

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION No 2129026  
BY EISAI CO., LTD  
TO REGISTER THE TRADE MARK:  
HHC  
IN CLASSES 5, 9 AND 16**

**AND**

**IN THE MATTER OF OPPOSITION THERETO  
UNDER No 48285 BY MUNDIPHARMA AG**

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**IN THE MATTER OF Application No 2129026**  
**by Eisai Co., Ltd**  
**to register the trade mark: HHC**  
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**and**  
**IN THE MATTER OF Opposition thereto under No 48285**  
**by Mundipharma AG**

**Background**

1. On 9 April 1997 Eisai Co., Ltd of Tokyo, Japan applied to register the trade mark: **HHC**. The application was published with the following specification:

*pharmaceutical, veterinary and sanitary preparations, infants and invalids foods, plasters, materials for bandaging, disinfectants, dietetic substances adapted for medical use - class 5*  
*scientific, weighing, measuring, checking, manufacturing and packing apparatus and instruments for pharmaceutical preparations; parts and fittings for all the aforesaid goods - class 9*  
*paper, cardboard, printed matter, paper containers, stationery, parts and fittings for all the aforesaid goods - class 16*

2. On 2 March 1998 Mundipharma AG of Basel, Switzerland filed notice of opposition to this application.

3. The opponent states that he is the registered proprietor of United Kingdom registration no 1544885 of the trade mark DHC, which is registered in respect of:

*pharmaceutical preparations for use in analgesia; all included in Class 5*

4. The opponent claims that there has been substantial and continuous use of his trade mark in the United Kingdom since 1987 in respect of the above goods. The opponent claims that the respective trade marks are similar and encompass identical or similar goods giving rise to a likelihood of confusion; consequently registration of the application in suit would be contrary to section 5(2) of the Act.

5. The opponent claims that the respective trade marks are similar and encompass goods which are not similar. He states that his trade mark has a reputation within the United Kingdom and that use of the trade mark of the application in suit, without due cause, would take unfair advantage of, or be detrimental to, the distinctive character or repute of his trade mark.

6. The opponent claims that, owing to the use of the trade mark DHC, use of the application in suit would be likely to lead to a danger to public health. On this basis he claims that the application should be refused under sections 3(3) and/or 3(4) of the Act.

7. The opponent claims that use of the application in suit would be contrary to the law of passing-off and so the application should be refused under section 5(4) of the Act.

8. The opponent claims that owing to the reputation and goodwill in his trade mark the application in suit was made in bad faith and so registration should be refused under section 3(6) of the Act.

9. The opponent claims that the application in suit is not being used in relation to the goods for which registration is sought and that the applicant does not have a bona fide intention to use it in respect of these goods. Consequently he claims that the application in suit should be refused under section 3(6) of the Act.

10. The opponent seeks an award of costs.

11. The applicant filed a counterstatement denying the above grounds and seeking an award of costs.

12. Both parties filed evidence. They both agreed that a decision could be made on the basis of the papers filed. Consequently a decision will be taken from a careful study of the papers.

13. Acting on behalf of the Registrar I duly give the following decision.

### **Opponent's evidence**

14. The opponent's evidence consists of a declaration dated 21 September 1998 by Kurt Wuest, who is a director of the opponent. Mr Wuest states that the trade mark DHC was first used in the United Kingdom in 1987 by Napp Laboratories Limited, an affiliate and licensee of the opponent, in respect of pharmaceutical preparations used in analgesia. He stated that Napp Laboratories is recorded as the licensee in respect of United Kingdom registration no 1544885.

15. Mr Wuest states that his trade mark had been used in relation to products sold throughout the United Kingdom. He states that the relevant turnover figures are:

<b>Year</b>	<b>Turnover in £s</b>	<b>Units</b>
1987	358,920	60,731
1988	429,468	72,668
1989	579,139	97,993
1990	695,885	117,747
1991	1,157,759	187,674
1992	1,582,062	249,049
1993	1,806,824	297,114
1994	2,312,358	313,108
1995	2,525,802	337,028

1996	2,784,377	367,747
1997	3,156,989	412,413
1998 (up to June)	1,711,668	221,687

Mr Wuest states that the above monetary figures are calculated at wholesale price.

16. Mr Wuest states that the following sums have been spent in promoting the trade mark DHC:

<b>Year</b>	<b>Amount in £s</b>
1987	169,600
1988	129,300
1989	105,400
1990	77,500
1991	144,400
1992	45,700
1993	0
1994	0
1995	0
1996	0
1997	382,200
1998 (up to June)	99,900

17. The relevant date in the instant proceedings is the date of the filing of the application in suit i.e. 9 April 1997. Therefore, no cognisance can be taken in respect of those figures which relate to 1997 and 1998 - I have no way of knowing how much of the expenditure and turnover relates to the period before the relevant date. Mr Wuest has not explained what is meant by units. I do not know if this refers to tablets or packets of tablets.

18. Mr Wuest refers to two promotional leaflets. It is to be noted that in these leaflets the product is generally referred to as DHC CONTINUS. DHC does appear upon representations of the tablets, where it is followed by the strength of the dosage e.g. DHC 60, for the sixty milligram form. I also note that in one of the leaflets the following appears: "The NAPP device, DHC and DHC CONTINUS are registered trade marks" - this is very much in the "small print" of the leaflet. However, as this "small print" contains important medical data about the product I would assume that the medical practitioner, to whom the leaflet seems aimed, would read it carefully.

19. Mr Wuest refers to the likelihood of confusion. This does not represent evidence of fact but

a submission and the issue will be dealt with in my decision and so I will say no more about it here.

20. Mr Wuest states that DHC is an opiate and that confusion arising between the respective trade marks would be likely to constitute a danger to the public health.

### **Applicant's evidence**

21. The applicant's evidence consists of four declarations.

22. There is a declaration dated 31 March 1999 by Junjiro Yashiro who is a director of the applicant. Mr Yashiro refers to an exhibit which lists pharmaceutical trade marks in use in the United Kingdom containing the letters HC. He states that all the pharmaceutical products would appear to have been in use in the United Kingdom at the relevant date. None of the trade marks exhibited are three letter marks. They all contain significant word elements as well as the letters HC; indeed even the reference to DHC is to DHC CONTINUS. I cannot, therefore, see that they are on a par with the trade marks the subject of the instant proceedings and do not consider that their existence has a bearing upon the case.

23. Mr Yashiro states that the pharmaceutical preparations sold under the trade mark DHC contain dihydrocodeine tartrate. He states that the letters DHC are suggestive of dihydrocodeine and could be regarded as an ingredient of the tablet. Mr Yashiro refers to the likelihood of confusion. This does not represent evidence of fact but a submission and the issue will be dealt with in my decision and so I will say no more about it here. He states that it is important to state how his trade mark is used. He states that the trade mark is taken from the phrase "Human Health Care" and that it is not used in relation to a specific pharmaceutical product. He states that his trade mark is essentially a house mark and is applied to a variety of literature and advertising material. He states that his company has no intention of using the trade mark in relation to analgesic preparations.

24. He states that he understands that the Trade Marks Registry did not cite the opponent's trade mark against his application. Mr Yashiro states that the opponent's trade mark is marketed in combination with the house mark NAPP of Napp Laboratories Limited. The rest of Mr Yashiro's declaration can best be categorised as representing submissions rather than evidence of fact. I will deal with the issues raised in these "submissions" in my decision.

25. I turn now to a statutory declaration dated 1 July 1999 by Simon Addison Smith, who is a pharmacist. Mr Smith refers to the British National Formulary which lists all proprietary medicines available to doctors. He states that in the "guidance to prescribing" it is stated: "where non-proprietary ("generic") titles are given, they should be used in prescribing." He states the DHC is listed under the entry for dihydrocodeine which is the non-proprietary title. Mr Smith states that there is a reference to dihydrocodeine tartrate which is a prescription drug. Mr Smith then makes reference to the likelihood of confusion. This is not evidence of fact, nor an issue upon which Mr Smith is an expert. I, therefore, take no account of his comments on likelihood of confusion.

26. The next statutory declaration is dated 3 April 2000 by Timothy Eisen, who is a medical practitioner and a member of the Royal College of Physicians. He states that when prescribing he

relies firstly upon the British National Formulary; then on trial protocols and drug information sheets. He states that he has known DHC for twelve years and that it is a prescription only medicine. He states that it is an opioid analgesic. He states that in hospital practice a prescription would normally only refer to the drug by its non-proprietary name. He states that he “suspects” that if he wrote a prescription for DHC or HHC that the pharmacist would return the prescription as he had not referred to the drug by its full non-proprietary name. He states that prescription and non-prescription medicines reach patients by different routes. In this declaration the possibility of confusion is mentioned again; and again this is not evidence of fact nor a matter in which the declarant is an expert.

27. The final declaration is dated 17 March 2000 by Jonathan Raphael, who is a doctor of medicine and a fellow of the Royal College of Anaesthetics. Mr Raphael states that the major routes by which pharmaceutical products become available to the public is determined by whether they are over the counter medicines or prescription drugs. He states that he knows DHC CONTINUS to be a prescription drug and that he is not aware of a drug which is branded under the title “DHC” alone. He states that when prescribing pharmaceuticals like “DHC CONTINUS” he only refers to them by their full pharmacological name.

28. He states that prescription drugs such as DHC are only dispensed to the public through the supervision of both a doctor and a pharmacist. Mr Raphael then, like his fellow declarants, enters into the issue of likelihood of confusion. He states that the dispensing area of a pharmacy, which holds the prescription drugs, is generally a distinct area from the area which holds over the counter medicines. Mr Raphael makes references on several occasions to HHC being a non-prescription drug. However, I can see nothing in his declaration that indicates he knows upon which goods HHC is used and whether it is or will be used for prescription drugs. I also cannot understand how Mr Raphael would have such knowledge. In my decision I have to deal with the specification of the application in suit before me. The applicant has made no request to restrict the specification of goods.

29. Mr Raphael refers to a study carried out by Hugh James of the Royal Infirmary, Leicester. I do not see that this has a bearing upon the issues before me. The study deals with the issue of drug ampoule labels, it does not deal with other matters.

30. In relation to the evidence presented no explanation has been given as why or how the persons who gave the final three declarations were chosen.

### **Opponent’s evidence in reply**

31. The opponent’s evidence in reply consists of two declarations. I deal first with the declaration dated 3 February 2001 by Susan Woods. Ms Woods is head of regulatory pharmaceuticals for Napp Pharmaceuticals Limited and a practising pharmacist. As Napp Pharmaceuticals Limited share the same address as Napp Laboratories Limited, the licensees of the earlier trade mark, I infer that there is a relationship between the two concerns.

32. Ms Woods states that in the pharmacy there are two potential sources of error and confusion:

1. a dispensing pharmacist misreading a prescription

2. a product name being mis-typed when the prescription details are entered into the pharmacy computer.

She states that prescriptions do not mention the ailment for which they have been prescribed. Consequently a pharmacist would not pick up an obvious error, e.g. if an anti-hypertensive had been prescribed for a treatment of severe pain. She states that a hospital pharmacy is less likely to encounter the problems which may occur in a retail pharmacy. She states that the comments of Messrs Raphael and Eisen appear to be primarily based upon what they believe occurs in hospital pharmacies. However, Ms Woods states that as consultants they are unlikely to have any practical knowledge of how even a hospital pharmacy works.

33. She states that in hospital pharmacies all products are dispensed generically, even if the prescription is written for a proprietary product. Ms Woods states that in retail pharmacies the pharmacist is required by the NHS contract to dispense a prescription exactly as written. It is not possible for him to substitute a generic where a proprietary product is specified. She estimates that thirty per cent of prescriptions which she dispenses in a normal day will specify a proprietary drug.

34. Ms Woods states that the advice from the British National Formulary does not prevent either consultants or GPs from specifying a specific product by its proprietary name. She states that doctors are permitted to specify preparations by their proprietary names. Ms Woods states that in certain cases it is not possible to interchange generic and proprietary formulations containing the same active ingredients, because formulation differences affect the rate and extent of absorption. She states that, consequently, if a patient is treated with DHC it is essential that he continues to receive DHC and so DHC will be specified upon the prescription.

35. Ms Woods states that many over the counter medicines are also dispensed upon prescription. She states that in the retail pharmacies where she has worked it has not been necessary to leave the dispensing area to obtain most of the over the counter medicines dispensed on prescription.

36. Ms Woods states that it is not uncommon for products which previously have only been available on prescription to become available without prescription; at least for lower strengths. She specifically refers to ZANTAC and GAVISCON as originally being prescription medicines which later became available over the counter. She refers to exhibit SCW1 which deals with "switching" of pharmaceuticals from prescription only to over the counter and vice versa. She also exhibits as SCW2 a list of preparations which have switched from over the counter to prescription only status within the United Kingdom.

37. Ms Woods states that over the counter and prescription only medicines are stored side by side at wholesale. I do not know from what expertise or knowledge she makes this statement. This is no indication that she has worked for a pharmaceutical wholesaler.

38. She states that in prescriptions that she sees DHC CONTINUS is often referred to as DHC tabs. She also states that as DHC is only sold in tablet form it is not necessary for "tabs" to be specified. She states that doctors usually refer to the product as DHC - Ms Woods adduces no evidence in support of this assertion.

39. Ms Woods goes on to deal with the applicant's evidence in relation to the use of the letters HC. For the reasons given above I do not consider that this evidence has a bearing upon the

instant case and so nothing will be gained from rehearsing Ms Woods rebuttal of the relevance of this evidence.

40. There is a further declaration by Mr Wuest, dated 5 February 2001. Much of the declaration can be best described as submissions in relation to the perceived short comings in the evidence of the applicant rather than evidence of fact. I will only deal in this summary with what I consider evidence of fact. The other matters will be dealt with in my decision.

41. The evidence of fact of the declaration deals with documents relating to errors arising in the dispensing of pharmaceuticals by pharmacists. This evidence relates to misreading of prescriptions for a variety of reasons. Mr Wuest's exhibits deal with drug names that are considered similar, cases of confusion of drugs and their consequences, the standard of doctors' handwriting. I am not certain that whether this evidence can really be considered to be evidence strictly in reply (see *Peckitt's Application* [1999] RPC 337) or rather evidence in chief. The position is I believe borderline but as it is borderline and the applicant has not objected to it I accept it as evidence in reply.

### **Submissions of the opponent**

#### Section 5(2)(b)

42. The opponent refers to the evidence of use and promotion that he has furnished. He refers to *Sabel BV v. Puma AG* [1998] R.P.C. 199. He states that his earlier registration has a particularly distinctive character derived through the reputation acquired through its use. He asserts that it is necessary to consider how average members of the medical and pharmacy professions and of the patient population would perceive the respective trade marks. The opponent states that it is significant that DHC has been in use for fifteen years and is the only pharmaceutical preparation for ingestion having the terminal "HC". The opponent states that the respective trade marks are visually similar whether in upper or lower case; he asserts that this was very important owing to the poor handwriting of doctors. The opponent states that neither trade mark was limited to over the counter or prescription medicines. He also states that his evidence shows that over the counter medicines could be dispensed as prescription medicines and that there is "switching" from prescription medicines to over the counter medicines.

#### Section 5(4)(a)

43. The opponent states that the respective signs could be confused. He states that this could be a danger to public health. He states that if HHC was used in relation to an analgesic containing the same ingredients as DHC, there would still be adverse effects; such effects would be damaging to the goodwill and reputation of DHC. He states that there is a strong likelihood that the public would be confused/deceived through association of HHC with DHC. He states that such confusion would lead to a substantial damage to his reputation and goodwill; through loss of sales or through the product being perceived as ineffective or as producing ill effects. Consequently, he submits that the use of the trade mark HHC in relation to pharmaceutical products is likely to constitute passing-off.



### Section 3(3)(b) and/or 3(6)

44. The opponent states that it is clear from the applicant's own evidence that the letters HC indicate the presence of hydrocortisone. Thus, use of HHC in relation to a topical preparation not containing hydrocortisone would be likely to deceive the public as to the nature of the topical preparation (section 3(3)(b)). He states that the applicant as a pharmaceutical company, had to be aware when he filed the application in suit that the application was made in bad faith to the extent that it covered topical preparations not containing hydrocortisone (section 3(6)).

### Section 3(6)

45. The opponent refers to the statement of Mr Yashiro that his company does not have an intention to use the trade mark HHC in relation to analgesic preparations. The opponent states that he has a substantial goodwill and reputation in his trade mark. He refers to Mr Yashiro stating that he accepts that the opponent has used his trade mark in relation to an analgesic tablet. The opponent states that from this it is clear that the applicant at the time of the filing of the application had no intention to use his trade mark in relation to analgesics and so the application was made in bad faith.

46. The opponent states that Mr Yashiro has stated that HHC is taken from the phrase Human Health Care. He states that it is apparent from this that at the date of the filing of the application that it covered goods in class 16 upon which the opponent did not intend to use the trade mark. He states that the specification covers printed matter relating to matters outside the human health care field and containers which would not be appropriated (sic) for goods outside the health care field.

### **Submissions of the applicant**

47. The applicant states that owing to the lack of supporting evidence the only goods subject to the section 5(2)(b) allegation are pharmaceuticals. The applicant refers to *Sabel BV v. Puma AG* [1998] R.P.C. 199, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc* [1999] E.T.M.R. 1, *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V.* [2000] F.S.R. 77 and *Marca Mode CV v. Adidas AG* [2000] E.T.M.R. 723, *Daimler Chrysler AG v Alavi* [2001] RPC 813, *The European v The Economist Newspaper* [1998] RPC 283. He refers to Kerly's 13<sup>th</sup> edition at page 234:

“Where the earlier mark has been used it is still appropriate to consider a normal and fair use of it and, in the absence of argument or evidence to the contrary, the way in which the proprietor has used it can be said, at the very least prima facie to be the paradigm case of its use in a normal and fair manner.”

48. The applicant quotes from *Grundig* [1968] RPC 89 - “If in fact it is known what use an applicant intends to make of his mark, then that use cannot be excluded.”

49. He states that in the exhibits to Mr Wuest's first declaration in only one of seven examples is there use of the letters DHC simpliciter. The applicant states that in six of the seven examples of

use the letters DHC appear associated with the word CONTINUS. He states that his use of HHC will be in relation to non-prescription, non-analgesic pharmaceuticals.

50. The applicant asserts that the comparison to be made is between DHC CONTINUS in association with prescription analgesics and HHC in association with non-prescription, non-analgesic pharmaceuticals.

51. The applicant states that there is no direct evidence of recognition from members of the relevant trade of the letters DHC. He states that the turnover figures and expenditure on marketing the goods of the earlier registration are small.

52. The applicant refers to *Tripcastroid* [1925] RPC 264 in relation to the importance of the beginning of words being the most important element in distinction between two trade marks.

53. The applicant argues that within the pharmaceutical industry the sharing of a common suffix will not normally lead the consumer to believe that the goods marketed under signs sharing the common suffix have the same origin - reference is made to *The Upjohn Co v Schering* [29 IPR 432] and *Sterling Winthrop Pty Ltd v Stephen Hunter Pty Ltd* [32 IPR 105]. The applicant states that the respective trade marks are acknowledged as not being “confusingly” similar by those who have filed evidence on his behalf.

54. The applicant states that there has been no evidence of visual confusion submitted. The applicant states that HC is generic to the trade, based upon the declarations of Ms Wood and Mr Junjiro. He also states that it should also be taken into account that the opponent’s trade mark is almost exclusively used in the composite form, it is an acronym for the pharmacological product it is applied to, it is always used in association with the words dihydrocodeine. The applicant states that the initial letters D and H are phonetically not similar. He states that the overall impression of the respective marks is different.

55. The applicant submits that DHC is devoid of distinctive character as it represents an acronym - referring to the Registry’s Work Manual in relation to acronyms. He asserts that the lack of distinctiveness of the earlier registration militates against confusion.

56. The applicant argues on the basis of the tests set out in *Treat* [1996] RPC 28 that the respective goods are not similar. The applicant states that HHC will be used in relation to non-analgesic pharmaceutical preparations. Consequently he argues that the respective goods have different uses. He states that owing to the difference in use that the users will be different. The applicant states that because the goods of the earlier registration are prescription only and those of the applicant are intended for over the counter sales that the trade channels are different. He states that the respective goods will not be found together in supermarkets. He states that owing to the narrow use of DHC that there is no possibility that the respective goods are competitive.

Section 5(3), Section 3(4)

57. For the reasons given below I will not be dealing with these objections and so need say no more about the submissions of the applicant in relation to these issues.

### Section 3(3)

58. The applicant states that there is no evidence to suggest that the trade will be aware that the letters HC refer to hydrocortisone and so the opponent has not discharged his onus to prove that the public will be deceived. The applicant states that on the basis of the opponent's argument his own trade mark is deceptive as it does not contain hydrocortisone.

### Section 5(4)

59. The applicant states that the opponent's turnover figures relate to the trade mark DHC CONTINUS and not the trade mark DHC simpliciter. He states that there is no evidence of the recognition of the letters DHC in the minds of the purchasing public. The applicant states that there is no dispute that the letters DHC are an acronym for dihydrocodeine and therefore are descriptive. He states that relatively small differences between descriptive trade marks are sufficient to avoid passing off - *Office Cleaning case, Antec International Ltd v South Western Chicks (Warren) Ltd* [1998] 25 FSR 738. He also states that the very nature of prescription drugs will militate against confusion.

### Section 3(6)

60. The applicant states that the opponent bases his case for bad faith on his offer to desist from using the trade mark HHC upon analgesics. The applicant states that pharmaceutical preparations encompasses a myriad of pharmacological compounds. He states that this objection, as a matter of common sense, must fail for this reason alone.

## **Decision**

### **Preliminary issues**

61. The opponent only made submissions in relation to sections 5(2)(b), 5(4)(a), 3(3)(b) and 3(6) of the Act. In relation to section 5(2)(b) and section 5(4)(a) the submissions are limited to pharmaceutical preparations in the specification of the application in suit. Therefore, I only intend to consider these grounds of oppositions in relation to these goods. In relation to sections 3(3)(b) and 3(6) I will limit myself to the grounds proffered in the submissions of the opponent - which are summarised above. In short my decision will be set within the parameters of the submissions of the opponent rather than the broader parameters of the original grounds of opposition.

### **The goods of the application in suit and the earlier registration**

62. It strikes me that there has been obfuscation as to what goods are being considered. The applicant has referred to his intention not to use his trade mark in relation to certain goods. However, he has not amended the specification. As the specification has not been amended, and there has been no request to amend it, I must consider the specification as it stands. As the specification stands it also encompasses both over the counter and prescription only medicines.

The applicant has attempted to limit the goods of the earlier registration to being prescription only

goods. The specification of the registration is not so limited. I consider that the consideration must be of the specification as registered - there is nothing that precludes, in trade mark law, the goods being non-prescription. It might be advanced that owing to the regulation of pharmaceuticals that the opponent could be restricted to using the goods in relation only to prescription only medicines. However, I have no evidence to this effect. Indeed I have evidence, which I find convincing, from the opponent that there is switching between prescription only and over the counter medicines. Consequently there is nothing before me to convince me that the earlier registration could not be used in relation to over the counter medicines. Owing to this position I do not have to consider whether there is a de facto restriction of the potential usage of the goods encompassed by the earlier registration and whether such a de facto restriction would indeed effect how I need to consider the specification of the earlier registration. It is for the applicant to launch an action for invalidity to restrict the specification. Consequently I take into account the specification of the earlier registration as registered.

### **The sign to be considered**

63. The applicant has argued that the sign in relation to section 5(2)(b) that should be considered is DHC CONTINUS, which is not the sign registered.

64. I find none of the authorities or arguments put forward by the applicant in relation to this matter convincing. I follow the position in *React Trade Mark* [2000] RPC 285 at page 288 and approach the matter on the basis of a notional and fair use of the earlier registration, and then to compare that with a notional and fair use of the application in suit.

65. Consequently the comparison of the signs will be between the trade mark as registered and the application in suit as applied for.

### **Use of the earlier trade mark**

66. The use of the earlier trade mark does show use of DHC CONTINUS, not only use of DHC simpliciter. It is impossible for me, from the evidence presented, to ascertain how much recognition accrues to DHC and how much to DHC CONTINUS.

67. According to *Sabel* public recognition can enhance the penumbra of protection of an earlier sign. There is no clear definition from the European Court of Justice as to what will constitute this recognition. However in *DUONEBS* BL 0/048/01 (unreported) Mr Thorley, acting as the appointed person, dealt with this issue:

In my judgment, I believe what the ECJ had in mind was the sort of mark which by reason of extensive trade had become something of a household name so that the propensity of the public to associate other less similar marks with that mark would be enhanced. I do not believe that ECJ was seeking to introduce into every comparison required by section 5(2), a consideration of the reputation of a particular existing trade mark.

I intend to follow this approach, which clearly places a high requirement upon the opponent. I

certainly cannot, from the evidence before me consider that the earlier registration enjoys a high degree of recognition with its relevant public; which at the minimum would be persons in the medical profession and it could be argued also should include patients. Even if I restricted the public to members of the medical profession the evidence simply cannot support a claim of recognition in relation to DHC simpliciter. I have limited indications of use of DHC simpliciter. The turnover figures give no indication of the market share of the relevant goods that the opponent enjoys. So even on an indicative basis I could not find that DHC enjoys recognition. I, therefore, reject any claim that the earlier registration enjoys enhanced distinctiveness owing to recognition.

### **Distinctiveness of the earlier registration**

68. The applicant has asserted that DHC is an acronym for dihydrocodeine. No evidence has been adduced to prove this point. The applicant states that this a conclusion that should be drawn - presumably because the letters DHC appear in dihydrocodeine. This would have been an easier enough matter for the applicant to prove. If DHC is an acronym as suggested by the applicant he could have adduced evidence from reference works to show this - he has not. That the opponent may have taken three letters from dihydrocodeine to form his trade mark does not make it a an acronym. I, therefore, reject the claim that DHC is an acronym for dihydrocodeine owing to the complete absence of proof of this assertion.

69. As stated above I do not consider that the trade mark DHC enjoys public recognition, and so it has not added to its inherent distinctiveness.

70. Taking into account all the above I consider that the trade mark DHC enjoys a reasonable degree of inherent distinctiveness.

### **Grounds of opposition**

71. The grounds of opposition pursued by the opponent are those under sections 5(2)(b), 5(4)(a), 3(3)(b) and 3(6)of the Trade Marks Act 1994. The relevant provisions read as follows:

Section 5:

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

(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.

(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented-

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade....

The term 'earlier trade mark' is defined in section 6 of the Act as follows:

“6.- (1) In this Act an “earlier trade mark” means -

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

- 3.-
- (3) A trade mark shall not be registered if it is -
  - (b) of such a nature as to deceive the public (for instance as to the nature, quality or geographical origin of the goods or service).
  - (6) A trade mark shall not be registered if or to the extent that the application is made in bad faith.

### **Section 5(2)(b) objection**

72. In determining the question under section 5(2)(b), I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v. Puma AG* [1998] R.P.C. 199, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc* [1999] E.T.M.R. 1, *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V.* [2000] F.S.R. 77 and *Marca Mode CV v. Adidas AG* [2000] E.T.M.R. 723. It is clear from these cases that:-

(a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v. Puma AG* page 224;

(b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v. Puma AG* page 224; 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; *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V.* page 84, paragraph 27.

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v. Puma AG* page 224;

(d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel BV v. Puma AG* page 224;

(e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc* page 7, paragraph 17;

(f) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either per se or because of the use that has been made of it; *Sabel BV v. Puma AG* page 8, paragraph 24;

(g) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v. Puma AG* page 224;

(h) further, 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; *Marca Mode CV v. Adidas AG* page 732, paragraph 41;

(i) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc* page 9 paragraph 29.

### **Comparison of goods**

73. The goods encompassed by the specification of the earlier registration are: *pharmaceutical preparations for use in analgesia; all included in Class 5*. The goods of the application which are under attack are: *pharmaceutical preparations*.

74. In *Canon* the European Court of Justice held, in relation to the assessment of the similarity of goods, that the following factors inter alia should be taken into account: their nature, their end users and their method of use and whether they are in competition with each other or are complementary.

**75. The goods of the application encompass all pharmaceutical preparations and so must include the goods of the earlier registration. In so much as they do the respective goods are identical.**

76. In relation to goods encompassed by the specification of the application in suit which are not analgesics I need to compare the respective goods using the *Canon* criteria. They have the same nature, they are all pharmaceutical preparations. They have the same end users, persons who are ill or require some form of treatment for a condition of the body or mind. Their method of use will be the same, either form of goods could be swallowed, injected etc. Those goods of the application in suit which are not analgesics are unlikely to be substituted for analgesics e.g. if one has a headache one is not likely to take a tablet for lowering blood pressure as a substitute for an analgesic. I, therefore, do not consider that the respective goods are in competition. In relation to the possibility of non-analgesics being complementary to analgesics I have received no clear arguments or evidence from the parties. It could be that in certain circumstances that there is a symbiotic or mutually dependent relationship between the goods. However, I do not know this and have nothing upon which to reach a conclusion. I, therefore, reach no decision as to whether the respective goods are complementary. I take into account also that the respective goods would readily follow the same channels of trade; from pharmaceutical manufacturer to pharmacy, or even supermarket. **Taking into account all the above I find that the pharmaceutical preparations**

**encompassed by the application in suit which are not analgesics are similar to the goods of the earlier registration.**

### **Similarity of signs**

77. The signs to be compared are as follows:

Earlier registration:

Application in suit:

**DHC**

**HHC**

78. Neither sign enjoys a conceptual association. Therefore, there is no conceptual similarity between the respective signs.

79. In the case of both phonetic and visual similarity the issue boils down to the difference in the first letter of the respective marks. The applicant has referred to the issue of common suffixes. I consider that a suffix is essentially a part of a word; not part of a letter only mark. The argument that HC is a suffix and that a common suffix does not make trade marks in their entirety similar, I do not find attractive. Neither do I find the cases referred to by the applicant on a par with the instant case.

80. The public are well versed in dealing with letter only marks, their presence in the market place means that they are used to differentiating between them. Also where trade marks consist of a few letters a limited difference can obviate similarity, especially where the first letter is different (see next paragraph).

81. It was established under the 1938 Act that the beginnings of words are more important in assessing similarity than the ends (*TRIPCASTROID* 42 RPC 264 at page 279). I consider that this is a reflection of human perception and so is not an issue that changes because of a change in trade mark acts. Therefore, it seems to me that this view is equally valid under the 1994 Act. It is also a position that OHIM follows, for instance in decision no 1126/2000 - Official Journal 10/2000 at page 1506. In *TRIPCASTROID* the argument was founded on the tendency for people to slur the ends of words. In the instant case, if pronounced aloud, it seems to me that the emphasis is on the first letter of each sign and the subsequent letters are progressively less emphasised. I can find no phonetic similarity between the letters "H" and "D". I also consider that the repetition of the letter "H" will be noticed by the ear and emphasise the difference between the respective signs. Taking into account the above I consider that the respective signs are not phonetically similar.

82. In upper case the letter "D" and "H" are not visually close. However, in normal and fair use I consider that either trade mark could be used in the lower case - in which case the customer would be presented with the letters "d" and "h". The lower case letters are clearly closer to one another than the upper case letters. However, one cannot divorce the visual analysis from the perception of the viewer; whose perception will, owing to his knowledge of the alphabet, identify the letters with the letters of the alphabet and categorise and perceive of them as such. I consider that the differences between the respective trade marks, whether in upper or lower case, are such that they are not visually similar.



**Consequent upon the above I find that the respective signs are not similar.**

## **Conclusion**

83. The European Court of Justice in *Sabel* held:

“In that connection, it is to be remembered that Article 4(1)(b) of the Directive is designed to apply only if, by reason of the identity or similarity both of the marks and of the goods or services which they designate, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

For a finding of confusion the goods and the signs have to be similar; a global appreciation cannot make non-similar goods similar or non-similar signs similar - these are not moveable feasts.

84. As Mr Hobbs Q.C., sitting as the Appointed Person in *Raleigh International* (SRIS O-253-00) stated:

"Similarities between marks cannot eliminate differences between goods or services; and similarities between goods or services cannot eliminate differences between marks. So the purpose of the assessment under section 5(2) must be to determine the net effect of the given similarities and differences."

So even if the interdependency principle between goods and signs is given its fullest weight this could not assist the opponent.

85. The opponent has spent some time in referring to the bad handwriting of doctors. Bad handwriting can distort any trade mark, can make a trade mark almost impossible to read. If one follows the line of what would happen with bad handwriting the sea of confusion would breach all dykes. I accept that medicines are in a different category to many other products; as there has been a tradition - through the prescription - for them to be referred to in a handwritten document. Although as the opponent himself indicates this has become far less common. However, this argument is clearly only relevant to prescription only medicines. If I consider such use - on the prescription form - I must also take into account if the trade mark DHC is likely to be used simpliciter. The parties dispute this issue; the applicant arguing that the generic name of the goods would also likely to be given. I find that neither party is convincing in their arguments in relation to this issue - I can draw no conclusion from the facts that have been presented to me. In these proceedings the onus is upon the opponent to prove his case - in relation to this point he has failed. He could have furnished trade evidence in relation to how doctors write out prescriptions for his product. He did not. I also suspect that if he had it would have been likely to identify the trade mark as DHC CONTINUS rather than DHC simpliciter. If DHC simpliciter were to be used one could wonder if the doctor, taking into account the shortness of the trade mark, would feel it necessary to give the generic title to avoid error. This is, of course, all speculation. The fact that it is speculation is evidence of the failure of the opponent to prove his case.

86. The opponent states that it is significant that DHC has been in use for fifteen years and is the

only pharmaceutical preparation for ingestion having the terminal “HC”. He considers that this is a reason for considering the respective signs similar. This submission proposes a salami slicing approach to the trade marks, rather than viewing them in their entirety. The opponent puts forward no clear reason why the purchaser should slice the respective trade marks into two parts and simply not compare them in their entirety - as the European Court of Justice states they should be.

87. The applicant has stated that there have been no instances of confusion. However, there has been no indication that his trade mark has been used within the United Kingdom. Consequently this line of argument does not assist the applicant.

88. I have taken into account the possibilities of imperfect recollection. However, in the instant case I do not think this assists the opponent greatly owing to the differences between the respective trade marks.

**89. Consequent upon the above I find that there is not a likelihood of confusion.**

#### **Section 5(4)(a) objection**

90. I intend to adopt the guidance given by the Appointed Person, Mr Geoffrey Hobbs QC in the *Wild Child case (1998) 14 RPC 455*. In that decision Mr Hobbs stated that:

"The question raised by the Grounds of Opposition is whether normal and fair use of the designation WILD CHILD for the purposes of distinguishing the goods of interest to the Applicant from those of other undertakings (see Section 1(1) of the Act) was liable to be prevented at the date of the application for registration (see Art. 4(4)(b) of the Directive and Section 40 of the Act) by enforcement of rights which the opponent could then have asserted against the applicant in accordance with the law of passing off".

"A helpful summary of the elements of an action for passing off can be found in Halsbury's Laws of England 4th Edition Vol 48 (1995 reissue) at paragraph 165. The guidance given with reference to the speeches in the House of Lords in *Reckitt & Colman Products Ltd v Borden Inc [1990] RPC 341* and *Erven Warnink BV v J Townend & Sons (Hull) Ltd [1979] ACT 731* is (with footnotes omitted) as follows:

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

(1) that the plaintiff's goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;

(2) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by the defendant are goods or services of the plaintiff; and

(3) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous

belief engendered by the defendant's misrepresentation."

91. The date at which the matter must be judged is not entirely clear from Section 5(4)(a) of the Act. This provision is clearly intended to implement Article 4(4)(b) of Directive 89/104/EEC. It is now well settled that it is appropriate to look to the wording of the Directive in order to settle matters of doubt arising from the wording of equivalent provisions of the Act. It is clear from Article 4(4)(b) that the earlier right had to have been "acquired prior to the date of application for registration of the subsequent trade mark, or the date of the priority claimed .....". The relevant date is therefore the date of the filing of the application in suit.

92. Misrepresentation is an essential component of the tort of passing off. This depends upon confusion and deception brought about by the use or proposed use of an indicium adopted by a defendant (in this case, applicants). I have already considered the likelihood of confusion in my findings under Section 5(2)(b). The opponents are in no better position under Section 5(4)(a) and cannot succeed to a greater extent.

**93. This ground of opposition is, therefore dismissed.**

### **Section 3(3)(b)**

94. The opponent submits that use of the application in suit in relation to a topical preparation not containing hydrocortisone would be likely to deceive the public.

95. The basis for this ground of opposition in the submission of the opponent does not appear in the grounds of opposition. The opponent has not requested an amendment of his grounds of opposition. **Consequently this new ground is dismissed.**

96. However, for the sake of completeness I will deal with this matter. The trade mark of the application in suit is HHC, it is not HC. I see no reason why the public - however educated and specialised - would slice off the first "H" and think that the last two letters referred to hydrocortisone. (It is an odd argument to be advanced by the opponent as it would indicate that his own trade mark is liable to deceive.) **I, therefore, dismiss the opposition under section 3(3)(b) on this basis also.**

### **Section 3(6)**

97. Lindsay J in *Gromax Plasticulture Limited v. Don and Low Nonwovens Ltd* (1999) RPC 167 stated that the words bad faith in the context of the Act encompass:

"dishonesty and, as I would hold, includes some dealings which fall short of the standard of acceptable commercial behaviour observed by reasonable and experienced men in the particular field being examined."

98. The opponent approaches section 3(6) under several heads. Firstly on the same grounds as under section 3(3)(b): that the application was made in bad faith to the extent that it covered

topical preparations not containing hydrocortisone. **For the same reasons I dismissed the opposition under section 3(3)(b) I dismiss this basis for objection under section 3(6).**

99. The opponent states that the evidence of the applicant shows that he had no intention at the filing date to use the trade mark HHC in relation to analgesics. There is no evidence for this assertion. Mr Yashiro states that the applicant does not intend to use HHC in relation to analgesics. He does not state that this was his original intention. His statement reflects his position at the time of his declaration and after an opposition had been launched. His statement in no way indicates that this had been his intention at the time of the filing of the application. It would seem clear from the evidence of Mr Yashiro that this statement was made on the basis of trying to reach an accommodation with the opponent; to try and despatch the main area of conflict. The opponent's representatives will also be well aware that it is common practice to act in this way in order to resolve conflicts between trade marks. **I dismiss this basis for objection under section 3(6).**

100. The opponent refers to the declaration of Mr Yashiro where he states that the trade mark HHC is "taken from the phrase Human Health Care". The opponent states that it is apparent from this that at the date of the filing of the application that it covered goods in class 16 for which the applicant had no intention to use the trade mark. The opponent states that in particular the specification encompasses printed matter relating to matters outside the human health care field and containers which would not be appropriate for goods outside the health care field. This might be apparent to the opponent, it is not apparent to me. The derivation of the trade mark is not an indication of the intention to use. I have no idea of the intentions of the applicant at the time of the filing of the application; and the opponent has furnished no documentation to show that he has. The opponent's case rests solely on conjecture. **I dismiss this basis for objection under section 3(6).**

**The opposition is rejected in its entirety.**

**The applicant is entitled to a contribution towards his costs and I therefore order the opponent to pay him the sum of £435. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.**

**Dated this 5<sup>th</sup> day of November 2001**

**D.W.Landau  
For the Registrar  
the Comptroller-General**