

O-231-06

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION NO 2371904  
BY RAJENDRA PATEL  
TO REGISTER THE TRADE MARK:**

**NUTRAZYME**

**IN CLASSES 3 AND 5**

**AND**

**THE OPPOSITION THERETO  
UNDER NO 93225  
BY  
MERCK KGAA**

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by Merck KGaA**

### **BACKGROUND**

1) On 31 August 2004 Rajendra Patel applied to register the trade mark NUTRAZYME (the trade mark). The application was published for opposition purposes in the "Trade Marks Journal" on 26 November 2004. Following amendment after publication the specification reads as follows:

*bleaching preparations and other substances for laundry use, cleaning, polishing, scouring and abrasive preparations, soap, perfumery, essential oils, cosmetics, hair lotions, dentifrices, including deodorants for personal use;*

*sanitary preparations for medical purposes, dietetic substances adapted for medical use, food for babies, material for stopping teeth, dental wax, disinfectants, preparations for destroying vermin, fungicides, herbicides, food and beverages which are adapted for medical purposes; none of the aforesaid being sold by prescription.*

The above goods are in classes 3 and 5 respectively 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.

2) On 25 February 2005 Merck KGaA, which I will refer to as Merck, filed a notice of opposition to the application. Merck is the owner of registration no 930476 of the trade mark NUTRIZYM. It was filed on 5 September 1968 and registered on 15 August 1969 for the following goods:

*pharmaceutical preparations and substances, all containing enzymes.*

Merck claims that its trade mark had been used in respect of all of the goods of the registration in the five year period proceeding the date of publication of Mr Patel's trade mark. It claims that all of the goods of the application are identical or similar to the goods of its registration. Consequently, there is a likelihood of confusion and registration of the trade mark would be contrary to section 5(2)(b) of the Trade Marks Act 1994 (the Act).

3) Merck claims that it has used its trade mark throughout the United Kingdom since 1968 in relation to all of the goods for which it is registered. Consequently, registration of the trade mark would be contrary to section 5(4)(a) of the Act, it does not specify upon which particular rule of law it relies. However, it refers to the law of passing-off in its written submissions.

4) Mr Patel filed a counterstatement. He denies that the respective trade marks and the respective goods are similar. Consequently, registration of the trade mark would not be contrary to section 5(2)(b) of the Act. Mr Patel also requires that Merck proves use of its earlier trade mark in the five years prior to the publication of the trade mark. Mr Patel does not accept that Merck has a protectable goodwill in the trade mark NUTRIZYM. He also denies that there would be deception/confusion or damage by use of his trade mark. The grounds of opposition under section 5(4)(a) of the Act are denied.

5) Both sides filed evidence.

6) The sides were advised that they had a right to a hearing and that if neither side requested a hearing a decision would be made from the papers and any written submissions that were received. Neither side requested a hearing. Both sides filed written submissions. Consequently, this decision is made from the evidence and written submissions before me.

## **EVIDENCE**

### **Evidence of Merck**

7) This consists of a witness statement by Michael Sankey, who is the head of regulatory affairs for Merck Ltd, the United Kingdom subsidiary of Merck. Mr Sankey gives the following turnover figures for goods sold under the trade mark NUTRIZYM:

2005	-	£212,494 (to end of July)
2004	-	£363,025
2003	-	£430,120
2002	-	£420,303
2001	-	£426,089
2000	-	£448,095
1999	-	£542,889

Mr Sankey states that the product is sold to authorised pharmaceutical wholesalers throughout the United Kingdom. They are prescription medicines and are principally promoted to prescribers by representatives; no public advertisements are permitted under law. However, exhibited at MS1 is some recent promotional material; a memo board, a notepad and an information leaflet. The latter two items emanate from April 2005 and February 2005 respectively. Mr Sankey states that they represent the type of promotional material that Merck's representatives have been giving to prescribers in recent years. He states that the amount spent on marketing in 2004 was £33,498. The items bear the name

NUTRIZYM. The information leaflet advises that the product gives “effective relief from the symptoms of steatorrhoea associated with pancreatic insufficiency”. It states that use is for pancreatic exocrine insufficiency.

8) Exhibited at MS2 are pages from the Internet relating to Nutrizym 10 and Nutrizym 22. Both products are described as being:

“For the symptomatic relief of pancreatic exocrine insufficiency such as in fibrocystic disease of the pancreas and chronic pancreatitis.”

The pages indicate that the product information was last updated on 2 July 2001 and 2 September 2002 respectively. Exhibited at MS3 is a copy of pages from the ‘Medicines Compendium’ of 2004. Nutrizym 10, Nutrizym 22 and Nutrizym GR are listed: the first two products are described exactly as above. The last product is described as being for:

“Symptomatic relief of fibrocystic disease of the pancreas, chronic pancreatitis, steatorrhoea and other pancreatic deficiency states.”

Also exhibited at MS3 are copies of pages from ‘mims’, which is described as the monthly index of medical specialities. Under the heading ‘Pancreatic enzymes and bile acids’ NUTRIZYM GR, 10 and 22 are listed. Under “indications” the following is written:

“Fibrocystic disease, steatorrhoea, pancreatic disorders.”

Exhibited at MS4 are samples of labels for the three NUTRIZYM products. All of the labels show that the products contain pancreatin, in varying doses.

### **Evidence of Mr Patel**

9) This consists of a witness statement by Ian Wilkes. Mr Wilkes is a trade mark attorney acting for Mr Patel in this case. Mr Wilkes states that he has made enquiries as to the use of NUTRIZYM by Merck and considers that it has only been used in respect of a pharmaceutical product in the nature of an enzyme supplement/replacement that is specifically for the treatment of pancreatic illness and disease. Mr Wilkes exhibits various pages downloaded from the Internet:

- Pages relating to pancreatic enzymes. This advises that 95% of CF (cystic fibrosis?) patients required pancreatic enzyme supplements due to an inadequacy of their own pancreatic secretions.
- Pages relating to pancreatic enzyme replacement therapy. This advises that pancreatic juice aids the digestion and breakdown of the major components of food. Pancreatic insufficiency is common in pancreatic cancer patients. Pancreatic insufficiency may cause abdominal discomfort, pain gas, belching, diarrhoea, steatorrhoea (fat indigestion) and weight loss. It advises that if a

person has these symptoms pancreatic enzyme replacement therapy should be considered. The pages go on to state:

“Pancreatic enzyme supplements are also called pancreatin which is a combination of pancreatic enzymes that are normally produced naturally by the body.

Pancreatin is available in capsule, powder, granule and tablet form. It is also sometimes known as: Creon; Nutrizym; Pancrease; Pancrex; Pancrex V. You may notice the use of any of these names on the packaging of your medicine. There are different amounts of protease, amylase and lipase in most of the products.

Replacement pancreatic enzymes are available in different formulations and dosages. For instance Creon is available in dosages of 10000, 25000 and 40000 units of lipase per capsule. So a patient needing a large quantity of enzymes per meal can take a smaller number of high dosage capsules (up to five or six capsules, around 240,000 units of lipase, with meals if necessary). Some patients, eg those who have had surgery to remove part or all of the pancreas, may need to take up to 20-30 of the high dosage capsules a day (ie 1,000,000 units of lipase).

Products available include:

- Creon 10000, 25000, 40000,micro (Solvay)
  - Nutrizym GR (no longer available), 10, 22 (Merck)
  - Pancrease and Pancrease HL (HL means high lipase)(Janssen-Cilag)
  - Pancrex Granules and V capsules, capsules 125mg, tablets, forte tablets, powder (Paines and Byrne) search <http://www.emc.medicines.org.uk/> on Pancrex for product information.”
- 
- Pages from [tiscali.co.uk/lifestyle](http://tiscali.co.uk/lifestyle). This relates to Nutrizym 22. It states that it is used for chronic pancreatitis, cystic fibrosis, surgical removal of the pancreas and surgical removal of the stomach.
  - Pages from ‘PJ Online’. It stated that Nutrizym GR capsules are being discontinued and that Merck expects stocks to be exhausted in October 2006. Nutrizym 10 and 22 remain available.
  - Pages relating to Nutrizym 10. It states that pancreatin contains enzymes normally released by the pancreas. They assist digestion of starch, fat and protein.

## **DECISION**

### **Evidence of use**

10) To consider the grounds of opposition under both sections 5(2)(b) and 5(4)(a) of the Act, it is necessary to decide what the use shown by Merck establishes. 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 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).”

11) It does not seem to me that there is any doubt or argument that Merck has used NUTRIZYM for some of the goods for which it is registered. Section 6A(6) states that where the trade mark has been used in respect of only some of the goods for which it is registered it shall be treated as if it were registered only in respect of those goods. The evidence shows that the trade mark has been used in relation to pancreatic enzyme supplements; which are only available upon prescription. There is now a body of case law as to how to arrive at a fair specification of goods in non-use cases:

*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.”

*Reckitt Benckiser (España), SL v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-126/03*

“42 The Court observes that the purpose of the requirement that the earlier mark must have been put to genuine use is to limit the likelihood of conflict between two marks by protecting only trade marks which have actually been used, in so far as there is no sound economic reason for them not having been used. That interpretation is borne out by the ninth recital in the preamble to Regulation No 40/94, which expressly refers to that objective (see, to that effect, *Silk Cocoon*, cited at paragraph 27 above, paragraph 38). However, the purpose of Article 43(2) and (3) of Regulation No 40/94 is not to assess commercial success or to review the economic strategy of an undertaking, nor is it to restrict trade-mark protection to the case where large-scale commercial use has been made of the marks (Case T-334/01 *MFE Marienfelde v OHIM – Vétoquinol (HIPOVITON)* [2004] ECR II-0000, paragraph 32, and Case T-203/02 *Sunrider v OHIM – Espadafor Caba (VITAFRUIT)* [2004] ECR II-0000, paragraph 38).

43 Therefore, the objective pursued by the requirement is not so much to determine precisely the extent of the protection afforded to the earlier trade mark by reference to the actual goods or services using the mark at a given time as to ensure more generally that the earlier mark was actually used for the goods or services in respect of which it was registered.

44 With that in mind, it is necessary to interpret the last sentence of Article 43(2) of Regulation No 40/94 and Article 43(3), which applies Article 43(2) to earlier national marks, as seeking to prevent a trade mark which has been used in relation to part of the goods or services for which it is registered being afforded extensive protection merely because it has been 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.

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

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

*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 pernicky 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."

Paragraph 45 of the judgment of the Court of First Instance (CFI) in *Reckitt Benckiser (España), SL v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* is particularly pertinent to this case. Pharmaceutical preparations and substances, all containing enzymes covers a very wide range of goods; any type of pharmaceutical preparation that contains an enzyme. In its submissions, Merck considers that it should be able to rely upon the whole of its specification as registered. The submissions for Mr Patel suggest that the goods should be limited to pharmaceutical preparations and substances for the relief of pancreatic insufficiency. In my experience pharmaceuticals are not just lumped into one group; they tend to be divided by the purpose they serve; or sometimes by the active ingredient. I do not consider that the use justifies the consideration of the specification as filed. It strikes me that the goods have their own sub-category, hence the references to other products for dealing with the same condition (see paragraph 11). So there is clearly a category of pharmaceuticals to deal with the specific medical condition. I have considered whether I am being pernicky, however, taking into account the nature of the industry and the nature of the actual products, I consider that Mr Patel's suggested specification falls within the requirements of the case law and the facts of the case, with one addition. **I find that Merck has established use of the trade mark for pharmaceutical preparations and substances for the relief of pancreatic insufficiency, all being enzymes.** I have added the enzymes inclusion clause as otherwise the specification would be outside the parameters of the original specification. (The goods in question, of course, contain enzymes; if this had not been established they would have fallen outside the parameters of the specification.) Although the products are prescription only drugs, I have not limited the specifications by reference to this as this does not seem to me to represent a viable sub-category.

12) In terms of passing-off, the goodwill will relate to the same products. It may be necessary to take into account the prescription only nature of the products in considering the issue of passing-off.

### **Likelihood of confusion – section 5(2)(b) of the Act**

13) According to section 5(2)(b) of the Act a trade mark shall not be registered if because:

“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 6(1)(a) of the Act defines an earlier trade mark as:

“a registered trade mark, international trade mark (UK) or Community trade mark which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks”

14) The trade mark upon which Merck relies is an earlier trade mark within the terms of the Act.

15) In determining the question under section 5(2)(b), I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117 and *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV* [2000] FSR 77.

### **The average consumer and the nature of the purchasing decision**

16) Most of the goods of the application are all common products that are bought by the public at large. Most of these goods will not involve a particularly careful and educated purchasing decision. *Material for stopping teeth* and *dental wax* are specialist goods that are only likely to be purchased, and used, by dentists. *Material for stopping teeth* and *dental wax* are likely to be bought as a result of a careful and educated decision. *Dietetic substances adapted for medical use* and *food and beverages which are adapted for medical purposes* are goods that are purchased in relation to a medical condition, whether to aid recovery or to avoid its recrudescence, and so care is likely to be exercised in their selection and purchase. In my experience *perfumery* is bought with a good deal of care and a high degree of brand awareness. So, I consider that the italicised goods will be bought as a result of a careful purchasing decision; and the dental goods also by a very specialist clientele.

## Comparison of trade marks

17) The trade marks to be compared are:

**Merck's trade mark:**

**Mr Patel's trade mark:**

**NUTRIZYM**

**NUTRAZYME**

The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details (*Sabel BV v Puma AG*). 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 (*Sabel BV v Puma AG*). Consequently, I must not indulge in an artificial dissection of the trade marks, although taking 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 has kept in his mind and he/she is deemed to be reasonably well informed and reasonably circumspect and observant (*Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV*). "The analysis of the similarity between the signs in question constitutes an essential element of the global assessment of the likelihood of confusion. It must therefore, like that assessment, be done in relation to the perception of the relevant public" (*Succession Picasso v OHIM - DaimlerChrysler (PICARO)* Case T-185/02).

18) Both trade marks, as far as I am aware, are invented words. There is not an issue, therefore, in relation to conceptual similarity. I feel that there is little purpose in indulging in a forensic analysis of the two trade marks. They are quite clearly phonetically and visually similar to a high degree. **I find that the trade marks are similar to a high degree.**

## Similarity of goods

19) In *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* the European Court of Justice held in relation to the assessment of the similarity of goods that the following factors, inter alia, should be taken into account: their nature, their intended purpose (the original incorrect translation of 'Verwendungszweck' in the English version of the judgment has now been corrected), their method of use and whether they are in competition with each other or are complementary. In *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281, Jacob J 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.”

In relation to the terms used in specifications Jacob J stated:

“When it comes to 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. After all a trade mark specification is concerned with use in trade.”

Neuberger J in *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another* [2000] FSR 267 stated:

“I should add that I see no reason to give the word "cosmetics" and "toilet preparations" or any other word found in Schedule 4 to the Trade Mark Regulations 1994 anything other than their natural meaning, subject, of course, to the normal and necessary principle that the words must be construed by reference to their context. In particular, I see no reason to give the words an unnaturally narrow meaning simply because registration under the 1994 Act bestows a monopoly on the proprietor.”

I take on board the class in which the goods or services are placed is relevant in determining the nature of goods and services (see *Altecnic Ltd's Trade Mark Application* [2002] RPC 34). Although it dealt with a non-use issue, I consider that the words of Aldous LJ in *Thomson Holidays Ltd v Norwegian Cruise Line Ltd* [2003] RPC 32 are also useful to bear in mind:

“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.”

20) The goods of Merck which have to be considered are those for which use has been proved:

*pharmaceutical preparations and substances for the relief of pancreatic insufficiency, all being enzymes.*

The goods of the application are:

*bleaching preparations and other substances for laundry use, cleaning, polishing, scouring and abrasive preparations, soap, perfumery, essential oils, cosmetics, hair lotions, dentifrices, including deodorants for personal use;*

*sanitary preparations for medical purposes, dietetic substances adapted for medical use, food for babies, material for stopping teeth, dental wax, disinfectants, preparations for destroying vermin, fungicides, herbicides, food and beverages which are adapted for medical purposes; none of the aforesaid being sold by prescription.*

I cannot see that any of the class 3 goods of the application, nor for the most part the class 5 goods of the application, can be considered similar upon any of the bases of the criteria established by the case law. They are quite palpably dissimilar. The only potential area of similarity arises in relation to *food and beverages which are adapted for medical purposes* and *dietetic substances adapted for medical use*. All of these goods are for a medical purpose; they could be linked to the same condition. It might be, consequently, that one might use the goods of the application to deal with problems of *pancreatic insufficiency*. Consequently, there could be both an element of competition and they could have the same purpose. Although all of the goods could be sold in a pharmacy, they are likely to be sold in discrete areas. Merck's goods have a different physical nature to the goods of Mr Patel that are under consideration. It is quite possible that the respective goods could go through the same trade channels. It is noted that one of the methods of use of the Merck goods is to put them into food and so to that extent there can be a coincidence in the method of use of the goods. The CFI in *Alecansan, SL v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-202/03* commented the interpretation of "complementary":

"46 As regards the complementary nature of the goods and services, it must be pointed out that, according to the definition given by OHIM in point 2.6.1 of Part 2, Chapter 2, of the Opposition Guidelines of 10 May 2004, goods or services 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 the production of those goods or for the provision of those services lies with the same undertaking (see also to that effect Case T-85/02 *Díaz v OHIM* [2003] ECR II-4835, paragraph 36)."

I do not consider that the nature of the respective goods satisfies these criteria. I cannot see that the goods are complementary.

**21) On the basis of the above I consider that *food and beverages which are adapted for medical purposes* and *dietetic substances adapted for medical use* of the application are similar to the goods for which Merck has established use. I can see no arguable similarity in respect of the other goods of the application. As I have stated above, they are, in my view, patently dissimilar.**

## Conclusion

22) First Council Directive 89/104 of December 21, 1988 requires goods or services to be similar for there to be a finding of likelihood of confusion. Once one part of the cumulative process is absent the claim collapses, as was stated by the CFI in *Alecansan, SL v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-202/03:

“35 However, a likelihood of confusion within the meaning of Article 8(1)(b) of Regulation No 40/94 presupposes both that the mark applied for and the earlier mark are identical or similar, and that the goods or services referred to in the application for registration are identical or similar to those in respect of which the earlier mark is registered. Those conditions are cumulative (*Canon*, paragraph 22, concerning the provisions of Article 4(1)(b) of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (OJ 1989 L 40, p. 1), and Case C-106/03 P *Vedial v OHIM* [2004] ECR I-9573, paragraph 51, concerning Article 8(1)(b) of Regulation No 40/94). Thus, even where the sign applied for is identical to a mark which is highly distinctive, it must be established that the goods or services covered by the opposing marks are similar (judgment of 1 March 2005 in Case T-169/03 *Sergio Rossi v OHIM– Sissi Rossi (SISSI ROSSI)* [2005] ECR II-0000, paragraph 53; see also, by analogy, *Canon*, paragraph 22).”

(Also see *Eurodrive Services and Distribution NV c Oficina de Armonización del Mercado Interior (marcas, dibujos y modelos) (OAMI)*, Case T- 31/04) The above judgments are in full accord with the corollary in relation to similarity of signs as per *Vedial SA v Office for the Harmonization of the Internal Market (marks, designs and models) (OHIM)* C-106/03 P. In its submissions Merck states:

“In this case as the marks are so similar the goods must also be regarded as similar even in class 3.”

Goods are not made similar or dissimilar owing to the proximity of the trade marks which they use. The similarity of the trade marks has no effect upon the similarity of the goods. As Patten J held in *Sihra’s Trade Mark Application* [2003] the concept of similarity of goods cannot be stretched as infinitum; there are other remedies in relation to non-similar goods:

“12. It is clear that the flexibility inherent in this global approach leaves intact the threshold requirement for a recognisable degree of similarity between the goods and services in question. The distinctiveness and strength of the earlier mark may lessen the degree of similarity required, but it does not eliminate it. The remedy for the proprietor of a distinctive mark which is challenged in respect of non-similar goods is to oppose registration under s.5(3).....

15 Similarity and confusion as to origin are both largely matters of fact and impression. Clearly, the strength and reputation of the earlier mark is likely to play a pivotal role in determining whether the new mark will cause confusion in the mind of the average consumer. But that possibility (however strong the earlier mark) is obviously at its highest in cases where the goods in question are identical or very similar. When one gets to more marginal cases, the likelihood of confusion inevitably diminishes. Some marks (as recognised in *British Sugar*) may be so uniquely strong as to override almost any lack of similarity in the goods or services under scrutiny. But if the statutory requirement for similarity prescribed by s.5(2) is not to be diluted to a point beyond recognition, then one needs to be careful in such cases to avoid straining the concept of similarity in order to accommodate what might be regarded as the unfair use of a well-established mark. The remedy for such cases, as I have already indicated, lies in s.5(3).”

The degree of the similarity of trade marks only comes into play when it has been decided that the goods are similar. Merck is attempting to substitute association for similarity as in *Eurodrive Services and Distribution NV c Oficina de Armonización del Mercado Interior (marcas, dibujos y modelos) (OAMI)*:

“39 Por lo que respecta a la apreciación global del riesgo de confusión, procede recordar que la similitud o identidad de los productos y servicios designados por las marcas en conflicto es un requisito determinante del riesgo de confusión, expresamente exigido por el artículo 8, apartado 1, letra b), del Reglamento n° 40/94.”

40 El concepto de riesgo de asociación no es una alternativa al concepto de riesgo de confusión, sino que sirve para precisar el alcance de éste. Los propios términos de esta disposición excluyen, pues, la posibilidad de aplicarla si no existe, por parte del público, un riesgo de confusión (sentencias del Tribunal de Justicia de 11 de noviembre de 1997, *SABEL*, C-251/95, Rec. p. I-6191, apartado 18, y de 22 de junio de 2000, *Marca Mode*, C-425/98, Rec. p. I-4861, apartado 34).

(The above judgment is only available in Castellano and French.)

Consequently, the only goods for which there can be a finding of likelihood of confusion are:

*food and beverages which are adapted for medical purposes and dietetic substances adapted for medical use.*

23) 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 (*Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*). In this case there is a high degree of similarity between the trade marks. It is necessary to consider the

distinctive character of the earlier trade mark; the more distinctive the earlier trade mark (either by nature or nurture) the greater the likelihood of confusion (*Sabel BV v Puma AG*). The distinctive character of a trade mark can be appraised only, first, by reference to the goods or services in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public (CFI Case T-79/00 *Rewe Zentral v OHIM (LITE)* [2002] ETMR 91). 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, the judgment of 4 May 1999 of the ECJ in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ETMR 585). There has been no claim that the distinctiveness of Merck's trade mark has been enhanced through reputation. Nutri might well be seen as indicating nutrition or nutriment. However, I am not convinced that this would be the immediate reaction to the earlier trade mark; it is more likely to occur in an analysis of the trade mark, not a common pastime of the public. It is necessary, anyway, to consider the earlier trade mark in its entirety. The earlier trade mark does not describe the goods upon which it is used, a philological analysis might show allusions to nutriment, nutrition and enzyme, but the average consumer of any goods is not likely to undertake such an analysis. I consider that the earlier trade mark has a good deal of capacity to distinguish the goods of Merck from those of other undertakings. **Consequent upon the above, I find that there is a likelihood of confusion in respect of**

*food and beverages which are adapted for medical purposes and dietetic substances adapted for medical use*

**but no other goods.**

**Passing-off – section 5(4)(a) of the Act**

24) 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,”

I intend to adopt the guidance given by the Appointed Person, Mr Geoffrey Hobbs QC in the *Wild Child case* [1998] RPC 455. In that decision Mr Hobbs stated that:

"A helpful summary of the elements of an action for passing off can be found in Halsbury's Laws of England 4th Edition Vol 48 (1995 reissue) at paragraph 165. The guidance given with reference to the speeches in the House of Lords in *Reckitt & Colman Products Ltd v Borden Inc* [1990] RPC 341 and *Erven*

Warnink BV v J Townend & Sons (Hull) Ltd [1979] ACT 731 is (with footnotes omitted) as follows:

"The necessary elements of the action for passing off have been restated by the House of Lords as being three in number:

- (1) that the plaintiff's goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;
- (2) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by the defendant are goods or services of the plaintiff; and
- (3) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant's misrepresentation."

.....Further guidance is given in paragraphs 184 to 188 of the same volume with regard to establishing the likelihood of deception or confusion. In paragraph 184 it is noted (with footnotes omitted) that:

"To establish a likelihood of deception or confusion in an action for passing-off where there has been no direct misrepresentation generally requires the presence of two factual elements:

- (1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and
- (2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other feature which is the same or sufficiently similar that the defendant's goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact. In arriving at the conclusion of fact as to whether deception or confusion is likely, the court will have regard to:

- (a) the nature and extent of the reputation relied upon;
- (b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;
- (c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;
- (d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and
- (e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.

In assessing whether confusion or deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action.””

25) The first matter that I have to decide is the material date. It is well established that the material date for passing-off is the date of the behaviour complained of (see *Cadbury Schweppes Pty Ltd v Pub Squash Co Pty Ltd* [1981] RPC 429 and *Inter Lotto (UK) Ltd v Camelot Group PLC* [2004] RPC 8 and 9). Section 5(4)(a) is derived from article 4(4)(b) of First Council Directive 89/104 of December 21, 1998 which states:

“rights to a non-registered trade mark or to another sign used in the course of trade were acquired prior to the date of application for registration of the subsequent trade mark”.

Consequently, the material date cannot be after the date of application. There is no evidence of use of Mr Patel’s trade mark, consequently, the date of the behaviour complained of is the date of application for registration, 31 August 2004. At the material date Merck has established a goodwill in relation to *pharmaceutical preparations and substances for the relief of pancreatic insufficiency, all being enzymes*, sold under prescription

26) There is no need for goods or services to be similar to succeed in a passing-off claim. However, the difficulty of establishing confusion where there is a distance between the fields of activities was considered by Millet LJ in *Harrods v Harrodian School* [1996] RPC 697, where he stated:

“It is not in my opinion sufficient to demonstrate that there must be a connection of some kind between the defendant and the plaintiff, if it is not a connection which would lead the public to suppose that the plaintiff has made himself responsible for the quality of the defendant’s goods or services”

In the same case Millet LJ held:

“The absence of a common field of activity, therefore, is not fatal; but it is not irrelevant either. In deciding whether there is a likelihood of confusion, it is an important and highly relevant consideration.”

In *Lego System Aktieselskab and Another v Lego M Lemelstrich Ltd* [1983] FSR 155 the distance between the fields of activity was bridged by an enormous reputation, Lego being classed as a household word, and survey evidence. This is not the case with Merck’s trade mark. In relation to potential deception/confusion, I cannot see that the Merck’s case can be any better than under section 5(2)(b) of the Act; owing to the dissimilarity of most of the goods. In *Stringfellow v McCain Foods (GB) Ltd* [1984] RPC

501 Slade LJ considered the difficulty of establishing damage where the parties are in different lines of business:

“even if it considers that there is a limited risk of confusion of this nature, the court should not, in my opinion, readily infer the likelihood of resulting damage to the plaintiffs as against an innocent defendant in a completely different line of business. In such a case the onus falling on plaintiffs to show that damage to their business reputation is in truth likely to ensue and to cause them more than a minimal loss is in my opinion a heavy one.”

In *Erven Warnink BV v J Townend & Sons (Hull) Ltd* [1980] RPC 31 Lord Fraser commented upon what the plaintiff must establish:

“That he has suffered, or is *really likely* to suffer, substantial damage to his property in the goodwill by reason of the defendants selling goods which are falsely described by the trade name to which the goodwill is attached.”

That distance between the non-similar goods will also obviate any potential for damage. Merck has certainly not established that it is really likely to suffer substantial damage to its goodwill. So, in relation to the goods that I found to be dissimilar under section 5(2)(b) of the Act, I find that Merck fails in relation to passing-off also.

27) The goods are prescription only. However, the consideration of confusion/deception is not limited to the prescriber. The patient or the pharmacist could be deceived; they could, in the classic terms of passing-off, believe that Merck is responsible for the goods sold under Mr Patel’s trade mark. Owing to the similarity of the trade marks and the similarity of Merck’s goods with *food and beverages which are adapted for medical purposes* and *dietetic substances adapted for medical use*, I believe that there could be deception/confusion. If there were any failings in the goods of Mr Patel, the trade reputation of Merck could be injured. There is also the injury which is inherently likely to be suffered by any business when on frequent occasions it is confused by customers or potential customers with a business owned by another proprietor or is wrongly regarded as being connected with that business (see *Habib Bank Limited v Habib Bank AG Zurich* [1982] RPC 1). Consequently, in relation to the above goods there could be damage. I consider that in relation to *food and beverages which are adapted for medical purposes* and *dietetic substances adapted for medical use* use of the trade mark of Mr Patel is liable to be prevented by Merck under the law of passing-off. Consequently, the grounds of opposition under section 5(4)(a) are upheld in relation to these goods.

## **OVERALL CONCLUSION**

**28) The application is to be refused in respect of *food and beverages which are adapted for medical purposes* and *dietetic substances adapted for medical use*. The opposition is rejected in relation to all other goods.**

## **COSTS**

**29) In the main Mr Patel has been successful; he is, therefore, entitled to a contribution towards his costs. I order Merck KGaA to pay Rajendra Patel the sum of £1075. 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 14th day of August 2006**

**David Landau  
For the Registrar  
the Comptroller-General**