

O/370/21

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. 3399612
BY MEDA WELLNESS LIMITED
FOR THE FOLLOWING TRADE MARK:**

MEDA

IN CLASSES 29, 30, 31, 32, 34 AND 35

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 417661
BY MEDA AB**

BACKGROUND AND PLEADINGS

1. On 15 May 2019, MEDA Wellness Limited (“the applicant”) applied to register the trade mark shown on the cover page of this decision in the UK. The application was published for opposition purposes on 14 June 2019. The specification has been subject to amendment in the course of proceedings and now stands as set out in the Annex to this decision.

2. On 13 September 2019, Meda AB (“the opponent”) opposed the application based upon Sections 5(1), 5(2)(a) and 5(3) of the Trade Marks Act 1994 (“the Act”). Following the removal from the application of all of the goods and services opposed under Sections 5(1) and 5(2)(a) and some of the services opposed under Section 5(3), the opposition proceeded on the basis of Section 5(3) against the following goods in the application:

Class 32: *Beers; Ales; mineral and aerated waters; non-alcoholic drinks, namely, energy shots; fruit drinks and fruit juices; syrups for making beverages; shandy; de-alcoholised drinks; non-alcoholic beers and wines; Bottled drinking water; Cola; Concentrated fruit juice; Drinking water with vitamins; Energy drinks; Flavoured beer; Frozen fruit-based beverages; Fruit smoothies; Green vegetable juice beverages; India pale ales (IPAs); Pale ale; Isotonic drinks; Lager; Non-alcoholic beverages flavoured with tea; Non-alcoholic beverages flavoured with coffee; Powders used in the preparation of fruit-based beverages; Powders used in the preparation of soft drinks; Stout.*

Class 34: *Herbs for smoking; Hookahs; Lighters for smokers [cigarette lighters] [not for automobiles]; Tobacco grinders; Tobacco substitutes; Tobacco tins; Matches; Safety matches; Match boxes; Match boxes not of precious metal; Match boxes of precious metal; Ashtrays; Tobacco; Asian long tobacco pipe sheaths; Cartridges sold filled with chemical flavourings in liquid form for electronic cigarettes; Chemical flavourings in liquid form used to refill electronic cigarette cartridges; Cigar boxes; Cigar boxes of precious metal; Cigar cases; Cigar cases, not of precious metal; Cigar clippers; Cigar cutters; Cigar holders; Cigar humidifiers; Cigar lighters; Cigarette boxes; Cigarette boxes of precious*

metal; Cigarette cases not of precious metal; Cigarette cutters; Cigarette filters; Cigarette holders; Cigarette lighters; Cigarette paper; Cigarette rolling machines; Cigarette tobacco; Cigarettes; Cigarillos; Cigars; Electric cigarettes [electronic cigarettes]; Electronic cigarette boxes; Electronic cigarette cases; Electronic cigarettes; Electronic cigars; Electronic hookahs; Electronic shisha pipes; Electronic smoking pipes; Filter tips; Flavoured tobacco; Flavourings, other than essential oils, for tobacco; Flavourings, other than essential oils, for use in electronic cigarettes; Flints for lighters; Hand-rolling tobacco; Oral vaporizers for smokers; Smoking pipe cleaners; Snuff; Snuff boxes; Snuff boxes made of precious metal; Snuff boxes, not of precious metal.

3. The opponent relies upon the following marks:

i. MEDA

("the First Earlier Mark")

UK no. 2287597

Filing date: 06 December 2001

Registration date: 24 May 2002

ii. MEDA

("the Second Earlier Mark")

EUTM no. 4773271

Filing date: 01 December 2005

Registration date: 22 April 2011

4. The marks are registered for a range of goods and services in various classes - the specifications are reproduced in full in the annex to this decision - but, for the purpose of the proceedings at issue, the opponent claims that the marks have a reputation in relation to *pharmaceutical preparations* in class 5.

5. The opponent claims that use of the applicant's mark would, without due cause, take unfair advantage of, or be detrimental to, the distinctive character and/or reputation of the earlier marks. In particular the opponent claims that:

“The applicant’s mark will create a link in the mind of the consumer with the opponent’s mark and, as a result of that link, there will be a change in the economic behaviour of the consumer making it more likely that the consumer will purchase the applicant’s products. In particular, the consumer may believe that the applicant’s goods are a sub-range of the pharmaceutical products sold under the opponent’s mark”.

6. The opponent argues that the applicant’s mark in class 32 cover goods which are marketed as “wellness” and “nutraceutical” and that the applicant’s marks will “take unfair advantage of the opponent’s mark by enabling the applicant to trade off the opponent’s reputation for healthcare products and to benefit from the investment made by the opponent in the advertising of their brand and their reputation for safe, effective and quality healthcare products”. It also argues that “use of the applicant’s mark in respect of CBD and tobacco related goods will damage the opponent’s reputation for high quality, safe and effective healthcare products” because tobacco products are contrary to public health and CBD products are “unlicensed goods and their quality, safety and effectiveness is not known”. Lastly, it is asserted that “the economic behaviour of the relevant public will be affected by the detriment caused to the distinctive character of the opponent’s mark as they may purchase the applicant’s goods in the mistaken belief that they originate from the opponent or from an entity working in collaboration with the opponent” and that “the opponent may lose sales as the relevant public may no longer exclusively associate goods bearing the opponent’s mark with the opponent which, in turn, will cause detriment to the reputation of quality, safety and effectiveness enjoyed by the opponent”.

7. The applicant filed a counterstatement denying the entirety of the opponent’s grounds under Section 5(3). In particular, the applicant argues that its product is a CBD infused soft drink having no medical benefit. It also refers to the opponent using other trade marks and stylised versions of the earlier marks.

8. The applicant put the opponent to proof of use of the earlier marks.

9. Both parties filed evidence. The applicant also filed written submissions. This will be summarised to the extent that it is considered necessary. Some of the exhibits

attached to the opponent's evidence are confidential; accordingly, if it becomes necessary to refer to any confidential evidence, the confidential information will be redacted from the public version of this decision.

10. Neither party requested a hearing, but the opponent filed written submissions in lieu of a hearing. This decision is taken following a careful reading of all of the papers.

11. The opponent is represented by Withers & Rogers LLP and the applicant is represented by TR Intellectual Property Ltd.

The opponent's evidence-in-chief

12. The opponent's evidence-in-chief comes from Jose Cotarelo, a Director of the opponent's company. It is dated 27 February 2020.

13. Mr Cotarelo states that the opponent is a leading international pharmaceutical company founded in Sweden in 1954. It is part of the MEDA group of companies ("MEDA Group") and was acquired by Mylan N.V. in 2016. Mylan paid USD 9.9 billion for the acquisition, which created a huge global healthcare business. In the two year before the date of the witness statement, the companies in the MEDA Group have been undergoing a period of integration into the existing Mylan business; notwithstanding that, Mylan has chosen to continue to distribute and sell MEDA branded products.

14. Mr Cotarelo states that MEDA Group has been providing pharmaceutical products under the mark MEDA since 1954. MEDA Group has a broad product portfolio, reaching more than 80% of the global pharmaceutical market, operating in around 60 countries and selling its products in more than 150 countries worldwide.

15. The first use of the mark MEDA in the UK occurred no later than 2005 and the first use of the same mark in Germany occurred no later than 1990 and since then the mark has been continuously used in the UK and in the EU in relation to pharmaceutical products.

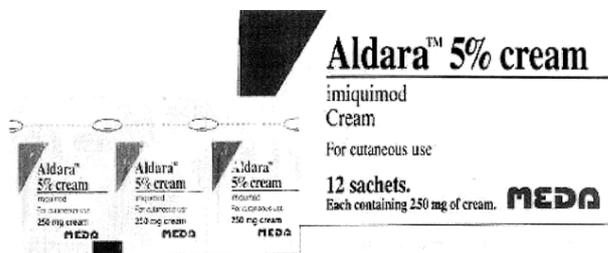
16. Mr Cotarelo states that MEDA Group produces and sells different types of pharmaceutical preparations under different products names, but all of the products have always been provided and promoted under or by reference to the house mark MEDA. By way of examples, he provides the table shown below, which, he states, represents a small selection of MEDA Group's products.

Product name(s)	Product description
EpiPen	Adrenaline autoinjector for treatment of anaphylaxis
Formatrix Novopulmon Budelin	Inhalation powders to prevent or decrease breathing issues
Elidel	Cream for treating dermatitis
CB12 / SB12	Medical mouthwash, mouth spray and gum for neutralising bad breath
Dymista Allergodil	Sprays for treatment of rhinitis
GoOn	Intra-articular viscosupplement to treat osteoarthritis
Kamillosan Difflam	Mouth and throat sprays to relieve pain
Mestinon	Oral tablet for treating intestinal atony, atonic constipation
Aldara	Cream for treating actinic keratosis, superficial basal cell carcinomas and genital warts
Zidoval	Gel for treating bacterial vaginosis
Zyclara	Cream for treating actinic keratosis of the face/scalp

17. Images of product packaging¹ (undated) are also exhibited; they show use of the product names listed in the table together with the house mark MEDA. Some of the images are reproduced below:



¹ Exhibit JC1



18. Unit volume and sale figures for pharmaceutical products sold under or by reference to the mark MEDA in the UK, Germany and Sweden in the years 2015-2019 are provided². The figures, in the form of tables broken down by product and by year, are conveniently summarised by Mr Cotarelo in the body of his witness statement³ in the following terms, which is a fair reflection of the specific figures reported:

“From these figures, it can be seen that annual net sales in Germany alone have reached in the region of EUR 150 million – 215 million over the last five years. In the UK, annual net sales were in the region of GBP 50 million – 70 million in 2015-2016, and in 2017-2019 were in the region of GBP 35 million – 40 million in relation to the 11 products identified in Exhibit JC2. In Sweden, annual net sales for the six top selling products alone have been in the region of SEK 330 million – 405 million (approx. GBP 25 million – 30 million)”.

19. Mr Cotarelo explains that following the acquisition by Mylan in 2016, it has not been possible to ascertain the total sales figures for all MEDA branded products; the figures given relate to the products identified in the exhibits only.

20. Mr Cotarelo states that MEDA Group has promoted its products through a variety of means including advertising campaigns, digital marketing, trade shows and exhibitions, as well as radio and television adverts. In addition, products are promoted

² Exhibit JC2-JC4

³ This paragraph is not covered by the confidentiality order

through visits to healthcare professionals, including GPs, nurses and pharmacists; it is estimated in that the UK the number of such visits is in the region of 70,000 per year.

21. The promotional spend in the UK is in the region of £1 million to £7 million per annum (in the period 2008 to 2017). Annual promotional spend for Germany and Sweden is given only in relation to the MEDA Group's ten and six top-selling products (respectively) and fluctuated between EUR 2 million and EUR 4 million in the period 2015-2019.

22. Examples of promotional materials used to promote MEDA branded products in the UK, Germany and Sweden are provided⁴. The evidence also contains a selection of media and press articles about MEDA Group.

23. Mr Cotarelo states that the opponent has operated a website from the domain meda.se since 1996 and country-specific websites, including a UK website at medapharma.co.uk since 2008. He also explains that following Mylan's acquisition, the MEDA websites began redirecting users to the Mylan website since 2016. Copies of pages from the opponent's Swedish, German and UK websites are provided;⁵ the pages, which have been obtained using the Internet archive the Wayback machine, are dated on various date from 1996 to January 2019 and show prominent use of the mark MEDA. Mr Cotarelo also provides details of awards won by MEDA Group, including a UK award for "Most valuable product" in the sore throat category obtained in 2019.

24. The remainder of Mr Cotarelo's witness statement is aimed at showing 1) that the potential risks associated with the consumption of tobacco and alcohol are widely known in the UK;⁶ 2) the offering, on the applicant's website, of CBD infused soft drinks products marketed as having health and wellness benefits⁷ and 3) that CBD products do not have regulatory approval in the UK and that trials have found CBD products to contain unlisted and potentially hazardous ingredients.⁸

⁴ Exhibits JC5-6

⁵ Exhibit JC9

⁶ Exhibits JC11-12

⁷ Exhibit JC13

⁸ Exhibit JC14

The applicant's evidence

25. The applicant filed evidence in the form of the witness statement of Adam Feldheim dated 15 October 2020. Mr Feldheim is the applicant's managing director. Most of Mr Feldheim's witness statement consists of a critical analysis of the evidence provided by the opponent; it also includes legal submissions. I will refer to particular points from Feldheim's witness statement where appropriate in the course of this decision.

26. Mr Feldheim also refers to the results of an investigation carried out by a specialist IP investigators company, Bishop IP Investigations, about the use of the mark MEDA. The results of that investigations are summarised by Mr Feldheim as follows:

- Exhibit AF1: A search of the UK Trade Mark Register reveals that only six of the product names listed in the table shown at paragraph 16, i.e. BUDELIN, DIFFLAM, MESTINON, ALDARA, ZIDOVAL, ZYCLARA, are registered in the opponent's name, with the other product names being registered in the name of other companies, including, amongst others, Mylan Inc. and various companies incorporating the name MEDA;
- Exhibits AF3-4: it shows images of a nasal spray called DYMISTA and a cream called TRECLIN. For each product two images are provided, one displaying the house mark MEDA and another one displaying the house mark MYLAN (although the names are blurry). Mr Feldheim says that the investigations have revealed that since the acquisition in 2016 a number of products which were previously branded under the mark MEDA are now branded under the mark MYLAN and argues that this casts doubt on the reliability of the turnover figures provided by the opponent which include sales of DYMISTA products for the years 2017-2019 which is after the re-branding;
- Exhibit AF5: according to Mr Feldheim the investigation found only three products on which the mark MEDA continue to be used, although the images provided relate only to two products, namely ALDARA and ZYCLARA;
- Exhibit AF6: includes an extract from the Wayback machine dated June 2018 showing that internet users accessing the website medapharma.co.uk were redirected to the website mylan.co.uk;

- Exhibit AF7-8: consists of screenshots from the websites mylan.com and mylan.co.uk. Mr Feldheim points out that the mylan.com website show no reference to MEDA products and that the mylan.co.uk website show some of products listed at the table shown at paragraph 16 (i.e. DYMISTA, EPIPEN and ELIDEL) displaying the MYLAN (rather than the MEDA) house mark on packaging;
- Exhibit AF-9-11: consists of screenshots from Mylan’s twitter account, YouTube channel and LinkedIn profile. Mr Feldheim points out that there is no reference to the mark MEDA.

The opponent’s evidence in reply

27. In response to the applicant’s evidence the opponent filed a second witness statement by Mr Cotarelo as evidence in reply. Mr Cotarelo’s second witness statement is dated 15 December 2020.

28. To address Mr Feldheim’s point that there was no evidence of use of the mark MEDA in relation to some of the products for which turnover figures had been given, Mr Cotarelo provide images showing the mark MEDA being displayed on packaging for those products⁹. Likewise, to address the criticism that no evidence of turnover had been provided for some of the products in relation to which use of the mark MEDA had been shown, Mr Cotarelo provide additional turnover figures for the years 2015-2019 (only for products sold in Germany).¹⁰

29. In response to Feldheim’s point that “nutrients, adaptogens, nootropics and liposomal CBD are not pharmaceuticals”, Mr Cotarelo provides internet printouts relating to these substances showing that they can have beneficial properties for the body and can be consumed as supplements.¹¹

30. Mr Cotarelo denies Feldheim’s allegation that only three products continue to use the MEDA branding in the UK and explains that whilst it is true that certain products

⁹ Exhibit JC15

¹⁰ Exhibit JC16

¹¹ Exhibit JC17

are in the process of being rebranded from MEDA to Mylan, it is a gradual process that has taken place only in relation to some products and only since 2018-2019; further, existing MEDA branded stock continues to be sold in the UK. According to Mr Cotarelo, there are many UK products which continue to bear the mark MEDA and for which there is no current intention to re-brand and the mark MEDA is still used in Germany in relation to a large number of products. Examples of packaging design from 2017 and 2018 are provided for a number of products destined to the EU market, including TRECLINAX, TRECLIN, ARMOLIPID, CB12, IALUMAR, DONA, VIARTRIL, LEGALON, MUSE; they all display the mark MEDA.¹²

31. Mr Cotarelo also provides 1) examples of advertising for products sold in Sweden (i.e. MITTIVAL), in the UK (i.e. DYMISTA) and in Austria (i.e. URIVESC); these are dated 2018-2019, 2015 and 2017 respectively and display the mark MEDA, with the Austrian promotional material also displaying the brand MYLAN;¹³ 2) printouts from the Austrian website of Mylan (translated) obtained on 11 December 2020 listing both Mylan branded products and MEDA branded products; there are 27 MEDA branded products and 15 MEDA over the counter products;¹⁴ 3) turnover figures for the 25 top-selling over the counter products sold in Austria during the period 2018-2020;¹⁵ a BBC News article from April 2019 about a CBD drink product which is available in a pharmacy chain and it is outselling water in its stores.¹⁶

DECISION

Section 5(3)

32. Section 5(3) states:

“(3) A trade mark which-

¹² Exhibit JC19

¹³ Exhibit JC20

¹⁴ Exhibit JC21

¹⁵ Exhibit JC22

¹⁶ Exhibit JC24

(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 European Union trade mark or international trade mark (EC), in the European Union) 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.

33. Section 5(3A) states:

“(3A) Subsection (3) applies irrespective of whether the goods and services for which the trade mark is to be registered are identical with, similar to or not similar to those for which the earlier trade mark is protected.”

34. Section 5A of the Act is as follows:

“5A Where grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the trade mark is applied for, the application is to be refused in relation to those goods and services only.”

35. Both marks relied upon by the opponent qualify as earlier marks within the meaning of Section 6(1) of the Act because they have filing dates earlier than the filing date of the contested application. Both marks completed their registration procedure more than five years before the application date of the contested mark and, as a result, are subject to the proof of use provisions contained in Section 6A of the Act.

36. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Act relied on in these proceedings are derived from an EU Directive. This is why this decision continues to make reference to the trade mark case law of EU courts.

Proof of Use

37. I will begin by assessing whether there has been genuine use of the earlier marks.

Section 6A of the Act is as follows:

“(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 relevant period.

(1A) In this section ‘the relevant period’ means the period of 5 years ending with the date of the application for registration mentioned in subsection (1)(a) or (where applicable) the date of the priority claimed for that application.

(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 relevant period 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 (the ‘variant form’) differing in elements which do not alter the distinctive character of the mark in the form in which it was registered (regardless of whether or not the trade mark in the variant form is also registered in the name of the proprietor), 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 European Union trade mark or international trade mark (EC), any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Union.

[...]

(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.”

38. Section 100 of the Act is as follows:

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

39. The relevant period in which use must be shown is the five years before the date the contested application was filed: 16 May 2014 to 15 May 2019.

40. The case law on genuine use was summarised by Arnold J (as he then was) in *Walton International Limited v Verweij Fashion BV* [2018] EWHC 1608 (Ch):

“114. *The law with respect to genuine use.* The CJEU has considered what amounts to ‘genuine use’ of a trade mark in a series of cases: Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, *La Mer* (cited above), Case C-416/04 *Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237, Case C-442/07 *Verein Radetsky-Order v Bundersvereinigung Kamaradschaft ‘Feldmarschall Radetsky’* [2008] ECR I-9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C-149/11 *Leno Merken BV v Hagelkruis Beheer BV* [EU:C:2012:816] [2013] ETMR 16, Case C-609/11 P *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR, Case C-141/13 *Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089] and Case C-689/15 *W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434], [2017] Bus LR 1795.

115. The principles established by these cases may be summarised as follows:

(1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Leno* at [29]; *Centrotherm* at [71]; *Reber* at [29].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish

the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Leno* at [29]; *Centrotherm* at [71]. Accordingly, affixing of a trade mark on goods as a label of quality is not genuine use unless it guarantees, additionally and simultaneously, to consumers that those goods come from a single undertaking under the control of which the goods are manufactured and which is responsible for their quality: *Gözze* at [43]-[51].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14] and [22]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71]; *Reber* at [29].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services

covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Leno* at [29]-[30], [56]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72] and [76]-[77]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32].”

41. As the Second Earlier Mark is an EUTM, I must consider the EU as the market in which the opponent is required to show genuine use.¹⁷

42. There are examples of the earlier mark being used in word-only format, for example in domain names and on webpages¹⁸. Clearly, this will be use upon which the opponent can rely. However, most of the examples, including the examples of products, packaging and marketing, show the earlier marks being used in the stylised font as shown below:

The image shows the word "MEDA" in a very bold, stylized, blocky font. The letters are thick and have a slightly irregular, hand-drawn appearance. The 'M' and 'D' are particularly prominent due to their size and weight.

¹⁷ See *Leno Merken BV v Hagelkruis Beheer BV*, Case C-149/11, paragraph 36.

¹⁸ Exhibit JC9

43. For the avoidance of doubt, I consider this to be use of the mark as registered as registration of a word-only mark covers use in any typeface.

44. An assessment of genuine use is a global assessment, which includes looking at the evidential picture as a whole, not whether each individual piece of evidence shows use by itself.¹⁹ The evidence filed provides information concerning turnover, products sold, territorial scope and the duration of use. One of the criticisms raised by the applicant is that only six of the product names in relation to which the opponent claims to have used the mark MEDA are registered in the opponent's name. I cannot see how this should be relevant for the purpose of establishing genuine use of the mark MEDA. Even if some of the product marks in conjunction with which the mark MEDA have been used are registered in the name of other companies, what the opponent needs to establish here is use of the mark MEDA (which is registered in its name), by itself or with its consent.²⁰ Indeed, the opponent has explained that it is part of the MEDA Group of companies and that Mylan acquired the latter in 2016, so even if some of the product marks in relation to which the mark MEDA has been used are registered in the name of other companies, the logical assumption is that the mark MEDA has been used on these products with the consent of the registered proprietor, i.e. the opponent (and the applicant did not dispute that the use shown is use by the opponent or with its consent). This is all of the more so, since most of the product marks which are not registered in the opponent's name appear to be registered in the name of companies that have an economic link to the opponent, i.e. MYLAN or companies incorporating the name MEDA.

45. Another criticism raised by the applicant is that although the mark MEDA appears on packaging, the principal brands are the product names and the mark MEDA appears as a secondary brand and is displayed in a smaller font. Although I agree with the applicant that the purchasing public, including patients, pharmacies and health professionals, are likely to recognise the products by their product names, I do not accept the suggestion that a house mark must always be used as a primary brand (or in a visually prominent manner). Whilst it is common in some industries, such as the

¹⁹ *New Yorker SHK Jeans GmbH & Co KG v OHIM*, T-415/09

²⁰ *Einstein Trade Mark*, [2007] RPC 23

perfumery and fashion sectors, to use house marks as main brands, the opponent's evidence accords entirely with my own experience that, in the pharmaceutical sector, house marks are often used in an umbrella-like way in conjunction with other product/drug names. Further, although the mark MEDA is presented in a smaller font compared to that used for the product marks, it is still clearly visible. Finally, there is clear case-law that the use of one mark with, or as part of, another mark, qualifies as 'genuine use'.²¹

46. The other factors which I take into account are as follows:

1. **the extent of use:** use of the mark on products, product packaging, advertising, promotional materials and websites is extensive;
2. **the length of use:** use of the mark is long-standing, with the mark being used in UK since 2005 and in Germany since 1990. Mr Cotarelo also mentioned that the first use of the mark dates back to 1954;
3. **territorial scope and turnover:** sale figures provided for the UK, Germany, Sweden (for the years 2015-2019) and Austria (for the years 2019-2020) are significant, being in the range of hundreds of millions. Although Mr Cotarelo conceded that it has not been possible to provide total sale figures, and that some of the products in relation to which turnover figures were provided have been rebranded, he also explained that the rebranding process took place only in 2018-2019 (and the applicant's evidence did not go as far as proving that the rebranding of certain products occurred before 2018-2019). This entitles me to conclude that all of the sales figures provided for the years 2015, 2016 and 2017, which would amount to around GBP ■■■ million (UK), EUR ■■■ million (Germany) and SEK ■■■ million (which equates to about GBP ■■■ million) (Sweden), are still reliable (in the sense that they must all relate to products sold under the house mark MEDA before any rebranding took place), as they are not challenged by the applicant's argument;
4. **marketing expenditures:** although the evidence about marketing and promotion is a bit vague, marketing spend has been significant being approximately GBP 40 million in the UK (between 2007 and 2017), EUR 13

²¹ *Colloseum Holdings AG v Levi Strauss & Co.*, Case C-12/12

million in Germany (between 2015 and 2019) and SEK 220 million (which equates to GBP 18 million) in Sweden (between 2015 and 2019).

47. Having regards to all of the above, I conclude that the opponent has made genuine use of the mark MEDA within the UK and the EU during the relevant period.

Fair specification

48. I must now consider whether, or the extent to which, the evidence shows use of the earlier marks in relation to the goods relied upon.

49. In *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*, BL O/345/10, Mr Geoffrey Hobbs Q.C. as the Appointed Person summed up the law as being:

“In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned.”

50. In *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors* [2016] EWHC 3103 (Ch), Mr Justice Carr summed up the law relating to partial revocation as follows.

“iii) Where the trade mark proprietor has made genuine use of the mark in respect of some goods or services covered by the general wording of the specification, and not others, it is necessary for the court to arrive at a fair specification in the circumstance, which may require amendment; *Thomas Pink Ltd v Victoria's Secret UK Ltd* [2014] EWHC 2631 (Ch) ("Thomas Pink") at [52].

iv) In cases of partial revocation, pursuant to section 46(5) of the Trade Marks Act 1994, the question is how would the average consumer fairly describe the

services in relation to which the trade mark has been used; *Thomas Pink* at [53].

v) It is not the task of the court to describe the use made by the trade mark proprietor in the narrowest possible terms unless that is what the average consumer would do. For example, in *Pan World Brands v Tripp Ltd* (Extreme Trade Mark) [2008] RPC 2 it was held that use in relation to holdalls justified a registration for luggage generally; *Thomas Pink* at [53].

vi) A trade mark proprietor should not be allowed to monopolise the use of a trade mark in relation to a general category of goods or services simply because he has used it in relation to a few. Conversely, a proprietor cannot reasonably be expected to use a mark in relation to all possible variations of the particular goods or services covered by the registration. *Maier v Asos Plc* [2015] EWCA Civ 220 ("Asos") at [56] and [60].

vii) In some cases, it may be possible to identify subcategories of goods or services within a general term which are capable of being viewed independently. In such cases, use in relation to only one subcategory will not constitute use in relation to all other subcategories. On the other hand, protection must not be cut down to those precise goods or services in relation to which the mark has been used. This would be to strip the proprietor of protection for all goods or services which the average consumer would consider to belong to the same group or category as those for which the mark has been used and which are not in substance different from them; *Mundipharma AG v OHIM* (Case T-256/04) ECR II-449; EU:T:2007:46."

51. In *Merck KGaA v Merck Sharp & Dohme Corp & Ors* [2017] EWCA Civ 1834 (Court of Appeal), a case which concerned pharmaceutical substances and preparations, Kitchen LJ held that it was well established that (1) a category of goods/services may contain numerous subcategories capable of being viewed independently and, (2) the purpose and intended use of a pharmaceutical product are of particular importance in identifying the subcategory to which it belongs.

52. For reasons which I will explain, I am going to limit my considerations to the UK mark.

53. The opponent relies on *pharmaceutical preparations* in class 5. I note that the mark MEDA has been used in the UK (and figures for the UK sales are given) in relation to pharmaceutical products for treating anaphylaxis (EPIPEN), bad breath (CB12), dermatitis (ELIDEL) rhinitis (DYMISTA), intestinal atony and atonic constipation (MESTINON), pain and inflammation of throat and mouth (DIFFLAM) actinic keratosis and genital warts (ZYCLARA and ALDARA) and bacterial vaginosis (ZIDOVAL). Sale figures are also given for other two products, (i.e. TRAMQUEL and ZAMADOL) but there is no indication of what their intended use is. The evidence from the website also confirms that “MEDA is a Swedish speciality pharmaceutical company with a strategic focus on a limited number of therapeutic areas”,²² and that MEDA’s priority areas are asthma and allergy, cardiovascular, pain and inflammation, gastroenterology and dermatology. I also note that the UK figures do include any sale of pharmaceutical preparations for treating asthma and cardiovascular diseases.

54. Taking all of this into account, I do not consider the use shown to be broad enough to allow the opponent to rely on “pharmaceutical preparations” at large. I consider a fair specification for the mark to be:

Class 5: *pharmaceutical preparations for treating allergy, pain, inflammation, gastrointestinal, dermatological and bad breath.*

Section 5(3) case law

55. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, Case 252/07, *Intel*, Case C-408/01, *Addidas-Salomon*, Case C-487/07, *L’Oreal v Bellure* and Case C-323/09, *Marks and Spencer v Interflora* and Case C383/12P, *Environmental Manufacturing LLP v OHIM*. The law appears to be as follows.

²² Exhibit JC9

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 and between 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 risk that this will happen in future; *Intel, paragraphs 76 and 77* and *Environmental Manufacturing, paragraph 34*.

(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) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact of the earlier mark; *L'Oreal v Bellure NV*, paragraph 40.

(i) 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*).

56. The relevant date for the assessment under Section 5(3) is the date of the application, namely 15 May 2019.

Reputation

57. In *General Motors*, Case C-375/97, the CJEU held that:

“25. It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.

26. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.

27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.

28. Territorially, the condition is fulfilled when, in the terms of Article 5(2) of the Directive, the trade mark has a reputation 'in the Member State'. In the absence of any definition of the Community provision in this respect, a trade mark cannot be required to have a reputation 'throughout' the territory of the Member State. It is sufficient for it to exist in a substantial part of it."

58. Reputation is not a particularly onerous requirement. I have already addressed some of the factors which are relevant for the assessment of the opponent's claim to reputation when considering genuine use. Although no figure has been attempted for the share of the UK or EU pharmaceutical market held by the opponent trading under the mark MEDA, there are references in the evidence to MEDA being a leading pharmaceutical company. For example, webpages from medapharma.co.uk²³ from 2008 describe MEDA AB (i.e. the opponent), as "one of Europe's leading speciality pharma companies" and "one of the top pharmaceutical companies in the world" and refer to MEDA having over 70 products in the UK including many well-known prescriptions. Similar statements about MEDA being "a leading international pharmaceutical company with a broad portfolio" remain published on the same websites up to 2018. The same claim to MEDA AB being a leading international speciality pharma company appears in a press release from 7 April 2011.²⁴ There is also a press release dated 20 July 2016 from the European Commission's website about the Commission approving the acquisition of MEDA AB by Mylan. In particular, I note that the press release contains the following text: "The Commission's investigations found that for the majority of the products no competition concerns arise. However, the Commission identified 15 markets where it had competition concerns, in particular because of the strong position of the two companies and the lack of sufficient alternatives on the market [...]" and "Meda is a publicly listed Swedish company that

²³ Exhibit JC9

²⁴ Exhibit JC8

manufactures, markets and distributes both generic and specialty pharmaceuticals, over-the-counter- and on prescription”, all of which confirms the opponent’s solid position in the pharmaceutical business. Although I bear in mind that the reputation of a company’s name does not necessarily coincide with the reputation of that name used as a company’s brand, in the present case there is evidence of use of the name MEDA as a trade mark on packaging, products, websites and, to some extent, promotional material.

59. Taking into account the size of the business and the fact that the mark MEDA has been used on products, product packaging, advertising, promotional materials and websites for many years (i.e. since at least 2005 in the UK and since at least 1990 in Germany), it is likely that a significant part of GPs, doctors, nurses and pharmacists have become familiar with the mark MEDA, not only because of the range of products offered under the mark, but also because they would be exposed to the promotional activities aimed at marketing MEDA products to prescribers; as mentioned in the evidence, the opponent carries out about 70,000 visits a year in the UK to health professionals to promote the prescription of its products. Consequently, I conclude that, at the relevant date, the earlier mark was sufficiently known to have a strong reputation for *pharmaceutical preparations for treating allergy, pain, inflammation, gastrointestinal, dermatological and bad breath*, among prescribers in the UK. I also find that prescribers represent a significant part of the public concerned by the goods covered by the earlier mark.

60. There is no direct evidence to shed light on the degree of knowledge or recognition of the mark MEDA among end-users of the opponent’s products (i.e. patients and carers). However, I do not think that the evidence filed by the opponent is strong enough to support the conclusion that, at the relevant date, it had built up a reputation in the UK (or in the EU) under the mark MEDA among this section of the relevant public. This is because the mark MEDA has been used as a house mark in conjunction with other product marks (or drug names) which will be perceived by the public as being names for the product themselves and is always presented as secondary to the product marks. Hence, ultimate users of the opponent’s pharmaceutical goods are likely to know, identify and remember the goods by reference to the product marks rather than the house mark MEDA. Further, the goods are usually purchased without

the name of the house mark MEDA having to be pronounced and so ultimate users can be expected to pay relatively little attention to it. Finally, there is no evidence of patients being particularly familiar with the opponent's website. On the contrary, the website appears to target prescribers and investors rather than patients; for example, it states that MEDA's strategy focuses on building long term relationships with specialist prescribers.²⁵ Accordingly, I am not persuaded that the reputation of the opponent's MEDA mark extends to patients.

Link

61. As I noted above, my assessment of whether the public will make the required mental 'link' between the marks must take account of all relevant factors. The factors identified in *Intel* are:

The degree of similarity between the conflicting marks.

The applicant's mark	The opponent's mark
MEDA	MEDA

Both marks consist of the word MEDA. The marks are self-evidently identical.

The nature of the goods or services for which the conflicting marks are registered, or proposed to be registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public.

The opponent can rely on *pharmaceutical preparations for treating allergy, pain, inflammation, gastrointestinal, dermatological and bad breath* in class 5. The contested goods are:

Class 32: *Beers; Ales; mineral and aerated waters; non-alcoholic drinks, namely, energy shots; fruit drinks and fruit juices; syrups for making beverages; shandy; de-alcoholised drinks; non-alcoholic beers and wines; Bottled drinking*

²⁵ Exhibit JC9

water; Cola; Concentrated fruit juice; Drinking water with vitamins; Energy drinks; Flavoured beer; Frozen fruit-based beverages; Fruit smoothies; Green vegetable juice beverages; India pale ales (IPAs); Pale ale; Isotonic drinks; Lager; Non-alcoholic beverages flavoured with tea; Non-alcoholic beverages flavoured with coffee; Powders used in the preparation of fruit-based beverages; Powders used in the preparation of soft drinks; Stout.

Class 34: *Herbs for smoking; Hookahs; Lighters for smokers [cigarette lighters] [not for automobiles]; Tobacco grinders; Tobacco substitutes; Tobacco tins; Matches; Safety matches; Match boxes; Match boxes not of precious metal; Match boxes of precious metal; Ashtrays; Tobacco; Asian long tobacco pipe sheaths; Cartridges sold filled with chemical flavourings in liquid form for electronic cigarettes; Chemical flavourings in liquid form used to refill electronic cigarette cartridges; Cigar boxes; Cigar boxes of precious metal; Cigar cases; Cigar cases, not of precious metal; Cigar clippers; Cigar cutters; Cigar holders; Cigar humidifiers; Cigar lighters; Cigarette boxes; Cigarette boxes of precious metal; Cigarette cases not of precious metal; Cigarette cutters; Cigarette filters; Cigarette holders; Cigarette lighters; Cigarette paper; Cigarette rolling machines; Cigarette tobacco; Cigarettes; Cigarillos; Cigars; Electric cigarettes [electronic cigarettes]; Electronic cigarette boxes; Electronic cigarette cases; Electronic cigarettes; Electronic cigars; Electronic hookahs; Electronic shisha pipes; Electronic smoking pipes; Filter tips; Flavoured tobacco; Flavourings, other than essential oils, for tobacco; Flavourings, other than essential oils, for use in electronic cigarettes; Flints for lighters; Hand-rolling tobacco; Oral vaporizers for smokers; Smoking pipe cleaners; Snuff; Snuff boxes; Snuff boxes made of precious metal; Snuff boxes, not of precious metal.*

The contested goods include a range of alcoholic and non-alcoholic beverages as well as syrups and powders for making beverages in class 32 (for convenience, I will just refer to them as drink products) and various smokers' articles in class 34. In normal circumstances, I would have no hesitation in finding that the competing goods are dissimilar because they have different uses, natures, purposes, methods of use and trade channels and are neither complementary nor in competition.

In this case, however, there is evidence showing that the applicant's product is a canned drink infused with CBD which is sold through retail outlets; there is also a BBC article about a CBD fizzy drink sold in a pharmacy chain.²⁶ The latter include the following text: "What is the interaction between CBD oil and any other prescription medications? Could it reduce their effectiveness or even interact in a toxic way? The flip side of that is whether or not it works at all at these doses. Can it really help with muscle pain, anxiety or even acne as many of its devotees claim?". I also note that the applicant's product is said to reduce inflammation and nourish the skin and that the applicant's website contains the following text: "CBD BENEFIT AND USES- CBD is an incredibly versatile bioceutical compound found in hemp. Many people are surprised that a single nutritional supplement can have such a wide variety of wellness-boosting benefits to our bodies and minds. That is because CBD is a multi-tasking molecule, targeting a wide range of psychological functions at the same time. CBD activates receptors that regulate mood and anxiety, pain perception, inflammation, body temperature and feeling of nausea".²⁷

Even accepting that the contested goods in class 32 might cover CBD infused drinks and that the parties' goods could target the same users and be available through the same channels, i.e. pharmacies, there is no real competitive relationship between the opponent's *pharmaceutical preparations for treating allergy, pain, inflammation, gastrointestinal, dermatological and bad breath* in class 5 and the applicant's drink products in class 32. Despite the statements made on the applicant's website, the reality is that the dose of CBD oil used in CBD infused drinks is likely to be very low because the purpose of the goods is not therapeutic (otherwise the goods would be classed in class 5 because class 5 covers pharmaceuticals and other preparations for medical purposes – for example it includes *dietary supplements and dietetic preparations containing CBD oil*). Thus, I still find that is no meaningful areas of similarity between the applicant's goods in class 32 and 34 and the goods for which the opponent has a reputation. The goods are dissimilar.

²⁶ Witness statement of Adam Feldheim paragraph 45 and Exhibit JC 24

²⁷ Exhibit JC13

The strength of the earlier mark's reputation.

The earlier marks have acquired a strong reputation among prescribers.

The degree of the earlier mark's distinctive character, whether inherent or acquired through use.

The earlier marks consist of the single word MEDA. Although the word is invented, it is only four letter long. As such, it is inherently distinctive to a medium to high degree. The use of the mark has increased its distinctive character to high.

Whether there is a likelihood of confusion.

Given that the respective goods are dissimilar, there would be no risk likelihood of confusion on the part of the relevant public.

62. As the link must be made from the perspective of the relevant public in the territory in which registration of the contested national mark concerned by the opposition has been applied for, the opponent's best case lies in the UK mark simply because where an EUTM has a reputation outside the UK, it will be harder to show the necessary link. It is to the UK mark that I shall, therefore, limit my considerations.

Will the relevant public make a link?

63. In the present case, what I need to be satisfied about is whether, in the mind of the public concerned by the goods of the contested mark, the contested mark would call to mind the earlier mark.

64. As the opponent's MEDA mark has a reputation among the narrow section of the UK public who prescribe the opponent's pharmaceutical goods, that in fact overlaps, albeit only partially, with the section of the public who are targeted by the contested smokers' articles and drink products, since prescribers of the opponent's goods may also be consumers of the contested goods.

65. It is true that there is a not insignificant gap between the respective goods of the parties in these proceedings: pharmaceuticals *versus* drink products and smokers'

articles. However, taking into account all of the other factors, in particular the identity of the marks, the high level of distinctiveness of the opponent's earlier mark and the strength of the earlier mark's reputation, I find that notwithstanding the fact that the relevant consumers do not overlap completely and that the goods are dissimilar, a significant proportion of consumers familiar with the reputation of MEDA would make a link between the marks, in the sense that the applicant's mark would call the opponent's mark to mind. **A link, therefore, is clearly established.**

Damage

66. The third requirement under Section 5(3) is that the proprietor of the earlier mark with a reputation must establish the existence of one of three kinds of injury against which Section 5(3) of the Act ensures protection, namely, detriment to the distinctive character of the mark, detriment to the repute of the mark and unfair advantage taken of the distinctive character or the repute of the mark.

Unfair advantage

67. The existence of injury consisting of unfair advantage must be assessed by reference to the average consumers of the goods covered by the contested mark. In *L'Oréal v Bellure* the CJEU described 'unfair advantage' as follows:

“As regards the concept of ‘taking unfair advantage of the distinctive character or the repute of the trade mark’, also referred to as ‘parasitism’ or ‘free-riding’, that concept relates not to the detriment caused to the mark but to the advantage taken by the third party as a result of the use of the identical or similar sign. It 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.”

68. As regards unfair advantage, the opponent put its argument as follows:

“In relation to unfair advantage, the Opponent has set out in its Statement of Grounds that consumers may believe that the Applicant’s goods are a sub-range of the pharmaceutical products sold under the Opponent’s MEDA mark, making it more likely that they will purchase the Applicant’s goods. The Applicant will also unfairly gain from the marketing efforts of the Opponent, allowing it to benefit from the investment made by the Opponent in the promotion of the Opponent’s mark and facilitating the marketing of the Applicant’s goods.

In particular, many of the Applicant’s products, including its non-alcoholic beverages could be marketed as “wellness” or “nutraceutical” products. Indeed, the [applicant] is already marketing CBD-infused soft drinks under the trade mark MEDA, which it promotes as “targeted functional wellness products containing nutrients, adaptogens, nootropics and best-in-class broad spectrum liposomal CBD for optimal absorption and effectiveness”. Its website makes various claims as to the nature, benefits, effects and science of CBD (Cotarelo Statement 1 paras. 33-35 and Exhibit JC13).”

69. The opponent’s submission is primarily that the marks will be associated/confused which means that the contested mark will take unfair advantage of the earlier mark. Since I have found that there would be no likelihood of confusion, I also reject the submission that consumers of the applicant’s goods may believe that the goods are a sub-range of the pharmaceutical products sold under the opponent’s earlier mark.

70. Further, as regards the specific claim that the applicant sells a drink containing CBD, even if the opponent had pleaded the ‘transfer of image’ argument (without also claiming that consumers would assume that the goods come from a common source), it did not point to any specific aspect of its reputation for the specific pharmaceutical products sold under the earlier mark which is likely, through (non-origin) association, to benefit the contested mark.

71. Although the applicant’s goods are marketed as having certain therapeutic characteristics that can be attributed to the goods in relation to which the earlier mark has a reputation, namely lower pain and inflammation or skin-calming effects, given

the intrinsic non-therapeutic (and dissimilar) nature of the contested goods in class 32 and the fact that the reputation of the earlier mark is limited to prescribers, who are not the ultimate users of the opponent's products (meaning that the overlap between the relevant consumers is very limited), there is no reason to suppose that prescribers of the opponent's pharmaceutical preparations would be induced to purchase the applicant's products by association with the earlier mark.

72. **Conclusion.** Consequently, my conclusion is that use of the contested mark would not take unfair advantage of the reputation of the earlier mark.

Detriment to the distinctive character of the earlier mark

73. The existence of injury consisting of detriment to the distinctive character of the earlier mark must be assessed by reference to the average consumers of the goods for which the earlier mark has a reputation. Detriment to the distinctive character of a mark is caused when the mark's ability to identify the goods or services for which it is registered and used as coming from the proprietor is weakened.

74. In *Environmental Manufacturing LLP v OHIM*, Case C-383/12P, the CJEU stated that:

“34. According to the Court's case-law, proof that the use of the later mark is, or would be, detrimental to the distinctive character of the earlier mark requires evidence of a change in the economic behaviour of the average consumer of the goods or services for which the earlier mark was registered, consequent on the use of the later mark, or a serious likelihood that such a change will occur in the future (*Intel Corporation*, paragraphs 77 and 81, and also paragraph 6 of the operative part of the judgment).

35. Admittedly, paragraph 77 of the *Intel Corporation* judgment, which begins with the words '[i]t follows that', immediately follows the assessment of the weakening of the ability to identify and the dispersion of the identity of the earlier mark; it could thus be considered to be merely an explanation of the previous paragraph. However, the same wording, reproduced in paragraph 81 and in the

operative part of that judgment, is autonomous. The fact that it appears in the operative part of the judgment makes its importance clear.

36. The wording of the above case-law is explicit. It follows that, without adducing evidence that that condition is met, the detriment or the risk of detriment to the distinctive character of the earlier mark provided for in Article 8(5) of Regulation No 207/2009 cannot be established.

37. The concept of 'change in the economic behaviour of the average consumer' lays down an objective condition. That change cannot be deduced solely from subjective elements such as consumers' perceptions. The mere fact that consumers note the presence of a new sign similar to an earlier sign is not sufficient of itself to establish the existence of a detriment or a risk of detriment to the distinctive character of the earlier mark within the meaning of Article 8(5) of Regulation No 207/2009, in as much as that similarity does not cause any confusion in their minds.

38 The General Court, at paragraph 53 of the judgment under appeal, dismissed the assessment of the condition laid down by the *Intel Corporation* judgment, and, consequently, erred in law.

39. The General Court found, at paragraph 62 of the judgment under appeal, that 'the fact that competitors use somewhat similar signs for identical or similar goods compromises the immediate connection that the relevant public makes between the signs and the goods at issue, which is likely to undermine the earlier mark's ability to identify the goods for which it is registered as coming from the proprietor of that mark'.

40. However, in its judgment in *Intel Corporation*, the Court clearly indicated that it was necessary to demand a higher standard of proof in order to find detriment or the risk of detriment to the distinctive character of the earlier mark, within the meaning of Article 8(5) of Regulation No 207/2009.

41. Accepting the criterion put forward by the General Court could, in addition, lead to a situation in which economic operators improperly appropriate certain signs, which could damage competition.

42. Admittedly, Regulation No 207/2009 and the Court's case-law do not require evidence to be adduced of actual detriment, but also admit the serious risk of such detriment, allowing the use of logical deductions.

43. None the less, such deductions must not be the result of mere suppositions but, as the General Court itself noted at paragraph 52 of the judgment under appeal, in citing an earlier judgment of the General Court, must be founded on 'an analysis of the probabilities and by taking account of the normal practice in the relevant commercial sector as well as all the other circumstances of the case'."

75. The opponent's case is as follows:

"Use of an identical mark in respect of the Applicant's products will inevitably compromise the ability of the Opponent's mark to arouse immediate association with the goods for which it is registered. Consumers may purchase the Applicant's goods in the mistaken belief that they originate from the opponent or from an entity working in collaboration with the Opponent. This is all the more true when it is borne in mind that the Opponent produces not only prescription drugs but also over-the-counter products such as mouthwashes. The fact that the public may no longer associate goods bearing the trade mark MEDA exclusively with the Opponent would lead to blurring and reduce the hold of the Opponent's mark on the public. Furthermore, the Opponent's mark enjoys a high degree of inherent distinctiveness, as it has no meaning in respect of the goods, and thus the risk of damage to its distinctiveness is greater."

76. Insofar as the opponent's claim under this head of damage revolves around the argument that consumers may purchase the applicant's goods in the mistaken belief that they originate from the opponent or from an economically connected undertaking, I also reject it.

77. For the sake of completeness, I will also consider the argument that use of the applicant's identical mark is liable to dilute the distinctiveness of the earlier mark through (non-origin) association. Bearing in mind the dissimilarity of the goods concerned and the fact that the overlap between the relevant consumers is limited, I am not convinced that use of the contested mark will make the opponent's mark less distinctive for the goods for which it has a reputation.

78. **Conclusion.** On balance, my conclusion is that if there is any detriment to the distinctive character of the opponent's mark, such detriment is unlikely to be more than *de minimis*.

Detriment to the repute of the earlier marks

79. This type of injury must also be assessed by reference to average consumers of the goods for which the earlier mark has a reputation. The CJEU described 'detriment to reputation' as follows²⁸:

"As regards detriment to the repute of the mark, also referred to as 'tarnishment' or 'degradation', such detriment is caused when the goods or services for which the identical or similar sign is used by the third party may be perceived by the public in such a way that the trade mark's power of attraction is reduced. The likelihood of such detriment may arise in particular from the fact that the goods or services offered by the third party possess a characteristic or a quality which is liable to have a negative impact on the image of the mark."

80. The opponent's claim is as follows:

"In respect of detriment to reputation, the Opponent's mark may be damaged by the use without due cause of the Applicant's mark in respect of the goods in Classes 32 and 34, such that the power of attraction of the Opponent's mark will be diminished by association on the part of the public with the Applicant's

²⁸ *L'Oréal SA v Bellure NV* [2009] ECR I-5185

Mark. In particular, insofar as the Applicant's mark covers alcoholic beverages and smokers articles, there is very clear potential for damage to the Opponent's reputation for high quality, safe and effective healthcare products. The potentially damaging effects to health which can be caused by drinking and smoking are extremely well known and are supported by the print outs contained in Exhibits JC11 and JC12. The use of an identical mark in relation to alcoholic beverages and smokers articles, which have the potential to damage consumers' health, gives rise to a very real likelihood of damage to a brand with a reputation for improving people's health.

Furthermore, insofar as the Applicant's mark may cover soft drinks containing CBD, CBD products do not have regulatory approval in the UK and there is currently no standard for labelling or testing the contents of CBD products."

81. The essence of the opponent's case is that because some of the goods opposed, namely alcoholic drinks and smoking articles, are dangerous to health and considered to be unhealthy products, use of the applicant's mark in relation to those goods would result in a negative image transfer and tarnish the opponent's reputation for its pharmaceutical products. The claim implies that detriment arises from the nature of the goods themselves. In my view, this represents the opponent's strongest case.

82. I think it is not in dispute that cigarettes, tobacco and alcohol are perceived by the public as unhealthy products and I agree with the opponent that cigarettes, tobacco and other smoking related goods and alcoholic drinks are likely to be perceived as being harmful to health (albeit to varying degrees). This is especially so given that the relevant public in relation to which the mark has a reputation are doctors, pharmacists and health professionals, who are particularly aware of the negative effects of smoking and drinking. There have also been cases whereby applications for identical or similar marks for tobacco and smoking articles were successfully opposed on the basis of registrations for chewing gum, sports clothes and cosmetics²⁹.

²⁹ *Hollywood v Soma Cruz* [2002] E.T.M.R. 64 OHIM BoA, *Karelia Tobacco Co Inc v Basic Trade Mark SAR-297/2011-5*, *NIVEA Trade Mark*, BL-O-564/18

83. **Conclusion.** Bearing in mind the reputation of MEDA in respect of pharmaceutical preparations which are aimed at improving health and treating health conditions, I am satisfied that any potential linking of the MEDA brand with smoking related goods and alcoholic drinks is likely to have a detrimental effect on MEDA as a brand. Use of the contested mark for such unhealthy products is likely to prompt negative mental associations with the concept of health and scientific research projected by the opponent's mark, causing detriment to its repute.

84. I extend the same conclusion to the contested *de-alcoholised drinks* and *non-alcoholic beers and wines*; although these products have little or no alcohol content, they aim to reproduce the taste of beer and wine while eliminating the inebriating effects, have the same nature as alcoholic beer and wine and will be sold in close proximity to these products. Hence the image that would generate from these products is also incompatible and inconsistent with the opponent's reputation and likely to cause detriment to that reputation.

Conclusion

85. The opposition succeeds in relation to the following goods which will be refused registration:

Class 32: *Beers; Ales; shandy; de-alcoholised drinks; non-alcoholic beers and wines; Flavoured beer; India pale ales (IPAs); Pale ale; Lager; Stout.*

Class 34: *Herbs for smoking; Hookahs; Lighters for smokers [cigarette lighters] [not for automobiles]; Tobacco grinders; Tobacco substitutes; Tobacco tins; Matches; Safety matches; Match boxes; Match boxes not of precious metal; Match boxes of precious metal; Ashtrays; Tobacco; Asian long tobacco pipe sheaths; Cartridges sold filled with chemical flavourings in liquid form for electronic cigarettes; Chemical flavourings in liquid form used to refill electronic cigarette cartridges; Cigar boxes; Cigar boxes of precious metal; Cigar cases; Cigar cases, not of precious metal; Cigar clippers; Cigar cutters; Cigar holders; Cigar humidifiers; Cigar lighters; Cigarette boxes; Cigarette boxes of precious metal; Cigarette cases not of precious metal; Cigarette cutters; Cigarette filters;*

Cigarette holders; Cigarette lighters; Cigarette paper; Cigarette rolling machines; Cigarette tobacco; Cigarettes; Cigarillos; Cigars; Electric cigarettes [electronic cigarettes]; Electronic cigarette boxes; Electronic cigarette cases; Electronic cigarettes; Electronic cigars; Electronic hookahs; Electronic shisha pipes; Electronic smoking pipes; Filter tips; Flavoured tobacco; Flavourings, other than essential oils, for tobacco; Flavourings, other than essential oils, for use in electronic cigarettes; Flints for lighters; Hand-rolling tobacco; Oral vaporizers for smokers; Smoking pipe cleaners; Snuff; Snuff boxes; Snuff boxes made of precious metal; Snuff boxes, not of precious metal.

86. The opposition fails in relation to the following goods which can proceed to registration (along with the other goods that were not opposed):

Class 32: *mineral and aerated waters; non-alcoholic drinks, namely, energy shots; fruit drinks and fruit juices; syrups for making beverages; Bottled drinking water; Cola; Concentrated fruit juice; Drinking water with vitamins; Energy drinks; Flavoured beer; Frozen fruit-based beverages; Fruit smoothies; Green vegetable juice beverages; Isotonic drinks; Non-alcoholic beverages flavoured with tea; Non-alcoholic beverages flavoured with coffee; Powders used in the preparation of fruit-based beverages; Powders used in the preparation of soft drinks.*

Costs

87. Since both sides have achieved partial success, I order that each should bear their own costs.

Dated this 18th day of May 2021

T Perks
For the Registrar,
the Comptroller-General

Annex

UK no. 3399612

Class 29: *Meat, fish, poultry and game; meat extracts; preserved, dried and cooked fruits and vegetables; preserved or dried beans, pulses; processed nuts; snacks made from fruits or vegetables; jellies, jams, compotes; eggs, cheese, milk and milk products; edible oils and fats; processed seeds.*

Class 30: *Ice cream desserts; coffee, tea, cocoa, sugar, rice, tapioca, sago, artificial coffee; flour; preparations made from cereals, namely, cakes made with cereals, cereal bars, cereal-based snack foods; bread; pastry; confectionery, namely, chocolate; muffins; Brownies; ices; bread sticks; pastries; cakes; puddings; trifles; pastas; biscuits; tarts; desserts; confectionery made of sugar; chocolate; candies, candy bars; chocolate bars; honey; yeast; baking-powder; mustard; vinegar; sauces; tomato-based sauces; pesto; pasta sauces; chutney; marinades; condiments, namely, pepper sauce; pickled ginger; seasonings; relishes; salt; sea salt; flavoured salt; pepper; peppercorns; pepper sauce; treacle; spices; ice; sandwiches; prepared meals consisting primarily of pasta or rice; pizzas; pies; and frozen pasta meals consisting primarily of pasta.*

Class 31: *Dog treats; Seeds; quinoa, buckwheat; grains [seeds]; natural seeds; sunflower seeds; nuts (fruit); raw nuts; unprocessed nuts; fresh nuts; fresh lentils; legumes; fresh legumes.*

Class 32: *Beers; Ales; mineral and aerated waters; non-alcoholic drinks, namely, energy shots; fruit drinks and fruit juices; syrups for making beverages; shandy; de-*

alcoholised drinks; non-alcoholic beers and wines; Bottled drinking water; Cola; Concentrated fruit juice; Drinking water with vitamins; Energy drinks; Flavoured beer; Frozen fruit-based beverages; Fruit smoothies; Green vegetable juice beverages; India pale ales (IPAs); Pale ale; Isotonic drinks; Lager; Non-alcoholic beverages flavoured with tea; Non-alcoholic beverages flavoured with coffee; Powders used in the preparation of fruit-based beverages; Powders used in the preparation of soft drinks; Stout.

Class 34: *Herbs for smoking; Hookahs; Lighters for smokers [cigarette lighters] [not for automobiles]; Tobacco grinders; Tobacco substitutes; Tobacco tins; Matches; Safety matches; Match boxes; Match boxes not of precious metal; Match boxes of precious metal; Ashtrays; Tobacco; Asian long tobacco pipe sheaths; Cartridges sold filled with chemical flavourings in liquid form for electronic cigarettes; Chemical flavourings in liquid form used to refill electronic cigarette cartridges; Cigar boxes; Cigar boxes of precious metal; Cigar cases; Cigar cases, not of precious metal; Cigar clippers; Cigar cutters; Cigar holders; Cigar humidifiers; Cigar lighters; Cigarette boxes; Cigarette boxes of precious metal; Cigarette cases not of precious metal; Cigarette cutters; Cigarette filters; Cigarette holders; Cigarette lighters; Cigarette paper; Cigarette rolling machines; Cigarette tobacco; Cigarettes; Cigarillos; Cigars; Electric cigarettes [electronic cigarettes]; Electronic cigarette boxes; Electronic cigarette cases; Electronic cigarettes; Electronic cigars; Electronic hookahs; Electronic shisha pipes; Electronic smoking pipes; Filter tips; Flavoured tobacco; Flavourings, other than essential oils, for tobacco; Flavourings, other than essential oils, for use in electronic cigarettes; Flints for lighters; Hand-rolling tobacco; Oral vaporizers for smokers; Smoking pipe cleaners; Snuff; Snuff boxes; Snuff boxes made of precious metal; Snuff boxes, not of precious metal.*

Class 35: *Retail services relating to cereals; retail services relating to dog treats and seeds; retail services relating to beers and ales; online retail services relating to cereals; online retail services relating to dog treats and seeds; online retail services relating to beers and ales.*

UK no. 2287597 (“the first earlier mark”)

Class 5: *Pharmaceutical, veterinary and sanitary preparations; dietetic substances adapted for medical use, food for babies; plasters, materials for dressings; material for stopping teeth.*

Class 10: *Surgical, medical, dental and veterinary apparatus and instruments, artificial limbs, eyes and teeth; orthopedic articles; suture materials.*

Class 35: *Advertising; business management; business administration; office functions.*

Class 39: *Transport; packaging and storage of goods; travel arrangement.*

Class 41: *Education; providing of training.*

Class 42: *Scientific and industrial research.*

EUTM no. 4773271 (“the second earlier mark”)

Class 5: *Pharmaceutical and veterinary preparations; sanitary preparations for medical purposes; dietetic substances adapted for medical use, food for babies; plasters, materials for dressings; material for stopping teeth, dental wax.*

Class 10: *Surgical, medical, dental and veterinary apparatus and instruments, artificial limbs, eyes and teeth; orthopedic articles; suture materials.*

Class 35: *Advertising; business management; business administration; office functions.*

Class 42: *Scientific and technological services and research and design relating thereto; industrial analysis and research services.*

Class 44: *Medical services; veterinary services; hygienic and beauty care for human beings or animals.*