier trade mark 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.”

8. The opposed mark was published for opposition purposes on 21 October 2011. As noted above, the procedure for protecting the IR in the EU was completed on 16 June 2008. As there is less than 5 years between these dates, s.6A does not apply. This means that the opponent can rely on the protection of the IR in the EU for the goods for which it is protected without having to show use of the mark in relation to those goods.

Representation

9. The opponent is represented by Abel & Imray, a firm of patent and trade mark attorneys based in London. The applicant has at all times been represented by a German firm called F200 ASG Rechtsanwälte GmbH, which is based in Berlin.

Applicant’s extension of time request to file evidence/submissions

10. The opponent filed three witness statements by Mary F. Leheny, who is the Chief Trademark Counsel and Associate General Counsel of Novartis Consumer Health, Inc., which is a subsidiary of the opponent company.

11. No evidence was filed on behalf of the applicant.

12. The applicant was informed on three occasions (in letters dated 10 January 2013, 28 March 2013 and 22 May 2013) that it would have two months from the date of receipt of the opponent’s evidence in which to file evidence or written submissions. The opponent’s witness statements were filed on three different dates,

the last being 22 May 2013. Following receipt of that witness statement the registrar wrote to the applicant's representative in Berlin on 4 June reminding them that the applicant had until 22 July in which to file evidence or submissions.

13. On 22 July 2013 the registrar received a form TM9 requesting an extension of two months for the applicant to file evidence. The reasons given for this extension were that:

- i) The registrar's letter of 4 June was not received until 10 July leaving the applicant with insufficient time to file evidence.
- ii) The applicant needed to do more research into the dates and facts provided by the opponent.
- iii) The applicant would also need time to translate its evidence into English.

14. The registrar responded on 24 July giving a preliminary view that the application for an extension should be refused because:

- i) The reasons given were partly irrelevant because the period for filing the applicant's evidence ran from the date of receipt of the opponent's evidence, not the date of receipt of the registrar's letter of 4 June.
- ii) The request did not say what the applicant had done to start the preparation of evidence during the period allowed, what more needed to be done, and whether the evidence would be filed within the extended period sought.

15. The applicant was given until 7 August to contest the preliminary view and provide more detailed reasons for the requested extension.

16. The applicant did not respond to the letter of 24 July. The preliminary view was therefore confirmed in a letter dated 19 August, which also gave the parties an opportunity to request a hearing or file written submissions on the substance of the opposition. The opponent filed written submissions in lieu of a hearing. The applicant did not respond to the letter of 19 August either.

17. As the applicant did not challenge the registrar's preliminary view to refuse the request for an extension of time to file evidence there is strictly no need for me to say any more about it. I will, however, make three observations. Firstly, the applicant had been told on three occasions that it would have two months from receipt of the opponent's evidence in which to file its own evidence. Secondly, the request for an extension of time to file evidence did not say when the applicant had received the

opponent's evidence, which was key to the question of how affected the applicant had been by postal delays between the UK and Germany. Thirdly, the applicant's representatives relied on the postal service to send communications to the registrar. The onus was therefore on the applicant to ask for a different means of communication in reply if its decision to appoint a representative in Germany was otherwise liable to delay incoming communications.

18. The net result of the above is that I am left to decide the matter on the basis of the parties' pleadings and the opponent's evidence and submissions.

The opponent's evidence

19. According to Ms Leheny, the opponent first used IR 928391 in the EU in 2006.

20. The mark has been used in relation to pharmaceuticals for pain relief, including compresses comprising pain relieving pharmaceuticals and topical analgesics.

21. The mark is used on the packaging of the products and in advertising.

22. Products sold under the mark carry similar but different word trade marks. For example, the product sold in Germany is called VOLTAREN. It is also sold under VOLTAFLEX and VOLTADOL. In the UK, the product is called VOLTAROL. According to Ms Leheny, the figurative mark was devised to create a brand identity which could be consistently used throughout Europe and recognised by consumers choosing between competitive pain relieving products.

23. The opponent's products are widely available in the UK and sold without a prescription. Certain types of the product are available on the shelves of major UK supermarkets and can be selected by eye.

24. The opponent sold over \$83m worth of products under the mark in the UK and Ireland in the period 2007-2012. UK sales in 2011 amounted to \$17.1m. Ms Leheny says that products bearing the mark came third in the UK best sellers list in 2011 with 11% market share. Products bearing the mark have larger shares of some of the other EU markets. For example, the product is the best seller in the German, Swedish, Danish, Finnish, French and Polish markets. I assume that by 'market', Ms Leheny means the market for pain relieving pharmaceutical drugs.

25. The opponent spent \$36m on the advertising and promotion of VOLTAROL products bearing the earlier mark in the UK in the period 2008-2012. This included TV advertisements.¹ It also promoted the mark at special promotional events, such

¹ See exhibit ML10

as a dance-off event held at the popular Westfield Shopping Centre in east London in 2010, which was seen by over 85000 people.²

26. Although registered in black and white, the earlier figurative mark has been used in the colour scheme shown below since 2006.



27. Ms Leheny says that the applicant uses the mark applied for in a similar colour scheme. She provides a copy of the mark as used by the applicant on its website.³



The Section 5(2)(b) ground

28. Section 5(2)(b) is as follows:

“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.”

² Stills from the event as subsequently uploaded to YouTube are exhibited as ML11

³ Exhibit ML5

Comparison of the goods and services

29. In comparing the respective goods and services, I take account of the judgment of the CJEU in *Canon*⁴ where the court stated at paragraph 23 of its judgment that:

“In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary”.

30. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*,⁵ the General Court stated that “complementary” means:

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

31. The following table identifies the goods covered by the respective marks.

Opposed goods covered by application	Goods covered by earlier mark
<p>Class 5: Pharmaceutical products and health-care products; Food preparations (dietetic-) adapted for medical purposes, in particular for dietetic meals, dietetic soups, dietetic beverages, cereal; dietetic substances adapted for medical use; Dietetic foodstuffs and food supplements adapted for medical use, with a base of carbohydrates, roughage, with added vitamins, minerals, trace elements, either singly or in combination; Food supplements adapted for medical use, in particular for redressing imbalances of vitamins, minerals, trace elements and other vital constituents, in the form of effervescent, chewable tablets and lozenges, hard gelatin capsules; Pharmaceutical preparations for medical purposes, in particular for the treatment of acne; medicated bath preparations; Dietetic foodstuffs and food supplements not adapted for medical use.</p>	<p>Class 5: Pharmaceutical preparations</p>

⁴ Case C-39/97

⁵ Case T- 325/06

32. The opponent says that all the goods shown above in bold are identical to pharmaceutical preparations. *Pharmaceutical products and health-care products* covers *pharmaceutical preparations*, so these goods are identical. *Pharmaceutical preparations for medical purposes, in particular for the treatment of acne* is covered by *pharmaceutical preparations* and therefore also cover identical goods. Collins English Dictionary defines 'pharmaceutical' as "of, or relating to pharmacy." 'Pharmacy' is defined as "the practice or art of preparing and dispensing drugs". *Pharmaceutical preparations* therefore has a wide meaning: wide enough to cover drugs for topical application, and therefore wide enough to cover *medicated bath preparations*. These terms therefore also cover identical goods.

33. The opponent submits that, with the exception of *dietetic foodstuffs and food supplements not adapted for medical use*, all the other goods in the application which are opposed cover similar goods to *pharmaceutical preparations* because:

- i) They are all for medical purposes;
- ii) They would typically be manufactured by the same companies;
- iii) They would typically be used by the same consumers;
- iv) They would typically be found on the same shelves of the same supermarkets and pharmacies;
- v) None of the applicant's goods are limited to exclude products for the relief of pain.

34. I accept points (i), and (iii) above. The fact that all the products are for medical purposes means that there is a degree of similarity of purpose. Further, *pharmaceutical preparations* and *dietetic foodstuffs, drinks and supplements* will, in some cases, be used to treat the same medical condition, albeit in different ways and probably with different expectations as to the benefits of the respective products. This last point means that the goods are unlikely to be in competition.

35. Ms Leheny's evidence is that *dietetic foodstuffs, drinks and food supplements* are made by the same companies who make *pharmaceutical preparations*. She provides no documentary evidence to support this assertion. On the other hand, although Ms Leheny is a lawyer rather than a business person, her position as in-house counsel means that she has reason to know which goods her company and its competitors make.

36. The applicant has filed no evidence to refute Ms Leheny's evidence, or otherwise challenged it. Further, the applicant's own application, which includes a statement of use (or proposed use) of the mark in relation to the goods listed, covers both

pharmaceuticals and dietetic foodstuffs. I therefore also accept Ms Leheny's evidence on point (ii) above. Combined with the point made in paragraph 34 above (about the potential use of the respective goods for treating the same medical condition), this means that the respective goods may be seen as complementary in the sense described in the case law.

37. I do not accept Ms Leheny's evidence about point (iv) above. Her evidence is again merely assertion and Ms Leheny is based in the USA. Therefore her failure to explain how she knows where the contested goods are displayed in UK supermarkets and pharmacies means that her evidence lacks any weight. I do not know from my own shopping experiences whether the opponent's submission is right or wrong. I therefore find that the opponent has not established that *dietetic foodstuffs, drinks and food supplements* would typically be found on the same shelves of the same (UK) supermarkets and pharmacies as *pharmaceutical preparations*. I accept that both kinds of products would be sold in a pharmacy and in the same section of a supermarket.

38. I accept point (v) above. However, as the opponent has not established that *dietetic foodstuffs, drinks and food supplements* are used for the relief of pain, the absence of an exclusion of such goods is irrelevant.

39. *Dietetic foodstuffs, drinks and food supplements and pharmaceutical preparations* are liable to be ingestible medical products. They are therefore partly similar in nature. On the other hand, the former are essentially food products whereas the latter are drugs. They are therefore partly different in nature.

40. Taking all the above into account I find that there is a reasonable degree of similarity between *pharmaceutical preparations* and:

Food preparations (dietetic-) adapted for medical purposes, in particular for dietetic meals, dietetic soups, dietetic beverages, cereal; dietetic substances adopted for medical use; Dietetic foodstuffs and food supplements adapted for medical use, with a base of carbohydrates, roughage, with added vitamins, minerals, trace elements, either singly or in combination; Food supplements adapted for medical use, in particular for redressing imbalances of vitamins, minerals, trace elements and other vital constituents, in the form of effervescent, chewable tablets and lozenges, hard gelatin capsules.

41. The only apparent similarity between *dietetic foodstuffs and food supplements not adapted for medical use* and *pharmaceutical preparations* is that both are ingestible and both are used by the general public. That is not enough to mean that the goods are similar in a way that could be material to a likelihood of confusion. I therefore find that they are dissimilar goods. *Dietetic foodstuffs and food supplements not adapted for medical use* appear to have been placed in the wrong class. Such goods are normally classified in classes 29 and/or 30, depending on the type of foodstuff involved.

Comparison of the marks

42. The applicant contends that the device forming the opponent's mark is significantly different to the device element of its own mark. The difference is said to be that the figure in the earlier mark is standing with arms extending upwards whilst the figure in the applicant's mark is jumping with its arms out to the sides.

43. The opponent submits that the human form in both marks is presented in the same mode of celebration and both figures stand out from a circular background. According to the opponent, this means that there are "striking similarities" between the marks.

44. In my judgment the devices are highly similar to the eye. They both depict abstract human figures stripped of normal human characteristics, such as a face. Neither figure has feet, hands or a neck. The ends of their arms and legs are pointed. The head of both figures is separated from the body. The abstract figures are dark and depicted against, and extend from, a lighter circular background. I accept that the positions of the arms and (one of the) legs of the figures is different, but the abstract figures are in similar positions conveying the same general impression of vitality. Unless consumers make a direct comparison between the marks, paying close attention, it would be easy to confuse the device element of the applicant's mark with the opponent's mark.

45. Although it only makes up around 30% of the applicant's mark, the presence of the word PHARMAVITAL, which is absent from the opponent's mark, reduces the level of overall visual similarity between the marks. The marks therefore have an immediately noticeable point of high visual similarity, but also a significant difference.

46. The opponent's mark is a visual mark. It will not be verbalised. The applicant's mark will be known by the word PHARMAVITAL. There is therefore no aural similarity between the marks.

47. Other than a general impression of vitality, neither mark has any real concept which might help to avoid confusion, or make it more likely.

Average consumer

48. The average consumer for the parties' goods is likely to be a member of the general public. The average consumer is deemed to be reasonably attentive, careful and circumspect, but his or her level of attention is liable to vary depending on the nature of the goods being selected. In my view, the level of attention paid by an average consumer when selecting a pharmaceutical or dietetic product for medical purposes will vary depending on the nature of the product and that of the medical condition it is intended to treat. An average consumer is liable to pay an average

level of attention when selecting an off-the-shelf product for a relatively minor medical condition. The consumer, and the pharmacist, will pay a higher level of attention if the product is of the kind available only on request from a pharmacist. And consumers, and their doctors and pharmacists, will pay a high level of attention if the condition is serious enough to require a prescription medicine.

Distinctive character of earlier mark

49. The applicant draws attention to the existence of a number of trade marks consisting of, or including, human figures that are (or in some cases were) registered in class 5. However, the existence of marks on trade mark registers does not establish that these marks are present on the market or that the public are accustomed to distinguishing between them. This information is therefore of no weight.

50. Nevertheless, I accept that a device of a human figure *per se* is unlikely to be distinctive for medical preparations. The earlier mark consists of a specific representation of an abstract human figure against a circular background. In my view, it is sufficiently individual to have an average level of inherent distinctive character as a trade mark for *pharmaceutical preparations*.

51. The opponent claims that the mark has become more distinctive as a result of the use made of the mark. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*⁶ the CJEU stated that:

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

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

⁶ Case C-342/97

chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

52. As I have already noted, I do not consider that the opponent’s device can be said to be merely a representation of a human being displaying vitality and therefore descriptive of the intended purpose, or some other characteristic, of the goods. The opponent’s mark was used in relation to around 11% of the products on the UK market for pain relieving *pharmaceutical preparations* in 2011. Further, the opponent spent a considerable amount of money promoting products bearing the mark between 2008 and 2011, including TV advertising.

53. On the other hand, the opponent’s device mark was used as a secondary or supporting mark. The primary means of distinguishing the opponent’s goods in the UK was likely to have been the word mark VOLTAROL.

54. Taking all these points into account, I consider that the extent of the use of the opponent’s earlier device mark is such that it was likely to have acquired a somewhat enhanced level of distinctiveness⁷ by the date at which the opposed application was filed: 9 September 2011 (“the relevant date”). I find that at that date the opponent’s mark had acquired an above average (although not the highest) level of distinctiveness for *pain relieving pharmaceutical preparations*.

Likelihood of confusion

55. In considering the likelihood of confusion I take account of the principles established by the CJEU in cases *Sabel BV v Puma AG*, Case C-251/95 [1998] RPC 199; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97 [1999] RPC 117; *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97; *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98 [2000] E.T.M.R. 723; *Matratzen Concord GmbH v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)*, Case C-3/03; *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04; *Shaker di L. Laudato & C. Sas v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* Case C-334/05P.

The principles

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

⁷ A trade mark may acquire a distinctive character as a result of its use with another mark: See *Nestlé v Mars* Case C-353/03.

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

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

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

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

(f) and beyond the usual case, where the overall impression created by a mark depends heavily on the dominant features of the mark, it is quite possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element in that mark;

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

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

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

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

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

56. The opponent's argument is essentially that:

- i) The respective goods are the same or similar;
- ii) The device element of the applicant's mark has an independent distinctive role in that mark (as per principle (f) above);
- iii) The earlier mark has a high level of distinctiveness, partly because of the extensive use made of it in the UK and elsewhere in the EU;
- iv) The earlier mark is highly similar to the device element of the applicant's mark;
- v) At least when used on non-prescription medical products, the visual similarity between the devices is likely to result in confusion in the sense that the public will think that the user of the applicant's mark is economically connected with the opponent.

57. I have accepted point (i) to varying degrees (except for the applicant's *dietetic foodstuffs and food supplements not adapted for medical use*). I also accept point (ii). The device element of the applicant's mark is not tied either by its arrangement or its semantic meaning to the word element PHARMAVITAL. It will make its own impression on the relevant consumer. It therefore has an independent distinctive role within the applicant's mark. It is also one of the two elements of the applicant's mark, which are equally prominent. Neither the word nor the device dominates over the other. I also accept point (iii) to the extent that I found that the earlier mark has an above average level of distinctiveness for *pain relieving pharmaceutical preparations*. Otherwise the earlier mark has an average level of distinctiveness.

58. There is one further relevant factor. The opponent relies on the judgment of the CJEU in *Specsavers International Healthcare Limited and Asda Stores Limited*⁸ to the effect that:

“Article 9(1)(b) and (c) of Regulation No 207/2009 must be interpreted as meaning that where a Community trade mark is not registered in colour, but the proprietor has used it extensively in a particular colour or combination of colours with the result that it has become associated in the mind of a significant portion of the public with that colour or combination of colours, the colour or colours which a third party uses in order to represent a sign alleged to infringe that trade mark are relevant in the global assessment of the likelihood of confusion or unfair advantage under that provision.”

59. Although the judgment addresses the meaning of provisions from the Community Trade Mark Regulation it clearly requires the same meaning to be given to the corresponding provisions of the Trade Marks Directive and the national legislation made under it. The equivalent provisions of the national law are the infringement provisions in section 10 of the Act. However, as s.10(2)(b) of the Act is essentially

⁸ Case C-252/12

the same as the provision that I am required to apply - s.5(2)(b) – I must also apply the CJEU’s judgment to the question of whether there is a likelihood of confusion between these marks for the purposes of this opposition.

60. The opponent’s mark has been used extensively and consistently in the colour scheme shown at paragraph 26 above. For the reasons given at paragraphs 69 and 70 below, I find that the earlier mark had a modest reputation in the UK at the relevant date for *pharmaceutical products for the treatment of pain*. This means that in considering the likelihood of confusion, I must take into account that the opponent’s mark is known to be used in relation to these goods in a particular colour scheme.

61. In opposition proceedings I must consider “*all the circumstances in which the mark applied for might be used if it were to be registered*”.⁹ That means that I have to consider the effect of the use of the device element of the applicant’s mark in the same colour scheme as the opponent uses for its mark in relation to *pharmaceutical products for the treatment of pain*, even if there was no evidence (which in fact there is) that the applicant uses a similar colour scheme.

62. Despite this I find that there is no likelihood of direct confusion. The inclusion of the word PHARMAVITAL in the applicant’s mark is sufficient to avoid the one mark being mistaken for the other, even taking account of imperfect recollection.

63. The fact that the parties’ goods may be self selected by consumers on a visual basis, without those consumers paying a higher than average level of attention, increases the risk of indirect confusion.

63. The risk of indirect confusion is greater where the marks are used in relation to the same goods, i.e. pharmaceutical preparations/products. The risk of confusion is greatest if the applicant’s mark were to be used in a similar colour scheme in relation to the goods for which the opponent’s mark has an above average level of distinctive character - pain relieving pharmaceutical medications.

64. The risk of confusion is lower where the goods are only similar and the opponent’s mark has to be assessed based on its (average degree of) inherent distinctive character. Nevertheless, taking all relevant factors into account, including that *pharmaceutical preparations* (at large) and *dietetic foodstuffs, drinks and food supplements* may be used to treat the same medical condition, I find that there is a likelihood of indirect confusion if the applicant’s mark were to be used for any of the goods covered by class 5 of the opposed application, except for *dietetic foodstuffs and food supplements not adapted for medical use*.

⁹ See Case C-533/06, *O2 Holdings v Hutchison 3G UK* at paragraph 66

65. The opposition under s.5(2)(b) therefore succeeds in relation to all the contested goods in class 5, except for *dietetic foodstuffs and food supplements not adapted for medical use*.

The Section 5(3) ground

66. Section 5(3) is as follows:

5(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.

67. As I have already decided that the s.5(2) ground of opposition succeeds in relation to most of the contested goods. There is no need for me to decide whether the s.5(3) ground also succeeds so far as those goods are concerned. Instead I will consider this ground against the goods for which I have rejected the opposition based on s.5(2): *dietetic foodstuffs and food supplements not adapted for medical use*.

68. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, [1999] ETMR 950, Case 252/07, *Intel*, [2009] ETMR 13, Case C-408/01, *Addidas-Salomon*, [2004] ETMR 10, Case C-487/07, *L'Oreal v Bellure* [2009] ETMR 55 and Case C-323/09, *Marks and Spencer v Interflora*. The law appears to be as follows.

a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors*, paragraph 24.

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors*, paragraph 26.

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Saloman*, paragraph 29 and *Intel*, paragraph 63.

(d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks, the goods/services, the extent of the overlap between the relevant

consumers for those goods/services, and the strength of the earlier mark's reputation and distinctiveness; *Intel, paragraph 42*

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel, paragraph 68*; whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel, paragraph 79*.

(f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious likelihood that this will happen in future; *Intel, paragraphs 76 and 77*.

(g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel, paragraph 74*.

(h) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora, paragraph 74 and the court's answer to question 1 in L'Oreal v Bellure*).

The reputation of the earlier mark

69. The applicant points out that the opponent's device mark is not listed in Novartis pharmaceutical's own list of its leading UK brands. This appears to be so, but it is irrelevant because the opponent's device mark is not a 'brand' (which usually means a word mark). Further, I note that VOLTAROL is also missing from the list of leading brands despite being the 3rd best selling brand of pain killer in the UK. The list cannot therefore be exhaustive.

70. Based on the level of sales and promotion in the Community, I accept that the opponent's earlier mark has a reputation in the Community in relation to *pharmaceutical products for the treatment of pain*. The length of the use of the mark

is not particularly longstanding, and the mark is always used as a supporting mark to a primary word trade mark. Therefore the level of reputation of the device mark is not of the highest order. Further, the mark is likely to have a higher reputation in some countries, such as Sweden where it is used on a product with 74% market share, than it does in the UK where the product has only 11% of the market. Nevertheless, the mark is used on a product which is the 3rd best selling pain killer on the UK market and has been exposed to the UK public through, inter alia, TV advertising. I therefore accept that the mark had a modest reputation in the UK at the relevant date.

Link?

71. In my view, the combination of that:

- i) There is no similarity between on the one hand, *pharmaceutical products for the treatment of pain*, and on the other hand, *dietetic foodstuffs and food supplements not adapted for medical use*;
- ii) The inclusion of the word PHARMAVITAL in the applicant's mark;
- iii) The relatively modest level of the reputation of the earlier mark in the UK at the relevant date;
- iv) The earlier mark is not highly distinctive for pharmaceutical products;

- outweigh the factors pointing towards the public making a link between the marks, particularly:

- i) The close similarity between the device element of the applicant's mark and the earlier mark;
- ii) That both marks could be, and in fact are, used in similar colour schemes.

72. I therefore find that UK consumers will not link the marks if they are used in relation to, on the one hand, *pharmaceutical products for the treatment of pain*, and on the other hand, *dietetic foodstuffs and food supplements not adapted for medical use*. Consequently, the opposition under s.5(3) cannot succeed to any greater extent than the opposition under s.5(2).

Costs

73. The opposition has mostly succeeded and the opponent is therefore entitled to a contribution towards its costs.

74. I order PharmVital GmbH to pay Novartis AG the amount of £1500 made up of:

- i) £500 for filing the opposition and considering the applicant's counterstatement (including £200 in official fees);
- ii) £700 for filing evidence;
- iii) £300 for filing written submissions.

75. This sum is to be paid within seven days of the expiry of the appeal period.

Dated this 21st day of January 2014

**Allan James
For the Registrar**