

O-380-03

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NOS 2246922 AND 2246923
BY TACT MEDICAL INC
TO REGISTER THE TRADE MARKS:**

KUDO ELBOW

KUDO TOTAL ELBOW SYSTEM

IN

CLASS 10

AND

**THE CONSOLIDATED OPPOSITIONS THERETO
UNDER NOS 52143 AND 52144
BY BIOMET MERCK LIMITED**

Trade Marks Act 1994

**In the matter of application nos 2246922 and 2246923
by Tact Medical Inc
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under nos 52143 and 52144
by Biomet Merck Limited**

BACKGROUND

1) On 28 September 2000 Tact Medical Inc of Japan, who I will refer to as Tact, applied to register the trade marks: **KUDO ELBOW** and **KUDO TOTAL ELBOW SYSTEM**. The trade mark applications were assigned the numbers 2246922 and 2246923 respectively. The applications were published for opposition purposes in the "Trade Marks Journal" on 15 November 2000 with the following specifications of goods:

artificial joints, artificial limbs; surgical, medical and veterinary apparatus and instruments.

The above goods are in class 10 of the International Classification of Goods and Services.

2) On 15 February 2001 Biomet Merck Limited of the United Kingdom, who I will refer to as Biomet, filed notices of opposition against the two applications.

3) Biomet gave three grounds of opposition in its statement of case. However, at the hearing it relied on one ground only.

4) Biomet states that it is the manufacturer of a wide variety of surgical and medical equipment, notably orthopaedic implants, and associated apparatus and equipment, and has established an extensive reputation in the United Kingdom.

5) Biomet has manufactured a series of artificial elbow prostheses under the name KUDO. Trade marks consisting of, or containing the word, KUDO have been used by Biomet since at least 16 November 1989 in respect of artificial elbow implants, associated apparatus and parts and fittings therefore. Trade marks used by Biomet since this date include: KUDO, KUDO ELBOW, KUDO ELBOW SYSTEM, KUDO ULNAR and KUDO HUMERAL.

6) Biomet is not aware of any other manufacturers of orthopaedic articles having used the name KUDO in relation to the goods referred to above or any of the goods of the application. Sales of Biomet's goods in respect of which the mark KUDO has been used have been extensive so that it has acquired a goodwill associated with the word KUDO.

7) Use of the trade mark KUDO by Tact in respect of the goods of the applications would misrepresent that such goods were those of Biomet, or were in some way connected with Biomet's business.

8) Misrepresentation would inevitably be likely to damage Biomet's business.

9) Consequently use by Tact of the word KUDO would be liable to be prevented under the law of passing-off. Therefore, the applications offend against the provisions of section 5(4)(a) of the Trade Marks Act 1994 (the Act).

10) Tact filed a counterstatement. Tact states that it filed applications for registrations of the trade marks in Japan on 24 July 1987. The trade marks were registered on 31 October 1989. The registrations are in Japanese class 10 for "medical apparatus and instruments, and other goods belonging to this class".

11) Tact states that KUDO is the surname of Dr Hiroshi Kudo. Artificial joints developed by Dr Kudo were initially marketed by Tact on behalf of Dr Kudo.

12) The ground of opposition is denied.

13) Both sides seek an award of costs. Both sides filed evidence.

14) A hearing was held on 26 November 2003. Biomet was represented by Mr Krause of Haseltine Lake Trademarks. Tact was not represented at the hearing.

EVIDENCE OF BIOMET

15) This consists of witness statements by David Moorse and Martin Page.

Evidence of David Moorse

16) Mr Moorse is the sales and marketing manager of Biomet. Biomet is a subsidiary of Biomet Inc, which I will refer to as Inc; the latter company was established in 1977 and is based in Warsaw, Indiana, USA. Inc and its subsidiaries specialise in the design, manufacture and marketing of products in the orthopaedic and musculoskeletal field. Inc distributes products in more than one hundred countries. It is the world's fifth biggest producer of orthopaedic articles. Biomet was acquired by Inc in May 1984. Biomet has around 400 employees involved in manufacturing, design and marketing.

17) There are 340 operating theatres and departments of surgery in the United Kingdom which specialise in orthopaedics. Approximately (sic) six of these specialise in elbow surgery. There are approximately 40 surgeons in the United Kingdom who specialise in elbow surgery.

18) An elbow prosthesis is a replacement for the natural elbow joint and usually comprises replacements for the proximate ends of the humerus and ulna. The products that form part of a Biomet elbow replacement system under the trade mark KUDO are:

- instrumentation for removing the existing elbow joint, trimming the surrounding bone, opening the elbow cavity and fitting and fixing the implant, namely:

chisels
rasps
rongeurs
trimmers

drill burrs
ulnar pushers

- the actual elbow implants (both humeral and ulnar components).

19) Biomet's products are partly developed through collaboration with surgeons.

20) Biomet selects the names for the products which it manufactures, markets and distributes in a variety of ways:

- adoption of surgeon or medial engineer's name
- use of hospital location/name
- use of abbreviations eg SpF from spinal fusion stimulator
- invented names

The product naming conventions of Biomet are typical of other companies in the orthopaedic field.

21) The usual practice of Biomet, and Inc, is to own the rights in the name of the product in question. In most cases, when Biomet is approached by a surgeon an agreement is concluded, transferring the idea for the product in question, along with the rights in the respective technology and name to Biomet in return for a royalty. This is customary in the trade.

22) Mr Moorse states that Biomet launched an elbow replacement system, comprising implants, associated instruments and apparatus under the trade mark KUDO in 1989. These products have continuously been part of Biomet's product range since then. The elbow prosthesis was named after the surgeon who originally devised it in around 1971/1972, Dr H Kudo, Chief of Orthopaedic Surgery at Sagamihara National Hospital in Japan. When Dr Kudo first conceived the elbow prosthesis such prostheses were typically constrained eg hinged. Dr Kudo devised a non-constrained elbow, such that its components are not joined, but can move freely. The prosthesis was modified in 1974, altering the shape of the humeral component to a saddle shape. The modified elbow prosthesis was fitted to 29 patients during the years 1972-1979, and 23 of these patients were monitored for an average of 8.4 years after each operation. From around 1980, a further elbow prosthesis was developed and put into use.

23) Dr Kudo wished to collaborate with an orthopaedic company to further develop the elbow replacement system and to market the system internationally. He approached Tact to find a development partner. Tact was acting as the distributor of Inc's hip and trauma products in Japan. Tact referred Dr Kudo to Inc in 1986; Inc introduced him to Biomet later that year. Improvements were made to the products jointly by Biomet and Dr Kudo. Biomet's main contribution to the improvement was changing the ulnar component from stainless steel to titanium. Biomet also introduced a titanium porous coating surface and added a metal backing to the polyethylene ulnar component. Biomet then began to manufacture the products in the United Kingdom and to market them in Europe and Japan. Exhibited at BM10 is an announcement from Mr Moorse to Biomet's sales team dated 17 November 1989. The announcement refers to the development of the KUDO ELBOW with Dr Kudo.

24) On 11 February 1989 Tact Medical Instruments, Inc was appointed as the exclusive authorised distributor of the full range of Biomet's and Inc's products, including elbow replacement systems under the name KUDO. This agreement relates to Japan only. Tact has

never acted as a distributor of products under the name KUDO on behalf of Biomet in the United Kingdom. Mr Moore states that he is not aware of use of the trade mark KUDO by any company specialising in orthopaedics in the United Kingdom, other than Biomet. The license agreement between Inc and Biomet and Tact is dated 11 February 1989. The agreement appoints Tact as the distributor of all products in the Biomet US price list, in the Biomet international price list, all products which come onto the lists during the term of the agreement and all custom products manufactured by Inc and Biomet. Included with the agreement is an international pricing guide of Biomet for January 1990. Included in this list are 21 KUDO products, all of which are described as new. So, it would appear that at the time of the signing of the agreement the KUDO products were not included in the product lists. The agreement allows Inc/Biomet to terminate the agreement if Tact does not achieve designated sales figure for each year from 1 June to 31 May. Section 1.7 stops Tact claiming rights in any of the trade marks of Inc/Biomet. However, there is nothing which identifies what these trade marks are, other than the trade mark Biomet itself. The agreement was for three years, with the option of renewal, subject to various factors including the failure to reach the minimum purchase requirements. Termination would be effected by giving ninety days written notice.

25) All the implants and associated fittings and fixtures of Biomet, in its KUDO elbow replacement systems range, are sterilised and packaged in sterile containers, which are labelled with the name KUDO before sale. Samples of packaging are exhibited and are shown in the annex to this decision. The products are retained in their sterile containers until they are used in the operating theatre. The instrumentation used for performing the elbow replacement operation is loaned to each hospital or health association specifically for the operation. The instruments are packed in two special instrument trays inside a case. The outside of the case lid bears the legend "BIOMET LTD KUDO TOTAL ELBOW SYSTEM". Exhibited is a brochure from Biomet entitled "Kudo Elbow System Surgical Technique". Part of the brochure is written by Dr Kudo. The brochure states that the Kudo Elbow System was designed and developed with Dr Kudo. The brochure is copyrighted by Biomet in 1989. Between 1990 and 2001 about 9,000 copies of the brochure had been distributed. Also exhibited is a brochure from Biomet headed "The Next Generation in Elbow Replacement". It relates to the Kudo Elbow System and includes reference to Kudo Instrumentation. Between 1997 and 2001 around 3,500 of these brochures have been distributed in the United Kingdom.

26) Advertisements have been placed in relation to products under the name KUDO in specialist journals. Exhibited is a copy of "Orthopaedic Product News" for May/June 1999. In this, Biomet has an advertisement for its products, included in the advertisement is the KUDO ELBOW. Also exhibited are two pages from the Biomet website which deal with the KUDO ELBOW SYSTEM. These pages were downloaded on 16 January 2002 and so emanate from after the relevant date.

27) Biomet has made sales of goods under the name KUDO since 1989. The turnover figures for the United Kingdom for the years 1996 – 2000 are as follows:

1996	£172,000
1997	£161,000
1998	£142,000
1999	£168,000
2000	£157,000

The costs of the various parts of the elbow replacement system in 2000 are given:

KUDO elbow porous humeral:	£665
KUDO elbow interlok humeral:	£544
KUDO ulnar moulded:	£344
KUDO ulnar porous coated:	£590
KUDO ulnar interlock:	£444
KUDO elbow instrument set complete:	£3245

Sales of the goods have been made across the country.

28) Exhibited is an article published by the Royal College of Surgeons of England. The article is a review, by members of the Department of Orthopaedic Surgery of The Freeman Hospital in Newcastle-upon-Tyne, of the results of shoulder and elbow prostheses available in the United Kingdom. In 1998 there were about 900 elbow replacements under the NHS. The article states that in 1999 KUDO had approximately 20% of the market. Biomet is identified as the supplier of KUDO. Each of the types of prostheses is identified with one company; although some companies supply more than one type of prosthesis. The article states that the prosthesis was released in 1993 and that the cost for a complete implant is £1,080. Biomet's contact details are given in the article. Included in the article is the following:

“Elbow replacement

Seven manufacturers (Table 3) producing 8 elbow replacements (Table 2) have been identified in the UK. The majority of these implants have evolved through a series of modifications from prostheses first designed in the late 1970s.

The current versions of 6 elbows date from the early 1980s. The Kudo elbow has remained unmodified since 1993. Only the Solar elbow has been introduced in the last years. Zimmer are planning to modify the pin assembly of the Coonrad-Morrey elbow.

The Kudo, Souter-Strathclyde and Coonrad-Morrey elbows each have a market share of greater than 20%. The GSB III and Capitello-Condylar elbows each have a 5-10% share. The remaining 3 implants each account for less than 5% of the market.

List prices range from £650 to £2070 for a complete prosthesis. The unlinked prostheses are cheaper, ranging from £650 to £1730. The linked prostheses are more expensive, costing from £1650 to £2080. The Roper-Tuke (£650) and Liverpool (£960) elbows are least expensive, but are available in only one size.

Five of the available elbow replacements have an unlinked design. These depend to varying degrees on soft tissue tension for stability. Three prostheses have a linked design. Their humeral and ulnar components are connected by a pin mechanism, allowing some movement in all planes, to form a ‘sloppy-hinge’. The Kudo and Roper-Tuke elbows can be inserted cemented or uncemented. The others are all cemented.

Only the Solar elbow, accounting for less than 5% of the UK market, does not possess published clinical results. The Kudo has data for less than 5 years. The remaining elbows have published figures for more than 5 years.

Survivorship figures for 5 years are available for the Capitello-Condylar elbow. The Coonrad-Morrey, GSB III, and Souter-Strathclyde elbows each have survival data up to 10 years. These account for about 70% of the UK market. The remaining elbows possess no survival figures.”

Witness statement of Martin Page

29) Mr Page is Product Manager of Biomet. His witness statement deals with letters from surgeons that have been adduced into the proceedings by Mr Moore. On 6 August 2001 Mr Page wrote to five surgeons, whom he lists, who specialise in elbow surgery. Four of the surgeons responded to his query. The letter he sent, basically asked if the surgeon associated KUDO with Biomet. I have recently dealt with the issue of use of letters in cases before the registrar, in *Chadwick's Original Bury Black Pudding Ltd v Chadwick's Original Bury Black Pudding Ltd* (BL 0/326/03). In that decision I stated the following:

“49) Rule 55 of the Trade Marks Rules 2000 (the Rules) states:

“(1) Where under these Rules evidence may be admitted by the registrar in any proceedings before her, it shall be by the filing of a statutory declaration or affidavit.

(2) The registrar may in any particular case take oral evidence in lieu of or in addition to such evidence and shall, unless she otherwise directs, allow any witness to be cross-examined on his statutory declaration, affidavit or oral evidence.

(3) Where these Rules provide for the use of an affidavit or statutory declaration, a witness statement verified by a statement of truth may be used as an alternative; the Registrar may give a direction as she thinks fit in any particular case that evidence must be given by affidavit or statutory declaration instead of or in addition to a witness statement verified by a statement of truth.

(4) The practice and procedure of the High Court with regard to witness statements and statements of truth, their form and contents and the procedure governing their use are to apply as appropriate to all proceedings under these Rules.

(5) Where in proceedings before the registrar, a party adduces evidence of a statement made by a person otherwise than while giving oral evidence in the proceedings and does not call that person as a witness, the registrar may, if she thinks fit, permit any other party to the proceedings to call that person as a witness and cross-examine him on the statement as if he had been called by the first-mentioned party and as if the statement were his evidence in chief.”

This rule is clear. There is a stipulated method of adducing evidence. In this case both sides have put in what they call “letters” and have adduced them into the proceedings as exhibits to witness statements. In the case of BBP there are the two letters of Mrs Greenhalgh and the letter from Mr Morris. Letters are addressed to someone, these are not. They were born of the proceedings and clearly solicited for the proceedings. If BBP wished Mrs Greenhalgh and Mr Morris to make statements it should have got them to complete witness statements, in which they would have made declarations of truth. It elected not to. These letters represent evidence that should have been adduced as per rule 55. To take cognisance of these letters would be to countenance the circumvention of rule 55. Consequently, I will take no cognisance of the letters of Mrs Greenhalgh and Mr Morris.”

I consider that the position is no different in this case. If Biomet wanted the surgeons to make

statements it should have got them to make statements in the stipulated form, with a declaration of truth. I will take no cognisance of these letters. I will add that the nature of the letter from Mr Page would have skewed any results. It primed and led the recipients and advised them of what he was trying to do.

EVIDENCE OF TACT

30) This consists of a witness statement by Hiroshi Kudo. This is the Dr Kudo from whom the prosthesis takes its name. Dr Kudo is the Honorary Director of the National Sagamihara Hospital.

31) In 1972 Dr Kudo began use of a domestically (ie Japanese) manufactured surface replacement elbow prosthesis which he had conceived. In 1975 he used only the domestically manufactured humeral component of the prosthesis, the design of which had been improved. In 1983 Dr Kudo began use of a domestically manufactured prosthesis on which a stem was newly added to the body of the humeral component. The three types of prostheses were marketed under the name "Type Kudo Elbow Prosthesis" or "Type K Elbow". The variants of the prosthesis were names Type I, Type II and Type III.

32) In 1985 the National Sagamihara Hospital has business transactions with Tact (formerly Tact Medical Instruments, Inc) and Dr Kudo was acquainted with the President and CEO, Mr Keiichi Yamagishi. Before 22 October 1987, Mr Yamagishi approached him with the idea of entrusting Tact with the manufacturing of an improved version of the domestically manufactured elbow prosthesis. Dr Kudo agreed to this proposal. Dr Kudo states that he then entrusted negotiations with Inc, concerning the manufacture of the prosthesis, to Tact. When Mr Yamagishi began negotiations with Biomet, on the manufacturing of the prosthesis, he wanted a name that was different to the original product names but which incorporated Dr Kudo's name; so that the prosthesis would be identified with Dr Kudo. Mr Yamagishi requested permission from Dr Kudo to use the trade mark KUDO ELBOW for the elbow prosthesis manufactured by Biomet. Dr Kudo gave his consent to this.

33) Dr Kudo states that Mr Yamagishi submitted applications for trade marks in Japan for KUDO ELBOW and KUDO TOTAL ELBOW SYSTEM on 24 July 1987 and acquired such trade marks on 31 October 1989.

34) Dr Kudo states that in 1988 an elbow prosthesis with a humeral component, made of highly bio-compatible titanium alloy and a porous coated stem was manufactured by Biomet. The trade mark KUDO ELBOW first appeared on the elbow prosthesis manufactured by Biomet. Owing to his status as a civil servant, when referring to the product in conferences, presentations and articles, Dr Kudo avoided using the name KUDO ELBOW and used the name "Type 4".

35) Dr Kudo states that "Type 4" was developed through discussions between him and Tact. Biomet was used to manufacture the prosthesis but it was not developed with Biomet. Dr Kudo finishes by stating that KUDO ELBOW was adopted/used by Tact and the true owner of the trade mark is Tact.

DECISION

36) Section 5(4)(a) of the Act states that a trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented 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. In this case the rule of law relied upon by Biomet is the law of passing-off.

37) I intend to adopt the guidance given by Mr Geoffrey Hobbs QC, sitting as the appointed person, in *Wild Child* [1998] 14 RPC 455. In that decision Mr Hobbs stated that:

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

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

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

..... Further guidance is given in paragraphs 184 to 188 of the same volume with regard to establishing the likelihood of deception or confusion. In paragraph 184 it is noted (with footnotes omitted) that; "To establish a likelihood of deception or confusion in an action for passing-off where there has been no direct misrepresentation generally requires the presence of two factual elements:

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

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

- (a) the nature and extent of the reputation relied upon;

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

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

38) It is well established that the relevant date for passing-off is the date of the behaviour complained of (see *Cadbury Schweppes Pty Ltd v Pub Squash Co Pty Ltd* [1981] RPC 429). The relevant date cannot be any later than the dates of the filing of the application, as section 5(4)(a) of the Act is derived from article 4(4)(b) of First Council Directive 89/104 of December 21, 1998, which states:

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

In this case there is no indication of the use of the trade marks of Tact in the United Kingdom. Consequently, the relevant date is the date of the applications, 28 September 2000.

39) Pumfrey J in *South Cone Inc. v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership)* [2002] RPC 19 stated:

"There is one major problem in assessing a passing off claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised the Registrar is entitled to be presented with evidence which at least raises a prima facie case that the opponent's reputation extends to the goods comprised in the applicant's specification of goods. The requirements of the objection itself are considerably more stringent than the enquiry under s 11 of the 1938 Act (see *Smith Hayden (OVAX)* (1946) 63 RPC 97 as qualified by *BALI* [1969] RPC 472). Thus the evidence will include evidence from the trade as to reputation; evidence as to the manner in which the goods are traded or the services supplied; and so on. Evidence of reputation comes primarily from the trade and the public, and will be supported by evidence of the extent of use. To be useful, the evidence must be directed to the relevant date."

40) In the evidence of both sides there is a whole kennel of dogs that didn't bark in the night. There is no evidence from Tact itself. No agreement is produced between Dr Kudo and either Tact or Biomet. No agreement, re the KUDO elbow, is produced by either side. Dr Kudo denies that the type 4 elbow was developed with the assistance of Biomet. Biomet has put no evidence in reply to counter this. The document exhibited at BM13 by Biomet refers to the KUDO elbow system being designed and developed in conjunction with Dr Kudo. In this Biomet document there is a page actually written by Dr Kudo. There is a lack of clarity about certain of Dr Kudo's evidence. He states that he was approached by Mr Yamagishi before 22

October 1987. I cannot see the particular relevance of this date. Why has he chosen this particular date as the point in time before which Mr Yamagishi approached him? Dr Kudo states that Tact applied for the trade marks KUDO ELBOW and KUDO TOTAL ELBOW SYSTEM on 24 July 1987. Does this mean that Tact had applied for the trade marks before Mr Yamagishi approached him about the elbow?

41) From the evidence before me there is no doubt that Biomet has a goodwill in its business of producing, amongst other things, prostheses. The question I am left with is whether the use of the trade marks of Tact would lead to deception. There is no evidence that Tact has ever used the word KUDO for goods in the United Kingdom. There is no evidence that it has ever had any business in the United Kingdom. I cannot see how the position in Japan, whatever it is, affects the issue of passing-off in the United Kingdom.

42) The first question that taxes me is the nature of the use of KUDO. Biomet claims that it is a trade mark, an indicator of origin. Tact obviously think, or hope, that it is a trade mark, as it has applied for it as such. Mr Moorse spends some time on commenting on the way that goods are named in this trade. Exhibited at BM5 is a booklet about the Copeland shoulder. Included on the first page of the booklet is the following:

“The Copeland Shoulder or Cementless Surface Replacement Arthroplasty (CSRA) of the shoulder was developed by Mr S A Copeland, FRCS Consultant Orthopaedic Surgeon at the Royal Berkshire Hospital, Reading, England, U.K.”

Exhibited at BM6 is a booklet about the Webb Morley spine system. Mr Webb and Mr Morley are identified as surgeons at the Royal National Orthopaedic Hospital. The booklet deals with a surgical technique.

43) Mr Moorse can claim that various undertakings in the trade treat such things as Kudo, Webb Morley and Copeland as trade marks. He produces details of registered trade marks for Harris-Galante, Oxford and Bayley-Walker to support his case. However, a trade mark registration does not show that the public concerned will see the sign as a trade mark. That is a matter of perception within the context of use and not a matter of the fact of a trade mark registration.

44) The impression that is given is more that the names such as KUDO describe a particular surgical technique and the type of products used in that technique. There is nothing to suggest in the product list for 1990 that KUDO is used in a trade mark sense. Especially when one compares it with the other items which are listed. The packaging shown in the annex shows the Biomet trade mark. The KUDO element seems very much a descriptor. It is difficult to see how it is acting as a trade mark when it is the subject of eleven language versions stating what the goods inside are. KUDO ELBOW SYSTEM does not stay linguistically intact, it changes to “SISTEMA DE HOMBRO KUDO”, “SYSTEME DE COUDE KUDO” and the like. If it was being used as a trade mark why would it change because of language? It strikes me that the usage is very much in the area of *The Cellular Clothing Company v Maxton and Murray* [1899] 16 RPC 397. In that case, at page 408, Lord Davey stated:

“But, my Lords, there are two observations upon that which must be made. One is that, as has been more than once said, particularly by Lord Justice Fry (then I think a Judge of First Instance) in the case of *Siegert v. Findlater*, a man who takes upon himself to prove that words, which are merely descriptive or expressive of the

quality of the goods, have acquired the secondary sense to which I have referred, assumes a much greater burden, and indeed a burden which it is not impossible, but at the same extremely difficult to discharge - a much greater burden than that of a man who undertakes to prove that same thing of a word not significant and descriptive, but what has been compendiously called a fancy word.

The other observation which occurs to me is this, that where a man produces, or invents if you please, a new article, and attaches a descriptive name to it, a name which, as the article has not been produced before, has of course not been used in connection with the article, and secures for himself either the legal monopoly or a monopoly in fact of the sale of that article for a certain time, the evidence of persons who come forward and say that the name in question suggests to their minds and is associated by them with the Plaintiffs' goods alone, is of a very slender character, for this very simply reason because the Plaintiff was the only maker of the goods during the time that his monopoly lasted, and therefore there was nothing to compare with it, and anybody who wanted the goods had no shop to go to, and no merchant or manufacturer to resort to except the Plaintiff."

45) Of course, very descriptive signs can be protected as in *Reddaway v Banham* [1896] 13 RPC 218 where Lord Macnaghten stated:

"The learned Counsel for the Respondents maintained that the expression "Camel Hair belting" used by *Banham* was "the simple truth". Their proposition was that "where a man is simply telling the truth as to the way in which his goods are made, or as to the materials of which they are composed, he cannot be held to be liable for mistakes which the public make". That seems to me to be rather begging the question. Can it be said that the description "Camel-hair Belting", as used by *Banham*, is the simple truth? I will not call it an abuse of language to say so, but certainly it is not altogether a happy expression. The whole merit of that description, its one virtue for *Banham's* purposes, lies in its duplicity. It means two things. At *Banham's* works, where it cannot mean *Reddaway's* belting, it may be construed to mean belting made of camel hair; abroad, to the German manufacturer, to the Bombay mill-owner, to the up-country native, it must mean *Reddaway's* belting; it can mean nothing else. I venture to think that a statement which is literally true, but which is intended to convey a false impression, has something of a faulty ring about it; it is not sterling coin; it has no right to the genuine stamp and impress of truth."

46) In the above case Mr Banham did not come to the matter with clean hands. In this case the evidence must lead me to find that only Biomet has used the word KUDO for elbow prostheses and associated goods in the United Kingdom. It has had its monopoly for some time. The fact is, despite *Cellular Clothing Company v Maxton and Murray*, that it alone has traded in goods using that sign in the United Kingdom. It has had a twenty percent share of the market. The evidence of the article from the Royal College of Surgeons of England article is objective and clear. Biomet is identified amongst the trade as the producer of the goods. KUDO is used by Biomet in clear relationship with its Biomet trade mark. Tact has applied for the trade marks with no other matter. There is nothing to differentiate the goods it wishes to sell from those that Biomet does sell. There is nothing in the trade mark that states that these are the goods of Tact and not the goods of Biomet. It might be that in the market place Tact would use other matter to differentiate the respective trade marks. I can only consider the trade marks for which it has made applications. Taking the state of the market into

account, I cannot see how the use of the trade marks of Tact would not cause deception. There is no element to allow for differentiation.

47) There are clearly various unanswered questions in the relationship between Dr Kudo, Tact and Biomet. Questions that cannot be answered upon the basis of the evidence before me. However, I do not consider that even the answering of the questions would affect the outcome of the case. The case rests upon the situation in the United Kingdom and whether there would be deception and resultant damage. What happens or might happen in Japan or in other jurisdictions does not affect the position in the United Kingdom in relation to the law of passing-off. In *Prof Dr G Jaeger v Jaeger Company Ld* [1927] 44 RPC 437 Sargant LJ stated:

“The present rights of the parties have to be determined independently of their former relationships, and in view of the facts existing to-day; and of these facts, the principal and all-important fact is that to-day, and, indeed, for many years past, in this country, the word “Jaeger”, when use in connection with the goods of the kind marketed by the Defendants and the Plaintiffs, means the goods of the Defendants.”

In this case the word KUDO in the United Kingdom means the goods of Biomet and not those of Tact.

48) I conclude that there would be deception/misrepresentation if Tact used the trade marks for which it is has made its two applications.

49) Consequent upon this I consider that there would be damage in the following forms:

- Diverting trade from Biomet to Tact.
- Potentially injuring the trade reputation of Biomet if there were any failings in the goods of Tact. Taking into account the nature of the goods such damage could be devastating.
- By the injury which is inherently likely to be suffered by any business when on frequent occasions it is confused by customers or potential customers with a business owned by another proprietor or is wrongly regarded as being connected with that business.

(See *Habib Bank Limited v Habib Bank AG Zurich* [1982] RPC 1)

50) Taking into account the goods upon which Biomet has used KUDO and the specifications of the applications, the objection must hold good for all the goods. In reality both sides are interested in exactly the same goods anyway.

51) Biomet has satisfied the three passing-off requirements and so has succeeded in its objection under section 5(4)(a) of the Act and the applications are to be refused in their entirety.

52) Biomet having been successful is entitled to a contribution towards its costs. Mr Krause submitted that a lot of work had gone into the preparation of the evidence of Biomet and so he was seeking an award at the top end of the scale of costs. The evidence has been clearly carefully researched. A small part of it I have not taken into account. I order Tact Medical Inc to pay Biomet Merck Limited the sum of £2575. 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 2nd day of December 2003

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

ANNEX

REF 114404

LOT 000000

KUDO ELBOW SYSTEM
POROUS COATED HUMERAL COMPONENT
SMALL RIGHT
LONG STEM
UHMWPE/PTI

Qty: 1 STERILE

CE 0086



2011-08



Bismarck Medical Ltd
Bridgend
CF31 3NA, UK
Made in Britain

STERILE UNLESS PACK DAMAGED



REF 114404
LOT 000000
KUDO ELBOW SYSTEM
POROUS COATED HUMERAL COMPONENT
SMALL RIGHT
LONG STEM
UHMWPE/PTI
Qty: 1 STERILE
2011-08
CE 0086

828

REF 165614

LOT 000000

KUDO ELBOW SYSTEM
ULNAR COMPONENT

SMALL RIGHT

* WARNING DO NOT RESTERILIZE *

UHMWPE/TI

Qty: 1 STERILE R

 2006-08

 0086

#06



STERILE UNLESS PACK DAMAGED

 2006-08

 0086 Qty: 1 STERILE R

UHMWPE/TI
* WARNING DO NOT RESTERILIZE *
SMALL RIGHT
ULNAR COMPONENT
KUDO ELBOW SYSTEM


Bristol-Myers Squibb
Merck & Co. Inc.
Kenilworth, NJ, USA
Made in Britain

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 Biomet Merck Ltd
 Biddend
 CF31 3XA UK
 Made in Britain

KUDO LONGE NI SYSTEM HUMERALI POREZNIH POVRSEH MALY PRAVY DLOUHY STEM	(GZ)	KUDO ELLENGOEN SYSTEM POROS BESCHICHTET HUMERUSKOMPONENTE KLEIN RECHTS LANGSCHAFT	(D)
KUDO ALBUSYSTEM POROS COATED HUMERUS KOMPONENT LITTE HOURE LANG STEM	(DK)	SISTEMA DE HOMBRO KUDO COMPONENTE HUMERAL CON REVEST POROSO PEQUEÑO DE RECHO VAISTAGO LARGO	(E)
SYSTEME DE COUDE KUDO COMPOSANT HUMERAL REV. POREUX PETIT DROITE TIGE LONGUE	(F)	KUDO KYYNÄRÄÄLÄJÄSTELMÄ POROSPINN HUIVUSKOMP. PIENI OIKEA HITTA VAAKSI	(FIN)
KUDO ELBOW SYSTEM POROUS COATED HUMERAL COMPONENT SMALL RIGHT LONG STEM	(GB)	KUDO ARVUSLAGSYSTEM HUMERAL KOMPON. IN POROS BELLAGN LITEN HOGER LANG STAM	(S)
KUDO SISTEMÄ GÖRHTO COMPONENTE OMBRALE CON RIV. POROSO SMALL DX STELO LUNGO	(I)	KUDO ALBUSYSTEM POROS BELLAGT HUMERUSKOMPONENT LITEN HÖ. LANGT SKAFT	(N)
KUDO ELLENGOOSYSTEM POROUS DECORATE HUMERUSCOMP. KLEIN RECHTS LANGE STEEL	(NL)	SISTEMA COTOVELO KUDO COMP. UMERAL CI REVEST. POROSO DIREITO PEQUENO TRONCO COUPEBRO	(P)
YVETIHMA ATRGONA KYAO IKOPASEE EHIKKAAMAMENO BPANIONIO ET. MERKPO, AEEBO		(GR)	

87

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Total Orthopaedic Solutions





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KUDO LOKETNI SYSTÉM
ULNARNÍ PRVEK MALÝ PRAVÝ
* POZOR NE RESTERILIZOVAT *

(CZ)

KUDO ELLENBOGEN SYSTEM
ULNA KOMPONENTE
KLEIN RECHTS

* WARNUNG: NICHT RESTERILISIEREN *

(D)

KUDO ALBUE SYSTEM
ULNAR KOMPONENT
LILLE HOËRE
* ADVARSEL MÅ IKKE RESTERILISERES *

(DK)

SISTEMA DE HOMBRO KUDO
COMPONENTE CUBITAL
PEQUEÑO DERECHO
* ADVERTENCIA NO REESTERILIZAR *

(E)

SYSTEME DE COUDE KUDO
COMPOSANT CUBITAL
PETIT DROITE
* ATTENTION : NE PAS RESTERILISER *

(F)

KUDO-KYYNÄRPÄÄJÄRJESTelmä
ULNA, PIENI, OIKEA
* VAROITUS: ÄLÄ STERILÖI UUDELLEEN *

(FIN)

KUDO ELBOW SYSTEM
ULNAR COMPONENT
SMALL RIGHT
* WARNING DO NOT RESTERILIZE *

(GB)

KUDO ARMBÄGGSYSTEM
ULNAR KOMPONENT
LITEN HÖGER
* VARNING STERILISERA INTE OM *

(S)

KUDO SISTEMA PER GOMITO
COMPONENTE ULNARE
PICCOLO DESTRO
* ATTENZIONE NON RISTERILIZZARE *

(I)

KUDO ALBUE SYSTEM
ULNAR KOMPONENT LITEN HÖ.
* ADVARSEL IKKE RESTERILISERING *

(N)

KUDO ELLEBOOGSYSTEEM
ULNA-KOMPONENT
KLEIN RECHTS
* WAARSCHUWING: NIET STERILISEREN *

(NL)

SISTEMA COTOVELO KUDO
COMPONENTE DO CUBITO
DIREITO PEQUENO
* AVISO NÃO REESTERILIZAR *

(P)

ΕΥΕΤΗΜΑ ΑΓΚΩΝΑ ΚΥΔΟ
ΟΑΕΝΙΟ ΣΤΕΛΕΧΟΣ
ΜΙΚΡΟ, ΔΕΞΙΟ

(GR)



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