

**BL O/414/19**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF TRADE MARK APPLICATION 3328931**

**BY**

**TEVA UK LIMITED**

**TO REGISTER THE FOLLOWING TRADE MARK IN CLASS 05:**

**LIBERIZE**

**AND**

**OPPOSITION THERETO (NO. 414366)**

**BY**

**NOVARTIS AG**

## **Background and pleadings**

1. Teva UK Limited (hereafter “the applicant”) applied to register the trade mark:

### **LIBERIZE**

in the UK on 02 August 2018. It was accepted and published in the Trade Marks Journal on 17 August 2018, for:

**Class 05:** Pharmaceutical preparations for the treatment of erectile dysfunction.

2. Novartis AG (“the opponent”) opposes the trade mark on the basis of Section 5(2)(b) of the Trade Marks Act 1994 (the Act).
3. The opposition is based on earlier International Registration No. 1265154 designating the EU, which has a priority date of 30 July 2015, and was granted protection in the EU on 19 July 2016, for the mark:

### **IZIRIZE**

4. Given the date of protection, the opponents mark qualifies as an earlier mark in accordance with section 6 of the Act. As the earlier mark was not granted protection in the EU more than 5 years before the publication date of the application in suit, it is not subject to the proof of use provisions contained in s. 6A of the Act. The opponent may therefore rely upon all of the goods they have identified, without showing that they have used the mark.
5. The opponent relies on all of the goods for which the earlier mark is protected, namely:

**Class 05:** Pharmaceutical preparations.

6. In its statement of grounds, the opponent claims that:

- The contested mark is visually and phonetically similar to the earlier mark.
  - The shared suffix '-RIZE' provides a conceptual similarity, bearing in mind the specific therapeutic aim of the applicant's goods, being for the treatment of erectile dysfunction.
  - The element 'IZI' of the earlier mark would bring to mind the word 'Easy' such that the earlier mark may be remembered conceptually as 'Easy Rise'.
  - In the same context the contested mark may also be remembered as referring to the word 'Rise' and used in conjunction with the element 'LIBE' which may allude to either 'libido' or 'liberation' or similar cognates of those words.
  - The goods at issue are identical as the applicant's goods are merely a sub-set of the opponent's earlier general term 'pharmaceutical preparations'.
  - Therefore, there is a very strong likelihood of confusion between the marks.
7. In its counterstatement the applicant denies that there is a likelihood of confusion between the marks at issue or that the average consumer would either confuse products bearing the respective marks or consider that they might come from the same or economically linked undertakings.
8. Both parties have filed evidence and written submissions. I will not summarise that information here but will refer to it, when necessary, throughout my decision.
9. As no hearing was requested, this decision is taken following a careful perusal of the papers.
10. Throughout the proceedings the applicant has been represented by D Young & Co LLP, whilst the opponent has been represented by Abel & Imray.

## Decision

### Section 5(2)(b) of the Act

11. Section 5(2)(b) of the Act is as follows:

“(2) A trade mark shall not be registered if because –

(a) ....

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

12. The following principles are gleaned from the decisions of the Court of Justice of the European Union (“the CJEU”) in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.

### The principles

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

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well

informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

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

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

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

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

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

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

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

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

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

### **Comparison of goods and services**

13. The parties' respective specifications are:

<b>Opponent's goods</b>	<b>Applicant's goods</b>
<u>Class 05:</u>  Pharmaceutical preparations	<u>Class 05:</u>  Pharmaceutical preparations for the treatment of erectile dysfunction.

14. The General Court confirmed in *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T-133/05, that, even if goods or services are not worded identically, they can still be considered identical if one term falls within the scope of another (or vice versa):

“29. In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by trade mark application (Case T-388/00 Institut für Lernsysteme v OHIM- Educational Services (ELS) [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark”.

15. Applying the *Merck* principle, the opponent's earlier goods 'Pharmaceutical preparations' wholly encompass the applied for goods, which are a narrower range of pharmaceutical preparations caught by the wider term. These goods are identical

### **Average consumer and the purchasing act**

16. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer, Case C-342/97*.

17. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

"60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The word "average" denotes that the person is typical. The term "average" does not denote some form of numerical mean, mode or median."

18. The goods at issue are pharmaceutical products. The average consumer of these goods will therefore be either a medical practitioner or a member of the general public, who is the end consumer.<sup>1</sup> The frequency of purchases of these products will vary depending on the nature of the goods in question. For example, a product for a temporary condition may be purchased infrequently whilst a product for an ongoing condition will be purchased on a more frequent basis. Both medical practitioners and members of the general public are likely to pay a higher than average level of

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<sup>1</sup> See *Mundipharma AG v OHIM*, Case T-256/04 and *The Procter & Gamble Company v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-240/08.

attention when purchasing goods of this nature due to their professional obligations (in the case of medical practitioners) and the fact that they are products that will have an impact on the end user's wellbeing and health. In *The Procter & Gamble Company v Office for Harmonization in the Internal Market (Trade Marks and Designs)* (OHIM) Case T-240/08, this was explained in the following terms:

“First, medical professionals display a high degree of attention when prescribing medicinal products. Second, with regard to end-consumers, it can be assumed, where pharmaceutical products are sold without prescription, that the consumers interested in those products are reasonably well informed, observant and circumspect, since those products affect their state of health, and that they are less likely to confuse different versions of such products. Furthermore, even supposing a medical prescription to be mandatory, consumers are likely to display a high degree of attention when the products in question are prescribed, having regard to the fact that they are pharmaceutical products (see judgment of 21 October 2008 in Case T-95/07 *Aventis Pharma v OHIM – Nycomed (PRAZOL)*, not published in the ECR, paragraph 29 and the case-law cited).”

19. I consider that the average consumer will pay a higher than average degree of attention during the selection process for the goods at issue.
20. The average consumer is likely to purchase the goods from specialist suppliers either in a retail premises or from a website or catalogue. Consequently, visual considerations are likely to dominate the selection process. However, I do not discount that there may be an aural element to the purchase of these goods, given that advice may be sought from pharmaceutical representatives and requests for prescriptions can be placed by telephone.

### **Comparison of marks**

21. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual

similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

22. It would be wrong, therefore, to artificially dissect the trade marks, although, it is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

23. The marks to be compared are:

<b>Earlier mark</b>	<b>Contested mark</b>
<b>IZIRIZE</b>	<b>LIBERIZE</b>

24. Both of the marks at issue are plain word marks and both are comprised of a single word element. As such, the overall impression in both marks lies in their totality, namely the word ‘IZIRIZE’ of the opponent and the word ‘LIBERIZE’ of the applicant.

### **Visual similarity**

25. The marks at issue are standard typeface, single word marks with no stylisation or figurative elements to consider. The marks are visually similar inasmuch as they both share the suffix ‘-RIZE’. They differ in their initial elements, ‘IZI’ of the earlier mark and ‘LIBE’ of the contested mark. As the suffix ‘-RIZE’ comprises a significant part of

each, the marks can be said to be visually similar to a medium degree, notwithstanding their different beginnings.

### **Aural similarity**

26. The opponent's earlier mark is likely to be enunciated as *IS//RIZE* or *IS/IR/IZE*. The applicant's contested mark is likely to be articulated as *LIB/UR/IZE*. Whilst the marks share the same endings in 'RIZE' or 'IZE', the beginnings of each mark are quite different. The different aural impressions in the sounds *IS/IR* or *IS/I* and *LIB/UR* are clear and obvious. The marks are therefore considered to be phonetically similar to a lower than medium degree.

### **Conceptual similarity**

27. Conceptually, both marks are invented words with no particular meaning. The opponent has claimed that its earlier mark may be perceived as 'EASY RISE' by the relevant public. This claim is based on the nature of the applicant's goods which are specifically used to treat erectile dysfunction. The opponent's goods have been found to be identical to the applicant's due to the broad nature of the term 'pharmaceutical preparations' which encompasses pharmaceutical preparations for treating erectile dysfunction, however I am not convinced that the average consumer would make the link between the opponent's goods and the concept 'EASY RISE'. I find it more likely that the impression created by the mark 'IZIRIZE' will be one of an invented term with no meaning as a whole. The suffix '-RIZE' may, in both marks, create an impression relevant to erectile dysfunction, however where this concept is perceived, because it is alluding to a beneficial effect of the product, the shared occurrence will be perceived merely as coincidence. Equally, the applicant has claimed that the 'LIBE' prefix in the contested mark may be perceived and understood to refer to 'liberty' or 'liberation'. I am not persuaded that this is the likely impression that the mark 'LIBERIZE' will have in the mind of the average consumer. I find that both marks will be perceived as invented words, however it is possible that the shared suffix '-RIZE' may be perceived as alluding to a beneficial effect obtained through use of the goods at issue. Where the average consumer perceives the

marks as invented terms, they can be said to be conceptually neutral and therefore dissimilar in this regard. Where the shared ending 'RIZE' is considered to allude to certain qualities of the goods at issue, the marks can be said to be conceptually similar to a low degree.

28. In conclusion, the marks have been found to be visually similar to a medium degree, phonetically similar to a lower than medium degree and, either conceptually neutral or conceptually similar to a low degree.

### **Distinctive character of the earlier trade mark**

29. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that:

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

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

30. The opponent has not claimed that its earlier mark has enhanced distinctive character through use but it does state that it believes that the word 'IZIRIZE' has, at the very least, an average degree of inherent distinctive character.
31. The opponent's mark is comprised of a single word with no obvious meaning or association with the goods concerned. Whilst the opponent has suggested that the mark may be perceived as the expression 'EASY RISE' and subsequently considered to be allusive of a characteristic of the goods in question, I have found this to be unlikely, although I accept that the suffix '-RIZE' may possibly be perceived as allusive of certain characteristics of the goods. I find instead that the average consumer will more likely perceive the opponent's mark to be an invented word. I therefore conclude that the earlier mark is inherently distinctive to a higher than average degree.

### **Likelihood of Confusion**

32. I now draw together my earlier findings into a global assessment of the likelihood of confusion, keeping in mind the legal principles established previously (see paragraph 12 above).
33. In determining whether there is a likelihood of confusion, a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective marks may be offset by a greater degree of similarity between the respective goods and vice versa. As I mentioned above, it is also necessary for me to keep in mind the distinctive character of the opponent's trade mark as the more distinctive it is, the greater the likelihood of confusion. I must also keep in mind the average consumer for the goods, the nature of the purchasing process and the fact that the average consumer rarely has the opportunity to make direct comparisons between marks side by side but must instead rely upon the imperfect picture of them he has retained in his mind.
34. In written submissions and evidence, the opponent has provided information as to the state of the UK pharmaceutical market, showing that pharmaceutical brand names containing the suffix '-RIZE' are not common. As such they claim that this

element is unusual and would stand out. The opponent has also claimed that a search of in-use pharmaceuticals in the UK shows that there are none currently that incorporate the '-RIZE' suffix.

35. The opponent has also claimed that there are very few pharmaceuticals on the UK market which have the same therapeutic purpose as the applicant's goods, namely the treatment of erectile dysfunction. The products available on the UK market which are specifically for treating erectile dysfunction are Viagra, Cialis, Levitra and Spedra, or generic versions of those products. This being the case, the opponent claims that the average consumer is likely to consider that products bearing the marks 'LIBERIZE' and 'IZIRIZE' are part of a range of products produced by the same or economically-linked companies.
36. The opponent has also referred to the decision taken by the CJEU in 'Respicur'.<sup>2</sup> In that case, the court found a likelihood of confusion between the marks 'Respicur' and 'Respicort' due largely to the shared prefix 'Respi' which the court believed would be seen to allude to the respiratory system. In that case, the goods were identical in class 05 and the consumer, being a medical professional or a member of the general public, would display a higher than average degree of attention when choosing a pharmaceutical. Whilst the 'Respi' prefix was considered to be descriptive and therefore a relatively weak element, the court still found a likelihood of confusion as this element formed the beginning and the majority of each mark. The endings were also found to be somewhat similar.
37. I am not persuaded that the fact that the suffix '-RIZE' may be seen to be rarely used on pharmaceuticals in the UK market should be given any particular weight in my assessment of the likelihood of confusion between two marks that incorporate that suffix. The opponent has not provided evidence to show that the average consumer is used to identifying marks originating from the same trader because they share a common suffix. I do take note of the comments made by the opponent, and the information they have provided in evidence however, my assessment of the case is a multi-factorial one in which I must make a global assessment taking into account all of the relevant factors set out above in paragraph 12.

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<sup>2</sup> T-256/04

38. The opponent has stated that the suffix '-RIZE' is uncommon and is currently not in use on pharmaceuticals in the UK market place. I have no reason to doubt the opponent's claim in this matter. I do note however, that the opponent has also consistently stated that the suffix '-RIZE' will be perceived by the average consumer as referring to the word 'RISE', largely due to the nature of the applicant's goods being for the treatment of erectile dysfunction.
39. I note also that the opponent has suggested that, with regard to their earlier mark, the prefix 'IZI-' when used in combination with the suffix '-RIZE' would be perceived to refer to the word 'EASY' and the whole term would therefore be understood as the expression 'EASY RISE'. I have rejected this argument previously. I do not accept that the prefix 'IZI-' will be understood to be a reference or allusion to the word 'EASY'. These terms are visually entirely dissimilar and do not share a single letter. They will also be enunciated quite differently.
40. I also find that the average consumer would not artificially dissect the mark 'IZIRIZE' in that way but would more likely perceive it as an invented single word. However, taking the opponent's line of argument regarding the possible interpretation of the suffix '-RIZE' as the word 'RISE', it can be claimed that whether or not 'RIZE' is uncommonly used as a suffix on pharmaceutical brands, where the average consumer would perceive that term to be read as the descriptive word 'RISE', as the opponent suggests, this would reduce the distinctive impact of that element in any mark in which it plays a role.
41. Turning to the decision of the CJEU referred to by the opponent. I am not persuaded that this decision assists in the matter at hand. The court found a likelihood of confusion between the marks 'Respicur' and 'Respicort' largely because of the shared identical beginning 'Respi'. In the matter at hand the beginnings of the marks are very different, namely 'IZI' and 'LIBE'.
42. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one trade mark for the other, whilst indirect confusion is where the average consumer realises the marks are not the same but puts the similarity that exists

between the marks and goods/services down to the responsible undertakings being the same or related.

43. I have already found that:

- the goods are identical;
- the marks are visually similar to a medium degree; phonetically similar to a lower than medium degree and conceptually neutral or conceptually similar to a low degree;
- the average consumer will be a member of the general public or a professional;
- the consumer can be expected to be paying a higher than average level of attention when selecting the goods at issue;
- during the selection process, the visual and aural considerations will both be important however the visual element will likely play the greater role;
- the earlier mark has a higher than average degree of inherent distinctiveness;

44. Having weighed up all of the factors, I conclude that there is no likelihood of direct confusion between the marks. The average consumer will be paying a higher than average level of attention during the purchasing act and will not mistake one mark for the other. The differences between the marks will not go unnoticed.

45. I must therefore go on to consider the potential for indirect confusion between the marks.

46. In *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10, Mr Iain Purvis Q.C., as the Appointed Person, explained that:

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental

process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: "The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark.

Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right ("26 RED TESCO" would no doubt be such a case).

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as "LITE", "EXPRESS", "WORLDWIDE", "MINI" etc.).

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension ("FAT FACE" to "BRAT FACE" for example)."

47. I do not find that any of the categories put forward by Mr Purvis apply in this case.

The sharing of the suffix '-RIZE' is not sufficient to overwhelm the very different beginnings of the marks to hand. I do not accept that the common element 'RIZE' is strikingly distinctive, so much so that the average consumer would assume that no-one but the brand owner would be using it in a trade mark. Whilst the opponent has claimed that it is an uncommon element, it has also suggested that it would be perceived as the word 'RISE' which cannot be said to be strikingly distinctive in the context of the goods at issue. The applicant's mark cannot be said to be one which would be an obvious sub-brand or brand extension of the mark 'IZIRIZE' and neither

can it be said that the differences between the initial elements 'IZI' and 'LIBE' are entirely consistent or logical in the context of a brand extension.

48. In *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17, Mr James Mellor Q.C., sitting as the Appointed Person, stressed that a finding of indirect confusion should not be made merely because the two marks share a common element. In this connection, he pointed out that it is not sufficient that a mark merely calls to mind another mark. This is mere association not indirect confusion.

49. In this respect I conclude that whilst the shared suffix '-RIZE' may, due to a potentially similar conceptual impression, result in a calling to mind of one mark, when faced with the other, I find that the differences between the initial parts of the marks at issue are so significant, that indirect confusion would not occur.

### **Conclusion**

50. The opposition has failed. The application may proceed to registration.

### **Costs**

51. The applicant has been successful and is entitled to a contribution towards its costs, which are sought on the usual scale (contained in Tribunal Practice Notice 2/2016). I award the applicant the sum of £1000 as a contribution towards the cost of the proceedings. The sum is calculated as follows:

Considering the statement of case and preparing the counterstatement	£200
Preparing written submissions and evidence and considering the opponent's written submissions and evidence	£500
Preparing written submissions in lieu of a hearing	£300

Total

£1000

52. I therefore order Novartis AG to pay Teva UK Limited the sum of £1000. The above sum should be paid within 14 days of the expiry of the appeal period or, if there is an appeal, within 14 days of the conclusion of the appeal proceedings.

**Dated this 18<sup>th</sup> day of July 2019**

**Andrew Feldon**

**For the Registrar**

**The Comptroller-General**