

O-029-09

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO 2441859
BY EGO PHARMACEUTICALS PTY LIMITED**

TO REGISTER THE TRADE MARK:

ZATAMIL

IN CLASS 5

AND

**THE OPPOSITION THERETO
UNDER NO 95585
BY NOVARTIS AG**

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**In the matter of application no 2441859
by Ego Pharmaceuticals Pty Limited
to register the trade mark:
ZATAMIL
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under no 95585
by Novartis AG**

1) On 19 December 2006 Ego Pharmaceuticals Pty Limited (Ego) applied to register the trade mark ZATAMIL. The application was published for opposition purposes on 20 July 2007 with the following specification:

pharmaceutical preparations; topical preparations and compositions for care of the skin, including creams, lotions, powders and oils for pharmaceutical purposes and medical use; sanitary preparations; anti-microbial preparations

The above goods are in class 5 of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended.

2) On 22 October 2007 Novartis AG (Novartis) filed an opposition to the registration of the trade mark. Novartis bases its opposition on section 5(2)(b) of the Trade Marks Act 1994 (the Act). According to section 5(2)(b) of the Act a trade mark shall not be registered if because:

“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.”

The earlier trade mark upon which Novartis relies is ZATAFLIT. This trade mark is the subject of Community trade mark registration no 4729191. The application for the registration of the trade mark was made on 8 November 2005 and the registration procedure was completed on 24 January 2007. Consequently, the trade mark is an earlier trade mark and is not subject to proof of use requirements. The trade mark is registered for *pharmaceutical preparations*. These goods are in class 5 of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended.

3) Ego filed a counterstatement in which it denies that the respective trade marks are similar. It admits that *pharmaceutical preparations* in its application are identical to the goods of Novartis's registration. It admits that *topical*

preparations and compositions for care of the skin, including creams, lotions, powders and oils for pharmaceutical purposes and medical use are similar to the goods of Novartis's registration. As the aforesaid goods are encompassed by the term *pharmaceutical preparations* I consider that these goods are in fact identical to *pharmaceutical preparations*. Ego denies that *sanitary preparations; anti-microbial preparations* are either similar or identical to *pharmaceutical preparations*. Ego requests the opposition should be rejected.

4) Novartis has filed copies of pages from MIMS. The publishers of MIMS describe it in these terms:

“MIMS, or the Monthly Index of Medical Specialities, has been providing GPs with independent information on prescription medicines every month since its launch in 1959.....MIMS is published every month and each new edition sees about 200 changes to the drug monographs, including the addition of new products and all necessary deletions and amendments.”

The pages copied include the index of pharmaceuticals for the letter Z. These indexes cover the period from January 2007 to October 2008 (inclusive). No pharmaceutical product beginning with ZATA or ZAT is listed in the index. MIMS of January 2007 was published on 13 December 2006, before the date of the application. So, as least as far prescription pharmaceutical products are concerned, pharmaceutical products beginning with ZAT or ZATA are not in the market place in the United Kingdom. Ego filed state of the register evidence consisting of five trade marks, the subject of six registrations. The trade marks begin with ZAT rather than ZATA. Jacob J, the appointed persons and the Court of First Instance (CFI) have all stated that state of the register evidence is not relevant; it is what is happening in the market place that is relevant. Has the relevant, average consumer been educated to distinguish between trade marks that have a common element? The registrar has repeated this time and time again. The irrelevance of the state of the register evidence is compounded in this case by the evidence of Novartis; evidence which shows what is happening in the market place (if for prescription pharmaceutical products only). Ego states that it has a Community registration for the trade mark ZATAMIL. It states that this trade mark was registered in 1998 and has co-existed on the register with five trade marks referred to above since at least 2004. I cannot see what bearing this has on this case; such “co-existence” in no way indicates that there is or is not a likelihood of confusion. Ego has filed no evidence to show that goods under its trade mark or the goods under Novartis's trade mark have been put onto the market in the United Kingdom, so there is nothing to suggest co-existence in the market place.

Average consumer, nature of purchasing decision and standard for likelihood of confusion

5) In *Armour Pharmaceutical Co v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-483/04* the CFI stated:

“79 The Court finds that the level of attention of the average consumer of pharmaceutical preparations must be determined on a case-by-case basis, according to the facts in the case-file, especially the therapeutic indications of the goods in question. Likewise, the Court finds that, in the case of medicinal products subject to medical prescription such as those being considered in the present case, that level of attention will generally be higher, given that they are prescribed by a physician and subsequently checked by a pharmacist who delivers them to the consumers.”

6) The medicinal products of neither specification are limited to be being available only on prescription and so I must take into account that they could be purchased over the counter or from the supermarket shelf. The relevant consumer for both sets of products is the public at large. All of the goods of the two trade marks (including *sanitary preparations* and *anti-microbial preparations*) relate to the health and well-being of a person, it is reasonable to expect a reasonable degree of care to be taken in their purchase. However, the purchaser could well be more attentive to the nature, purpose, efficacy and/or contraindications of the product than to the trade mark under which it is sold. The decision to purchase many of the goods could be taken on the spur of the moment, to deal with symptoms that had developed. The goods could be of very low cost, as with certain pain killers. It is necessary to take into account that the average consumer “is deemed to be reasonably well informed and reasonably circumspect and observant¹”. The nature of the respective goods and the purchasing process is not such that small differences in the trade marks will mitigate against confusion or make the consumer less subject to the effects of imperfect recollection.

Comparison of goods

6) In “construing a word used in a trade mark specification, one is concerned with how the product is, as a practical matter, regarded for the purposes of trade²”. Words should be given their natural meaning within the context in which they are

¹ *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV* [2000] FSR 77.

² *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281.

used, they cannot be given an unnaturally narrow meaning³. Consideration should be given as to how the average consumer would view the goods⁴.

7) I have decided above that all of the respective goods are identical with the exception of *sanitary preparations* and *anti-microbial preparations*.

8) *Anti-microbial preparations* will include drugs such as antibiotics and so will be included in the term *pharmaceutical preparations*. Consequently, *anti-microbial preparations* are identical to the goods of the earlier registration.

9) In assessing the similarity of goods it is necessary to take into account, inter alia, their nature, their intended purpose, their method of use and whether they are in competition with each other or are complementary⁵. In *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281, Jacob J also gave guidance as to how similarity should be assessed⁶.

³ *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another* [2000] FSR 267.

⁴ *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd* [2003] RPC 32 dealt with a non-use issue but are still pertinent to the consideration of the meaning and effect of specifications:

“In my view that task should be carried out so as to limit the specification so that it reflects the circumstances of the particular trade and the way that the public would perceive the use. The court, when deciding whether there is confusion under section 10(2), adopts the attitude of the average reasonably informed consumer of the products. If the test of infringement is to be applied by the court having adopted the attitude of such a person, then I believe it appropriate that the court should do the same when deciding what is the fair way to describe the use that a proprietor has made of his mark. Thus, the court should inform itself of the nature of trade and then decide how the notional consumer would describe such use”

⁵ *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117.

⁶ He considered that the following should be taken into account when assessing the similarity of goods and/or services:

- “(a) The respective uses of the respective goods or services;
- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;
- (d) The respective trade channels through which the goods or services reach the market;
- (e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- (f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.”

10) The normal sense of a preparation, in the context of the spectrum of goods covered by class 5⁷, is that it is something applied topically. The preparations, being for sanitary purposes, can be, *inter alia*, to clean, disinfect, sterilise. Consequently, *sanitary preparations* could be in the form of a gel or cream, as can *pharmaceutical preparations*; so the respective goods would have the same nature. *Sanitary preparations* could be used in tandem with *pharmaceutical preparations*, eg for the cure and control of a disease or infection. Consequently, the users could be the same. This use could be symbiotic and with certain products involve a mutual dependence, so the respective goods are complementary⁸. Both sets of goods could go through the same channels of trade in order to arrive at pharmacists. Some *pharmaceutical preparations* are used to cure infestations of the body, *sanitary preparations* could also include products for such use. Consequently, the respective goods are in competition. Taking all these factors into consideration I find that there is a good deal of similarity between *pharmaceutical preparations* and *sanitary preparations*.

Comparison of trade marks

The trade marks to be compared are:

ZATAFLIT

ZATAMIL

11) The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details⁹. 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 components¹⁰. Consequently, I must not indulge in an artificial dissection of the trade marks, although I need to take into account any distinctive and dominant components. The average consumer rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of

⁷ The class in which goods are placed is relevant in determining the nature of the goods, see *Altecnic Ltd's Trade Mark Application* [2002] RPC 34.

⁸ See *Commercy AG v Office for Harmonization in the Internal Market (Trade Marks and Designs)* (OHIM) Case T-316/07:

“58 That case-law definition implies that complementary goods or services can be used together, which presupposes that they are intended for the same public. It follows that there can be no complementary connection between, on the one hand, the goods and services which are necessary for the running of a commercial undertaking and, on the other, the goods and services produced or supplied by that undertaking. Those two categories of goods or services are not used together since those in the first category are used by the relevant undertaking itself whilst those in the second are used by customers of that undertaking.”

⁹ *Sabel BV v Puma AG* [1998] RPC 199

¹⁰ *Sabel BV v Puma AG* [1998] RPC 199

them he/she has kept in his/her mind and he/she is deemed to be reasonably well informed and reasonably circumspect and observant¹¹. The assessment of the similarity of the trade marks must be made by reference to the perception of the relevant public¹².

12) I do not consider there is a readily identifiable part of either trade mark which is a distinctive and dominant element. However, the public's attention is usually directed towards the beginnings of words¹³. ZATA is unusual, it strikes the eye and is striking on the eye; so the beginnings of trade marks will grab the attention of the public more than the final syllables. Phonetically both trade marks consist of three syllables, two of which are the same and in the same sequence. The emphasis in speech will fall upon the first two syllables. The trade marks are visually and phonetically similar.

13) Both trade marks are invented words. In its written submissions Ego argues that FLIT is an ordinary English word. This is the case. However, the relevance of the argument must be predicated upon the basis that the average, relevant consumer is going to indulge in a philological analysis of the trade mark of Novartis. There is nothing in the nature of the goods that will bring FLIT, as a separate entity, to the mind of the average, relevant consumer. I do not consider that the average, relevant consumer will divide the trade mark up; he or she will view it as a whole. There is no conceptual meaning for either word and so the issue of conceptual similarity or dissimilarity does not come into play.

Conclusion

14) In considering whether there is a likelihood of confusion various factors have to be taken into account. There is the interdependency principle – a lesser degree of similarity between trade marks may be offset by a greater degree of similarity between goods, and vice versa¹⁴. In this case the goods are either identical or enjoy a good deal of similarity. The respective trade marks are phonetically and visually similar. It is necessary to consider the distinctive character of the earlier trade mark; the more distinctive the earlier trade mark (either by nature or nurture) the greater the likelihood of confusion¹⁵. The

¹¹ *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV* [2000] FSR 77

¹² *Succession Picasso v OHIM - DaimlerChrysler (PICARO)* Case T-185/02

¹³ See for instance: *Les Editions Albert René v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-336/03:

75 It should be noted in this regard that the attention of the consumer is usually directed to the beginning of the word (Joined Cases T-183/02 and T-184/02 *El Corte Inglés v OHIM – González Cabello and Iberia Líneas Aéreas de España (MUNDICOR)* [2004] ECR II-0000, paragraph 83).

¹⁴ *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117.

¹⁵ *Sabel BV v Puma AG* [1998] RPC 199.

distinctive character of a trade mark can be appraised only, first, by reference to the goods or services in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public¹⁶. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, it is necessary to make an overall assessment of the greater or lesser capacity of the mark to identify the goods for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings¹⁷. The trade mark of Novartis is an invented word; there is nothing to suggest that it is in anyway even alludes to the goods. I consider that ZATAFLIT enjoys a good deal of inherent distinctiveness. The average consumer will seldom have the opportunity to compare directly the trade marks, he or she will rely upon his or her recollection. As both trade marks are invented words he or she will have no conceptual hook upon which to hang his or her memory. Taking into account the nature of the purchasing process and the goods also, as discussed above, I consider that this is a case where the effects of imperfect recollection could have a great effect; a possibility further increased by the degree of similarity of the trade marks.

15) In its evidence Ego made reference to a Community trade mark that it owns, no 84822. This cannot have an effect on whether there is a likelihood confusion in relation to the case before me; neither is an earlier registration a defence per se¹⁸.

¹⁶ *Rewe Zentral AG v OHIM (LITE)* [2002] ETMR 91.

¹⁷ *Windsurfing Chiemsee v Huber and Attenberger* Joined Cases C-108/97 and C-109/97 [1999] ETMR 585.

¹⁸ See the judgment of the CFI in *PepsiCo, Inc v Office for Harmonization in the Internal Market (Trade Marks and Designs)* (OHIM) T-269/02:

“23 Thus the applicant did not at any stage of the proceedings before OHIM rely on the use of that mark in order to prove de facto coexistence of that mark and the intervener’s mark, although such coexistence could have been a relevant factor in the assessment, carried out independently by OHIM in application of Regulation No 40/94, of the likelihood of confusion between the Community mark requested and the intervener’s mark.

24 Nor did the applicant claim, and even less prove, that it had used its earlier German mark to obtain cancellation of the intervener’s mark before the competent national authorities, or even that it had commenced proceedings for that purpose.

25 In those circumstances, the Court notes that, quite irrespective of the question whether the applicant had adduced evidence of the existence of its earlier German mark before OHIM, the existence of that mark alone would not in any event have been sufficient reason for rejecting the opposition. The applicant would still have had to prove that it had been successful in having the intervener’s mark cancelled by the competent national authorities.”

16) I find that there is a likelihood of confusion in respect of all of the goods of the application and that the application is to be refused in its entirety.

Costs

17) Novartis has been successful and is entitled to a contribution towards its costs. I award costs on the following basis:

Opposition fee	£200
Notice of opposition	£300
Considering the counterstatement	£200
Preparing and filing of evidence	£100
Considering evidence of Ego	£50
Written submissions	£50

TOTAL £900

I order Ego Pharmaceuticals Pty Limited to pay Novartis AG the sum of £900. 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 30th day of January 2009

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