

**DECISION OF THE CONTROLLER OF PATENTS, DESIGNS AND TRADE
MARKS IN PROCEEDINGS UNDER THE TRADE MARKS ACT, 1996**

In the matter of an application for registration of Trade Mark No. 235753 and in the matter of an Opposition thereto.

PINEWOOD LABORATORIES LIMITED

Applicant

(Represented by Anne Ryan & Co.)

NOVARTIS AG

Opponent

(Represented by Tomkins & Co.)

The Application

1. On 31 January, 2007, Pinewood Laboratories Limited, an Irish company, of 1 M50 Business Park, Ballymount, Dublin 24, Ireland made application (No. 2007/00250) under Section 37 of the Trade Marks Act, 1996 (“the Act”) to register the word “LEXAM” as a Trade Mark in respect of “*pharmaceutical preparations and substances in Class 5*”.
2. The application was accepted for registration and advertised accordingly under No. 235753 in Journal No. 2069 dated 04 April, 2007.
3. Notice of Opposition to the registration of the mark pursuant to Section 43 of the Act was filed on 29 May, 2007 by Novartis AG, of Lichstrasse 35, 4002 Basel, Switzerland. The Applicant filed a counter-statement on 20 August, 2007 and evidence was, in due course, filed by the parties under Rules 20 and 21 of the Trade Marks Rules, 1996 (“the Rules”).

Original Decision

4. The matter became the subject of a Hearing before Mr. Tim Cleary, acting for the Controller, on 23 April, 2009. The parties were notified on 13 May, 2010 that Mr. Cleary had decided to dismiss the opposition and to allow the application to proceed to registration.

Request for Written Grounds

5. Subsequently Novartis AG made application, under the provision of Rule 27(2) of the Rules, for the written grounds of the Controller's decision. Unfortunately, due to the death of Mr. Cleary, the Controller was unable to issue the grounds.
6. The parties were informed that, in the interest of fairness, the original decision to dismiss the Opposition was suspended and that the case would, for a second time, go before a Hearing Officer. The parties were asked if they wished (a) to be reheard or (b) to allow the Hearing Officer to revisit the case on the basis of the evidence filed and the written submissions presented at the original Hearing. Both parties indicated that they would be satisfied to allow the Hearing Officer decide the case as outlined in option (b).
7. The matter was decided by me, acting for the Controller, and my decision is to dismiss the Opposition and to allow the application to proceed to registration. I now state the grounds of my decision and the materials used in arriving thereat.

Grounds of the Opposition

8. In its Notice of Opposition the Opponent refers to its proprietorship of Trade Mark Registration No. 004106233, PLEXTAM, which is registered as of 3 November, 2004 in Class 5 in respect of "*pharmaceutical preparations*", and then raises objection to the present application under various Sections of the Act, which I shall summarise as follows:
 - Section 8(1)(a) – *mark not capable of being represented graphically,*
 - Section 8(1)(b) – *mark devoid of any distinctive character,*
 - Section 8(1)(c) – *mark consists exclusively of signs or indications which may designate characteristics of the goods,*
 - Section 8(1)(d) – *mark consists of signs or indications that have become customary in the trade,*
 - Section 8(3)(b) – *mark of such a nature as to deceive,*
 - Section 8(4)(a) – *use of mark prohibited by enactment or rule of law,*
 - Section 8(4)(b) – *application for registration made in bad faith,*

- Section 10(2)(b) – *likelihood of confusion on the part of the public, and likelihood of association with PLEXTAM*
- Section 10(3) – *use of mark would take unfair advantage of, or be detrimental to, distinctive character or reputation of the Opponent’s mark,*
- Sections 37(2) and 42(3) – *Applicant does not use or intend to use mark in relation to goods covered by application.*

Counter-Statement

9. In its Counter-Statement the Applicant denies all the grounds of opposition and only accepts that the Opponent is a manufacturer of a wide range of medicines and pharmaceutical products.

Rule 20 Evidence

10. Evidence submitted by the Opponent under Rule 20 consisted of a Statutory Declaration, dated 13 November, 2007, of Kristina Meier, of Novartis AG. She says that the Applicant’s trade mark LEXAM is similar to her company’s trade mark PLEXTAM and that the former is incorporated fully within the latter. She adds that visually, phonetically and conceptually the prefix “LEX” of the opposed mark is indistinguishable from the prefix “PLEX” of the Novartis mark, and that the suffixes of the words, namely “AM” and “TAM” are very close. Ms. Meier states that both marks have similar construction, resemble each other in appearance and are conceptually similar. She states that the goods for which the Applicant seeks protection are identical with or similar to the specific goods protected by her company’s mark and that there exists a likelihood of confusion on the part of the public, which includes the likelihood of association of the Applicant’s mark with her company’s earlier mark.

11. I would summarise the evidence furnished under Rule 20 as being confined to arguments relating to Section 10(2)(b), which concerns the likelihood of confusion on the part of the public, and the likelihood of association with the Opponent’s mark PLEXTAM.

Rule 21 Evidence

12. Evidence submitted by the Applicant under Rule 21 consisted, in part, of a Statutory Declaration dated 31 January, 2008, of Tony Hynds, of Pinewood Laboratories. He makes statements addressing all the grounds of opposition and argues that none of them

are valid. The Statutory Declaration is accompanied by exhibit “TH-1”, which contains a photocopy of two separate parts (the front cover and a section of the index) from the January 2008 edition of MIMS (Monthly Index of Medical Specialities). He states that the exhibit suggests that the Opponent’s mark PLEXTAM is not in use in Ireland.

13. In relation to the Opponent’s evidence filed under Rule 20, Mr. Hynds admits that the Applicant’s and Opponent’s marks comprise two syllables each, but asserts that that is where the similarity ends. He rejects the assertions that the first syllables “PLEX” and “LEX” are indistinguishable, and that the second syllables “TAM” and “AM” are very close. He also denies that the mark LEXAM is fully incorporated within the Opponent’s mark PLEXTAM as the inclusion of the letter “T” breaks up the letter string.
14. Regarding the assessment of the degree of similarity between the two marks Mr. Hynds quotes from “Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV”, which states that the decision maker must determine the degree of visual, aural, and conceptual similarity between them and, where appropriate, evaluate the importance to be attached to those different elements, taking account of the category of goods in question and the circumstances in which they are marketed, and that for this purpose the average consumer is deemed to be reasonably well informed, reasonably observant and circumspect. He quotes also from “Sabel BV v Puma AG” saying that each mark must be viewed as a whole and should not be dissected for the purposes of a comparison because the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details.
15. Mr. Hynds states that the marks are aurally and visually dissimilar as they consist of wholly invented words. He claims that neither has an intelligible meaning and therefore, cannot be subject to a conceptual comparison.
16. Also filed under Rule 21 was a Statutory Declaration, dated 11 February, 2008, of Alison Boydell, of Anne Ryan & Co., which was accompanied by exhibits “AB-1” and “AB-2”. She states that she carried out two searches of the Trade Mark Register, one for marks containing the element “LEX” and the other for marks ending with the element “AM”, the results of which are detailed in the exhibits “AB-1” and “AB-2” respectively.

17. I have looked closely at the exhibits and they do identify many marks that contain the elements ‘LEX’ and end in ‘AM’. However, in deciding this case, I am not concerned with the existence of any marks other than the mark applied for and the Opponent’s mark, and I therefore treat Ms. Boydell’s evidence as irrelevant.

Further Evidence

18. No other evidence was filed under Rule 22.

Submissions at Hearing

19. Both parties presented submissions at the Hearing. The Opponent expressed a wish not to pursue the grounds of opposition mentioned in the Statement of Grounds other than those relating to the provisions of Section 10(2) of the Act. This was where the focus of the arguments made in the Opponent’s submission were laid, which, while expanding upon evidence already filed, did not include any additional material of significance. Likewise, the Applicant’s submission expanded upon evidence already filed, but did not add anything of material significance to that evidence.

Issues for Decision

20. The relevant part of Section 10(2) of the Act, insofar as the present application is concerned, reads as follows:

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

(a)

(b) it is similar to an earlier trade mark and would 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 of the later trade mark with the earlier trade mark.

This is the relevant provision on which I have decided this case.

21. As is evident from the wording of Section 10(2), the four basic requirements that must be met in order for an objection under it to succeed are that, (i) there must be “an earlier

trade mark”, (ii) the goods of the application must be identical with or similar to those in respect of which the earlier trade mark is protected, (iii) the mark applied for must be similar to that earlier trade mark, and, (iv) there must be a resultant likelihood of confusion on the part of the public.

22. The first two of these conditions are clearly fulfilled in this case. The Opponent’s trade mark Registration No. 004106233 was filed at OHIM on 3 November, 2004 and by virtue of Section 11(1)(b) of the Act, it is an earlier trade mark as against the present application for the purposes of Section 10. The goods of the application for registration are identical with or similar to the goods for which the Opponent’s earlier trade mark stands protected, as both specifications of goods include *pharmaceutical preparations*.

Comparison of the marks

23. I have compared the respective marks of the parties on the criteria of visual, aural and conceptual similarity and have attempted to make an overall assessment of the extent to which they should be regarded as similar or different. It is important to stress that this is an assessment of the overall impression the marks make on me, having put myself in the shoes of the average consumer of the goods for which the Applicant is seeking protection. Notwithstanding the detailed comparisons I make below I am mindful that the European Court of Justice has noted (*Sabel BV v Puma AG and Rudolf Dassler Sport Case C-251/95*)¹ that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. For this reason, the appreciation of the visual, aural and conceptual similarity of the marks must be based on the overall impressions given by them, rather than on specific points of detail that are likely to go unnoticed by the average consumer.

24. In assessing the degree of visual similarity I must make my judgement based solely on the construct and content of the words and ignore all other facts, such as the fact that each is an invented word with no direct meaning. That is a factor that is to be taken into account in assessing the conceptual qualities of the marks and cannot therefore be allowed to bestow upon the words a higher or lower level of visual similarity than that of two dictionary words of like construct and content. This is a point I hold to be important

¹ Paragraph 23 of decision dated 11 November, 1997

as there can be a tendency to attribute a higher level of visual similarity to words simply because they are invented words. This is probably because the assessor does not have any meanings of the words stored in his/her subconscious to bring into play.

25. In attempting to prove this point I have used the dictionary words LASER and PLASTER to assist me. The visual relationship between these two words is identical to the visual relationship, in terms of construct and content, between LEXAM and PLEXTAM. Both set of words have two syllables each, are the same in length (5 and 7 letters), the shorter word is contained entirely within the other - in the same order (at letters 2,3,4,6 and 7 of the longer word), and the latter word is formed by inserting a 'P' at the start and a 'T' before the second last letter of the former. So, visually LEXAM is precisely as similar to PLEXTAM, as LASER is to PLASTER. Notwithstanding this, I asked a number of my colleagues for their opinion regarding the visual similarity between LEXAM and PLEXTAM, and LASER and PLASTER. Some were of the view that the level of similarity was the same, but others found that LEXAM was more similar to PLEXTAM than LASER was to PLASTER. None found LASER to be more similar to PLASTER than LEXAM was to PLEXTAM. This proves to me that there can be a bias when assessing the similarity between invented words compared to the assessment of similarity between common words, which can bestow a greater level of similarity to the invented words than is warranted – a bias I must avoid. So how visually similar is the dictionary word LASER to the dictionary word PLASTER? When asked that question I believe the average consumer would conclude that a low to medium level of visual similarity exists between them. Therefore it must follow that a similar low to medium degree of visual similarity exists between LEXAM and PLEXTAM.

26. The words PLEXTAM and LEXAM each contain two syllables, both end in 'AM' and they share five letters. The significance of the shared letters is that the entire of the latter is found in the former - *in the same order*. However, the words differ in length, and both words start with different letters, which is significant from a consumer perspective. Nonetheless there is visual similarity between LEXAM and PLEXTAM. But how would the average consumer when encountering both marks perceive this similarity? I believe the average consumer would instinctively notice the dissimilarity between them, particularly, as I have already said, the fact that they have different first letters. The significance of this fact is evidenced by the many occasions of memory recall failure one

experiences which leads one to say “I can’t remember the name, but I know it begins with a ...”. Therefore, in assessing the overall level of similarity of the two marks from a purely visual perspective, I would say that there is a greater degree of visual difference than there is visual similarity.

27. In assessing the aural similarity I have already noted that both words end in ‘AM’, which means the suffixes rhyme. The prefixes ‘PLEX’ and ‘LEX’ rhyme also, which gives a strong overall rhyming similarity. Notwithstanding that the words rhyme, there is dissimilarity in that the ‘PLEX’ sound differs from the ‘LEX’ sound. When spoken, the ‘P’ sound part is a strong part of the syllable sound. Likewise in assessing the sound of the second syllable the ‘T’ sound part is the dominant sound part. In the evidence submitted by both parties there are claims that the ‘P’ and ‘T’ are both soft / mute (Opponent), and strong (Applicant). This is a deathless debate, which I will not enter into. In my opinion the letters ‘P’ and ‘T’, in being the lead letters in each of the two syllables, provide an emphasis that distinguishes the overall sound of the two marks from one another.
28. I am not a phonetician and I cannot be certain of how the average consumer would pronounce the words, but when I speak them I find that the two syllables of LEXAM blend together in such a way that the pronunciation is short and terminates abruptly, whereas in pronouncing the component parts of PLEXTAM, I find there is an equal emphasis on both syllables that requires me to be more deliberate and clearer in articulation, to such a degree that a momentary pause between syllables can be appreciated.
29. Of course one could split PLEXTAM another way and pronounce it as ‘PLEXT’-‘AM’. Such a pronunciation of the word (which I do not think would constitute a distortion of it) would not make it any more or any less aurally similar. In assessing the overall level of similarity of the two marks from a purely aural perspective, I would say that there is a medium degree of aural similarity.

30. It is well established that the opening syllable of a word mark is generally the most important in terms of its visual and aural identity² and the opening syllables of these marks, namely LEX and PLEX, respectively, are different. The overall aural and visual impressions given by each of the words LEXAM and PLEXTAM are dominated and determined primarily by their initial letters and the differences between those letters creates a clear visual and aural difference between the trade marks.
31. As to their conceptual significance, each of the marks consists of an invented word with no direct meaning or definition and neither are misspellings of common words. To that extent, they are neither similar nor different. Neither mark expresses an intelligible concept that would be immediately and intuitively understood by the average consumer. While it is often common practice that pharmaceutical products are marketed under names that give clues as to their active ingredients, for example, “ASPRO” and “DISPRIN” contain aspirin; “PANADOL” and “PARALIEF” contain paracetamol, I find that not to be so in this case. LEXAM and PLEXTAM do not conjure up any conceptual notion or imagery at all in my head. Least a claim be made that, as neither has any conceptual meaning, they share that (i.e. none) conceptual similarity, let me be absolutely clear; for the purposes of Section 10(2) of the Act there is no conceptual similarity between them.
32. Having completed a global assessment, I find that the two marks have a low level of overall similarity.

Likelihood of confusion

33. The case now rests on whether that similarity is sufficient to come within the meaning of Section 10(2)(b) of the Act. The criteria against which that assessment should be made have been enunciated in a number of decisions of the European Court of Justice³ in this area and they include the following:

² That principle was applied by Smyth J in *Unilever PLC –v- The Controller of Patents, Designs and Trade Marks and Sunrider Corporation* [2006] IEHC 427

³ *Sabel BV –v- Puma AG and Rudolph Dassler Sport* (Case C-251/95) [1998] 1 CMLR 445; *Canon Kabushiki Kaisha –v- Metro-Goldwyn-Mayer Inc.* (Case C-39/97) [1999] 1 CMLR 77; *Lloyd Schuhfabrik Meyer & Co. GmbH –v- Klijsen Handel BV* (Case C-342/97) [1999] 2 CMLR 1343

- a. a lesser degree of similarity between the goods may be offset by a greater degree of similarity between the marks, and vice versa,
- b. the more distinctive the earlier mark, the greater will be the likelihood of confusion,
- c. in determining the distinctive character of the earlier mark, it is necessary to make an overall assessment of its capacity to identify the goods for which it is registered as coming from a particular undertaking and thus to distinguish those goods from those of other undertakings,
- d. in making that assessment, account should be taken of the inherent characteristics of the mark; the market share held by it; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested in its promotion; the proportion of the relevant public which, because of the mark, identifies the goods as originating from a particular undertaking; and statements from chambers of commerce and industry and other trade and professional associations,
- e. a global appreciation of the likelihood of confusion must, as regards the visual, aural and conceptual similarity of the marks in question, be based on the overall impression created by them, and the importance to be attached to each of those elements must take account of the category of goods and the way in which they are marketed,
- f. the assessment must be made from the perspective of the average consumer who is deemed to be reasonably well-informed, observant and circumspect but who rarely has the chance to make a direct comparison of the marks and must rely on the imperfect picture that he has of them in his mind,
- g. the likelihood of confusion must be appreciated globally, taking into account all of the factors relevant to the circumstances of the case.

34. In applying those criteria to the facts of the present case, I have reached the following conclusions:

Degree of similarity between the marks and between the goods: For the reasons set out in paragraphs 23-31 above, I regard the marks LEXAM and PLEXTAM as having a low level of similarity. However, the goods covered by the Application are identical to, or similar to, those of the earlier registration (*pharmaceutical preparations*), which means a lower level of similarity between the marks could be deemed sufficient to declare a likelihood of confusion exists. Bearing this important consideration in mind I am satisfied nonetheless that the actual level of similarity between the marks falls short still of what is required in order for me to conclude that such a likelihood exists.

Inherent distinctiveness of the earlier mark: PLEXTAM is an invented word and, to that extent, may be regarded as having a high degree of inherent distinctiveness. It has an obvious capacity to identify the goods for which it is registered as being those of a particular undertaking and thus to distinguish those goods from those of other undertakings.

Additional distinctiveness acquired through use: The Applicant's evidence contains a claim that the trade mark PLEXTAM had not been used in Ireland as of the time of the filing of these proceedings (a claim the Opponent has accepted). For that reason, no additional distinctiveness acquired through use or promotion may be ascribed to the mark PLEXTAM.

Overall impression created by the marks: The overall impression created by each of the marks LEXAM and PLEXTAM is that they are different.

The average consumer: As neither the Applicants nor the Opponents marks are currently in use it is unclear who exactly the average consumer is. It is the case that goods could be put on the market bearing either mark and be directed specifically at the medical profession (for prescription drugs) or at the general public (in the case of over the counter medication). Either way the class of goods covered is broad and looked at from that perspective, the consumers of the relevant goods are, I think, the public generally and it is the likely perception of the average member of the public that I shall consider.

Overall assessment: In light of the foregoing factors, I am required to make an overall assessment of the likelihood of confusion that may exist between the Opponent's earlier

trade mark PLEXTAM and the Applicant's mark LEXAM. The confusion in question may be direct confusion, whereby the Applicant's product is mistaken for that of the Opponent, or indirect confusion, whereby the Applicant's product is associated in the mind of the consumer with that of the Opponent and a common commercial origin is inferred.

35. Because of the clear differences between the overall impressions given by the trade marks LEXAM and PLEXTAM, I am not persuaded that the average person who knew of a pharmaceutical product called PLEXTAM would be caused to recollect that product and name if he were to encounter pharmaceuticals offered for sale under the name LEXAM. In my opinion a consumer who was struck by the levels of similarity in visual makeup (low to medium), phonetic progression (medium) and conceptual meaning (non-existent) of the two words would not be confused or make an association between the two products as a result. It is far more likely that he would perceive the similarity for what it is – a mere coincidence.
36. For these reasons, I have decided that the prior registration and use of the trade mark PLEXTAM does not constitute grounds for refusal, under Section 10(2) of the Act, of the application to register LEXAM. Therefore, I have decided to dismiss the opposition and to allow the LEXAM mark to proceed to registration.

Dermot Doyle
Acting for the Controller
26th February 2010