

TRADE MARKS ACT 1994

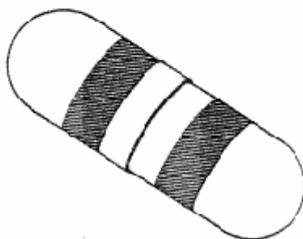
**IN THE MATTER OF APPLICATION NOS. 2209936 AND 2209937
BY G. D. SEARLE & COMPANY
TO REGISTER TWO THREE DIMENSIONAL TRADE MARKS
IN CLASS 5**

**AND IN THE MATTER OF A CONSOLIDATED APPEAL
BY THE APPLICANT
TO THE APPOINTED PERSON
AGAINST TWO DECISIONS OF MR. I. PEGGIE
DATED 30 JANUARY 2002**

DECISION

Introduction

1. This is a consolidated appeal to the Appointed Person from two decisions of Mr. Ian Peggie, the Hearing Officer acting on behalf of the Registrar, dated 30 January 2002 in which he refused two applications by G. D. Searle & Company (“the Applicant”) each to register a trade mark in Class 5.
2. The marks in issue comprise three-dimensional capsule shapes with bands of colour. The bands of colour in Application No. 2209936 are shown in blue, which is claimed as an element of the mark. The bands of colour in Application No. 2209937 are shown in yellow, which is likewise claimed as an element of the mark. Apart from the colour claims there is no other difference between the two marks, which are represented on the applications in the following manner:



3. The date of each application is 28 September 1999 and registration in either case is sought for:

Class 5 Pharmaceuticals in the nature of anti-inflammatory analgesics.

4. No evidence of use having been adduced in support of the applications, the Hearing Officer had only the prima facie cases to consider.

Refusal of the applications

5. Following a hearing, the applications were refused by the Hearing Officer under section 3(1)(b) of the Trade Marks Act 1994 (“TMA”). In his written decisions, the Hearing Officer assessed each of the marks as follows:

“The application is for a mark which is a 3-dimensional shape of a capsule the base colour of which is white. Around the capsule are two bands coloured blue/yellow.

The holders representative submitted in correspondence with the examiner and by way of argument at the Hearing that the shape of a capsule, as opposed to a tablet, caplet or other shape or design coupled with other fanciful elements such as colour, striping (bands) created a mark which was not devoid of any distinctive character and capable of identifying the applicant’s goods.

The shape in question is, in my view, nothing more than an accurate representation of a capsule that is widely used for pharmaceutical goods. In my view members of the purchasing public encountering such a shape would see it as being typical of the goods.

However, the mark is more than a three-dimensional shape. It includes two blue/yellow coloured bands applied to the shape. I see nothing unusual in the presence of a single contrasting colour and do not consider that this feature makes the capsule recognisable as a trade mark in the sense that a typical consumer of the product would deduce that the capsules emanate from a particular source.

Whilst it is clear that a combination of non-distinctive elements can create a distinctive whole I do not accept that this is the position with this mark. I do not see that there is anything in the shape of the capsule with the two blue/yellow bands that would serve to distinguish the goods of the applicant from those of other traders.”

6. After citing from a number of authorities concerning applications to register as trade marks the outward appearance and packaging of household products (*Procter & Gamble Ltd’s Trade Mark Applications* [1999] RPC 673, CA) and the three-dimensional shape of dishwasher tablets (*Henkel’s Application*, SRIS O/482/00, Appointed Person, *Procter & Gamble Company v. OHIM*, Case T-117/00, 19 September 2001, CFI), the Hearing Officer concluded:

“The public are well used to seeing this capsule shape for pharmaceutical goods and I do not see that there is anything memorable in this shape and single colour combination that would serve to distinguish the goods of the applicant from those of other traders.

In my view the sign applied for will not be taken as a trade mark without first educating the public that it is a trade mark. It follows that the application is debarred from prima facie acceptance by Section 3(1)(b) of the Act.”

The Hearing Officer accordingly refused the applications under section 37(4) of the TMA in that the marks had failed to qualify under section 3(1)(b).

The appeal

7. On 26 February 2002, the Applicant filed notices of appeal against the refusals of Application Nos. 2209936 and 2209937 to an Appointed Person under section 76 of the TMA. The Applicant contended that the marks at issue possessed sufficient distinctive character for registration under the TMA and relied in each case upon:
 - (a) Arguments made in the proceedings below contained in a letter to the Registrar dated 7 June 2000.
 - (b) Registration of the mark in several EU countries including France, Portugal and Sweden whose laws on the registrability of trade marks were harmonised with the UK’s.

At the consolidated appeal hearing, the Applicant was by represented by Ms. Fiona Clark of Counsel instructed by Ladas & Parry. Mr. Allan James, Principal Hearing Officer, appeared on behalf of the Registrar.

Approach to the appeal

8. It is well established that an appeal to the Appointed Person from a decision of the Registrar in inter partes proceedings is by way of review only (*Bessant v. South Cone Incorporated* [2002] EWCA Civ 763, 28 May 2002). However, it has been observed that different considerations may apply in ex parte proceedings where the position of the Registrar is that she is affirming an administrative decision of one of her officers made in the course of prosecution of the application (*Royal Enfield Trade Marks* [2002] RPC 208, *TINY PENIS Trade Mark*, SRIS O/538/01, per Mr. Simon Thorley QC sitting as the Appointed Person). Mr. James conceded that the present appeal should be by way rehearing rather than review but reminded me that I should give due weight to the decision of the Registrar whose officers have extensive experience in dealing with trade mark matters.

Merits of the appeal

9. Ms. Clark took me to the judgment of the Court of First Instance of the European Communities in *Henkel KGaA v. OHIM*, Case T-30/00 [2002] ETMR 25. She referred me in particular to paragraphs 43 – 48 for the following principles:

- (a) The distinctive character of a mark must be assessed in relation to the goods in respect of which registration of the mark is sought – here pharmaceuticals in the nature of anti-inflammatory analgesics.
 - (b) It is sufficient that the mark enables the public concerned to distinguish the product that it designates from those having a different trade origin and to conclude that all the products that it designates have been manufactured, marketed or supplied under the control of the owner of the mark and that the owner is responsible for their quality.
 - (c) A minimum degree of distinctive character is sufficient to render the ground for refusal in section 3(1)(b) of the TMA inapplicable. In the absence of evidence of acquired distinctiveness through use, it is appropriate to ascertain whether the mark applied for will enable the public targeted to distinguish the products concerned from those having a different trade origin when they come to select a product for purchase.
 - (d) The criteria for assessing the distinctive character of figurative marks consisting of the representation of the product itself are no different from those applicable to other categories of trade marks.
10. The *Henkel* case relied upon by Ms. Clark is one out of a series of 11 appeals decided by the Court of First Instance on the registrability of two- and three-dimensional representations of washing tablets as Community trade marks. *Procter & Gamble Company v. OHIM*, supra., cited by Mr. Peggie in his decision, is a further appeal within the same series. I believe it right to assume, therefore, that Mr. Peggie had the principles listed above firmly in mind. In any event, I did not understand Mr. James to take issue with any of those principles. Indeed, he expressly agreed with the test for distinctive character set out by Ms. Clark in her skeleton argument, which derives from the more recent judgment of the Court of Justice of the European Communities in *Koninklijke Philips Electronics NV v. Remington Consumer Products Ltd*, Case C-299/99 [2002] 2 CMLR 1329 at paragraph 47 but is in the same terms as *Henkel* principle (b) above.

11. In *Henkel*, the Court of First Instance states at paragraph 49:

“Nevertheless, when those criteria are applied, account must be taken of the fact that the perception of the relevant section of the public is not necessarily the same in relation to a figurative mark consisting of a faithful representation of the product itself as it is in relation to a word mark or a figurative or three-dimensional mark not faithfully representing the product. Whilst the public is used to recognising the latter marks instantly as signs identifying the product, this is not necessarily so where the sign is indistinguishable from the appearance of the product itself. It follows that an assessment of distinctive character cannot result in different outcomes for a three-dimensional mark consisting of the design of the product itself and for a figurative mark consisting of a faithful representation of the same product.”

The Hearing Officer quoted a similar passage from *Procter & Gamble Company v. OHIM*, supra. However, Ms. Clark seeks to distinguish the present applications from those in *Henkel/Procter & Gamble* in that the three-dimensional capsule get-ups presently applied for concern the packaging for the goods in question – the goods being the substances within the capsules – whereas in *Henkel/Procter & Gamble* the marks applied for were two- or three-dimensional representations of the products themselves.

12. In my view, this is a distinction without a difference (see the similar observations of Lord Diplock in *Smith Kline & French Laboratories Ltd. v. Sterling-Winthrop Group Ltd* [1976] RPC 511 at 536 – 538, HL). Insofar as it is relevant, I agree with Mr. James that the relevant public are more likely to regard a pharmaceutical capsule as the product itself rather than as packaging for the pharmaceutical. But such metaphysical distinctions should not serve to distract the tribunal from the task in hand, which is to assess the perceptions of the public concerned. For that purpose, since the specifications are unlimited, it is agreed that the relevant public includes doctors and pharmacists and the public at large buying the pharmaceuticals in question over the counter and on prescription. The average consumer is reasonably well informed and reasonably observant and circumspect (*Gut Springenheide and Tusky* [1998] ECR I-4657, paras. 30 – 32). Mr. James accepts that the level of attention given by the average consumer to the appearance of pharmaceuticals is higher than in the case of everyday goods like washing tablets.
13. Ms. Clark says that since 1976 when the House of Lords in *SKF* supra. allowed the registration as trade marks of colour combinations for drug capsules and their pellets, many get-ups for drugs have been entered on the register and the public are accustomed to using shape and colour to distinguish the origin of drugs. The Applicant offered no evidence in support of either of Ms. Clark’s submissions. I merely observe that:
 - (a) The colour combinations in *SKF* were conceded to be fully distinctive in fact.
 - (b) The state of the register is in principle irrelevant when considering the registrability of the mark in issue (*British Sugar plc v. James Robertson & Sons Ltd* [1996] RPC 281 per Jacob J. at 305, *AD2000 Trade Mark* [1997] RPC 168 per Mr. Geoffrey Hobbs QC sitting as the Appointed Person at 177).
14. Ms. Clark next took me to an extract from the Year 2000 Edition of Consumer Reports Complete Drug Reference appended to a letter dated 7 June 2000 from the Applicant’s trade mark agent to the Registrar. She says that the significance of the extract is explained at paragraph 2 of the letter of 7th June:

“The mark is distinctive of the applicant’s goods and in support of this argument a review of the Year 2000 Edition of Consumer Reports Complete Drug Reference reveals only four other pharmaceuticals out of over 300, with only 12 variations of the four in total, that exhibit uninterrupted bands on a capsule shape. This would suggest that use

of bands on capsules is rare. We enclose a representation of each and a description of the colours and other features. In addition, of those 12 variations each features multiple bands (either 2 or 3 on one side of the capsule) unlike the applicant's mark which features one band on both sides of the capsule. Further, each of the 12 feature very narrow bands as opposed to the more broad bands included in the applicant's mark. [Only 3 of the 12 variations feature bands of blue (and these three variations are of the same drug, Oruvail).] [Only one of the 12 variations feature bands of yellow.] We feel that all of this supports the view that the bands are unusual, that the bands are not commonly used in this industry and that even among the few marks which do feature uninterrupted bands this mark is distinctive of pharmaceuticals emanating from this applicant."

15. As Mr. James pointed out there seems to be a measure of inconsistency between the Applicant's submissions. First, it is said that the public are used to differentiating the origin of pharmaceuticals by shape/colour because many pharmaceutical get-ups have been entered on the UK trade marks register. Second, it is argued that the use of bands in colour is unusual. The publication relied upon by the Applicant from its title appears to be dated after the date of the applications in suit (28 September 1999). No attempt is made by the Applicant to place either the publication or the extract in the context of the pharmaceutical industry as a whole. In my view, the extract confirms that although pharmaceutical capsules tend to follow the same basic shape they are made in several variants. Moreover, the extract suggests that the use of bands of colour on pharmaceutical capsules is not unusual. Further, blue and yellow are standard colours. There is no evidence that public will regard those bands of colour as having trade mark significance. Indeed, the extract indicates the contrary since in the examples shown, the manufacturers concerned are quite clearly employing coloured bands to mean different dosages.
16. Lastly, Ms. Clark alleges that the Hearing Office applied too high standard of distinctive character. She says that there is no need for the get-ups in question to be "unusual" or "memorable" (Mr. Peggie at pp. 3 and 5), or "sufficiently arresting" (*Henkel's Application*, SRIS O/482/00, Appointed Person). The Court of Justice ruled in *Koninklijke Philips Electronics NV v. Remington Consumer Products Ltd*, supra., that it is unnecessary for a mark to have a capricious addition in order to possess distinctive character.
17. As is well known, *Koninklijke Philips Electronics NV v. Remington Consumer Products Ltd* was a reference to the Court of Justice by the Court of Appeal (England and Wales) in *Philips Electronics NV v. Remington Consumer Products Ltd* [1999] RPC 809. The Court of Appeal provisionally held that where a sign consists of the shape of the goods in respect of which registration is sought it can not qualify as a trade mark within the meaning of section 1(1) of the TMA (art. 2 of Council Directive 89/104/EEC ("the Directive")) unless it contains some addition to the shape of the article which has trade mark significance. The Court of Justice confirmed that this is not the intention of art. 2 of the Directive (section 1(1) of the TMA), which states that whatever form the trade mark assumes (word, letter, numeral, shape, colour ...) the sign

must in general (i.e. in the abstract) be capable of distinguishing the goods or services of one undertaking from those of another undertaking. Thus:

“In order to be capable of distinguishing an article for the purposes of Article 2 of the Directive, the shape of the article in respect of which the sign is registered does not require any capricious addition, such as an embellishment which has no functional purpose.”

When it comes to examining the specific case under section 3(1)(b) of the TMA, it is appropriate in the absence of use to enquire whether the trade mark has features such as to confer on the sign, taken as whole, distinctive character for the goods or services in question (*DKV Deutsche Krankenversicherung AG v. OHIM (COMPANYLINE)*, Case C-104/00 P, 19 September 2002). I am satisfied that the Hearing Officer applied the correct test under section 3(1)(b).

18. Even assuming as the Applicant claims that the use of a single band of colour on either side of a capsule is unusual in the pharmaceutical industry, to my mind the marks lack that distinctive character necessary for them to be perceived as indications of origin. I believe that the public concerned would see the marks as banal drug capsule shapes bearing bands of shades of colours within the normal range that the public expects to see applied to such goods. I believe that the public would perceive the coloured bands as signifying dosage or as decoration. In the absence of distinctiveness acquired through use, I do not believe that either mark, taken as a whole, can be said to be distinctive.
19. In the event, Ms. Clark did not seek to rely on registrations of the marks under the harmonised trade mark laws of other EU Member States. Such registrations may be persuasive in a particular case. However, the Applicant has provided me with no further details of such registrations, for example, whether they were accompanied by evidence of use.
20. I find that the Hearing Officer was correct to refuse Application Nos. 2209936 and 2209937 under the terms of section 37(4) of the TMA in that they failed to qualify under section 3(1)(b) of the Act. The appeals are accordingly dismissed and, as usual in these circumstances, there will be no order as to costs.

Professor Ruth Annand, 26 September 2002

Ms, Fiona Clark instructed by Ladas & Parry appeared as Counsel on behalf of the Applicant

Mr. Allan James, Principal Hearing Officer, appeared as the Registrar's representative