

TRADE MARKS ACT, 1996

Decision in Hearing

IN THE MATTER OF an application for registration of Trade Mark No. 218877 and in the matter of an Opposition thereto.

YAMANOUCHI EUROPE B.V. Applicant

ALMIRAL PRODEFARMA S.A. Opponent

The application

1. On 12 November, 1999, Yamanouchi Europe B.V., a private limited company of Elisabethof 19, 2350 AC, Leiderdorp, The Netherlands made application (No. 001382316) under Council Regulation 40/94 of 20 December, 1993 on the Community Trade Mark (hereinafter referred to as the Community Trade Mark Regulation or CTMR) to the Office for Harmonisation in the Internal Market (OHIM) to register the word AIRMAX as a Community Trade Mark in Classes 5 and 10 in respect of the following goods:

Class 5: Pharmaceutical preparations and substances for respiratory diseases

Class10: Inhalers

2. On 24 August, 2000, the Applicant withdrew the application before OHIM and requested its conversion in accordance with Article 108 of the CTMR into national applications in respect of all of the Member States of the European Community except Germany. That request was accepted by OHIM and transmitted to the Patents Office on 11 October, 2000. The request for conversion was found to be admissible and, by virtue of Regulation 8(1) of the Trade Marks Act, 1996 (Community Trade Mark) Regulations, 2000, it fell to be treated as an application for registration under the Trade Marks Act, 1996 (the Act). By virtue of Article 108(3) of the CTMR, the application maintains the date of filing of the original application for registration of a Community Trade Mark.

3. Following the completion by the Applicant of the necessary formalities, the application was examined and accepted for registration. It was advertised accordingly under No. 218877 in Journal No. 1920 on 11 July, 2001.
4. Notice of Opposition to the registration of the mark pursuant to Section 43 of the Act was filed on 1 October, 2001 by Almiral Prodesfarma S.A. of Ronda General Mitre, 151, 08022 Barcelona, Spain. The Applicant filed a counter-statement on 22 November, 2001 and evidence was, in due course, filed by the parties under Rules 20, 21 and 22 of the Trade Marks Rules, 1996.
5. The Opposition became the subject of a Hearing before me, acting for the Controller, on 23 July, 2004. The parties were notified on 28 September, 2004 that I had decided to dismiss the opposition and to allow the mark to proceed to registration. I now state the grounds of my decision and the materials used in arriving thereat.

Notice of Opposition

6. In its Notice of Opposition the Opponent enumerates a number of facts and grounds of opposition, which may be summarised as follows:
 - (i) The Opponent is a manufacturer and merchant of a wide range of pharmaceutical preparations and substances and is the proprietor of Community Trade Mark No. 387175 ALMAX¹, which it has used both in Ireland and abroad in relation to such products.
 - (ii) The Opponent has a substantial reputation in Ireland under its trade mark, which is entitled to protection under the Paris Convention as a well-known trade mark.
 - (iii) The mark which the Applicant has applied to register is not a trade mark within the statutory definition; it is not capable of distinguishing the Applicant's goods from those of other traders; it is devoid of distinctive character and consists exclusively of descriptive or otherwise generic signs

¹ The Notice of Opposition as originally filed incorrectly referred to the Opponent's Community Trade Mark as AIRMAX and the Notice was subsequently amended to correct the error.

or indications. The mark is therefore disqualified from registration by virtue of the provisions of Section 8(1)(a) – (d) of the Act.

- (iv) The mark is of such a nature as to deceive the public and registration would offend against the provisions of Section 8(3)(b) of the Act.
- (v) Use of the mark is prohibited in the State by an enactment or rule of law or by a provision of Community law and registration would therefore offend against the provisions of Section 8(4)(a) of the Act.
- (vi) The application for registration was made in bad faith and should be rejected under Section 8(4)(b) of the Act.
- (vii) The mark is similar to the Opponent's earlier mark and is to be registered for goods that are identical with or similar to those in respect of which the Opponent's mark is protected such that there exists a likelihood of confusion on the part of the public and registration would therefore offend against the provisions of Section 10(2)(b) of the Act.
- (viii) The use of the mark for which registration is sought would take unfair advantage of, or be detrimental to, the reputation or distinctive character of the Opponent's earlier mark and registration should be refused under Section 10(3) of the Act.
- (ix) The use of the mark is liable to be prevented by virtue of a rule of law protecting an unregistered trade mark or other sign used in the course of trades and registration should therefore be refused under Section 10(4)(a) of the Act.
- (x) The Applicant has failed to satisfy the requirements of registration in that it does not have a *bona fide* intention of using the mark in relation to all of the goods covered by the application for registration and registration would therefore be contrary to Sections 37(2) and 42(3) of the Act.

Counter-Statement

7. In its Counter-Statement the Applicant denies each and every one of the grounds of opposition raised against the application.

The evidence

Rule 20

8. Evidence filed by the Opponent under Rule 20 consisted of a Statutory Declaration (and 3 exhibits) dated 10 April, 2002 of Jorge Salvat and Manuel López Gonzalez, legal representatives of the Opponent, who (in addition to expressing opinions on the merits of the opposition as regards, similarity of marks, likelihood of confusion, etc.) state as follows:

- (i) The Opponent was founded in 1943 and is a leading company in the pharmaceutical industry, concentrating for the most part on the development of new therapeutic agents affecting the regulation of gastrointestinal motility – extract from the industry publication “Promoting Production” exhibited, in which the Opponent is identified as the market leader in the Spanish pharmaceutical industry.
- (ii) The Opponent is the registered proprietor of Community Trade Mark Registration No. 387175 dated 12 November, 1996 of the mark ALMAX, which is registered in Class 5 in respect of a special pharmaceutical product used for neutralising gastric hyperacidity – particulars of the registration exhibited.
- (iii) The Opponent has also registered the trade mark ALMAX in a number of European countries including Ireland.
- (iv) The Opponent’s mark ALMAX is well-known and has been acknowledged as such by the Spanish Patent and Trade Mark Office in a Resolution dated 14 December, 1995 in the matter of AMVAX –v- ALMAX – copy of a translation of the decision in question exhibited.

Rule 21

9. Evidence filed by the Applicant under Rule 21 consisted of a Declaration (and Exhibits AIR1-AIR5) dated 16 September, 2002 of A.G. Britstra and J.A. de Heus of the Applicant company, who are, respectively, Vice-President, Finance and Accounting, Europe and Director, Legal Affairs, Europe. In addition to criticising elements of the Opponent’s evidence filed under Rule 20, these deponents state as follows:

- (i) The Applicant's trade mark AIRMAX has been registered, or registration has been sought, in a number of countries throughout the world – a list is exhibited and particular attention is drawn to registrations in Sweden, France, Benelux, Spain, Austria, Finland and the United Kingdom, which co-exist with the Opponent's Community Trade Mark Registration of the mark ALMAX.
- (ii) The only common element between the Opponent's and the Applicant's respective marks is the suffix MAX which is contained within a large number of marks registered in Class 5 – lists of Community Trade Marks and national registrations exhibited.
- (iii) The goods covered by the present application and those covered by the Opponent's earlier registration are used to treat entirely different medical conditions.
- (iv) The trade mark CALMAX is currently in use in Ireland in relation to pharmaceuticals and co-exists with the Opponent's mark ALMAX - extract from Monthly Index of Medical Specialities (MIMS) for August, 2004 exhibited.

Rule 22

10. Evidence filed by the Opponent under Rule 22 consisted of a further Statutory Declaration (and 1 exhibit) dated 112 July, 2003 of Jorge Salvat Filomeno and Manuel López Gonzalez. They refer to the Applicant's evidence under Rule 21 and, in addition to taking issue with a number of the opinions expressed therein, they state as follows:

- (i) A number of the Applicant's registrations of the mark AIRMAX incorporate additional distinctive words rendering them sufficiently distinctive to obviate the likelihood of confusion. In addition, the Opponent has also opposed the Applicant's application for registration of AIRMAX in Sweden and has successfully opposed registration of that mark in the Dominican Republic – translation of the decision of the Trade Mark Office of the Dominican Republic exhibited. As to the Applicant's registrations of the mark AIRMAX within the European Union, the Opponent's Community Trade Mark Registration pre-dates these and there is still time to take invalidity

actions or oppose registrations/applications in respect of the mark AIRMAX in other European countries.

- (ii) With regard to the mark CALMAX referred to in the Applicant's evidence, the Opponent has filed an application for a declaration of invalidity of the registration of that mark.

The hearing

- 11. At the Hearing the Applicant was represented by Mr. Cliff Kennedy, Trade Mark Agent of MacLachlan & Donaldson. The Opponent was not represented.

The issue

- 12. While a wide range of grounds of opposition to the registration of this mark have been cited in the Notice of Opposition, very many of these have not been supported by any evidence whatsoever. This is the case in respect of the objections under Section 8(1)(a)-(d), Section 8(3)(b), Section 8(4)(a) and (b), Section 37(2) and Section 42(3) of the Act. In the absence of any evidence from the Opponents substantiating their claims that the mark is ineligible for registration by virtue of the provisions of those Sections, I dismiss the opposition under each of the relevant Sections without further ado.

- 13. The Opponent has filed evidence of its proprietorship of the trade mark ALMAX and the fact that that mark is registered as a Community Trade Mark in Class 5. Accordingly, the only issue that falls to be determined in this case (and the one to which the opposition clearly should have been confined) is the question of whether the Opponent's prior rights in the mark ALMAX constitute grounds for refusing the application for registration of the mark AIRMAX, having regard to the respective goods of the parties.

- 14. The relevant Sections of the Act under which that consideration arises are Sections 10(2), 10(3) and 10(4) and I have confined my consideration of the matter to those Sections. A finding in favour of the Opponents under any one of those Sections determines the matter and obviates the need for consideration of the opposition under the others but I have treated each separately so that, in the

event of a possible appeal, any matter that could have been considered at this stage will have been

Section 10(2)(b) – is there a likelihood of confusion on the part of the public?

15. Section 10(2)(b) of the Act reads as follows:

“A trade mark shall not be registered if because –

(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.”

16. The criteria against which the likelihood of confusion between marks should be assessed have been set out in a number of decisions of the European Court of Justice² in this area. It is now well established that an overall assessment must be made having regard to, *inter alia*, the degree of similarity of the respective marks and the respective goods, the degree of distinctiveness of the earlier mark, the overall impression created by the marks, the circumstances of the trade in the relevant goods and the likely perception of the average consumer of those goods.

Comparison of the marks

17. The marks in question are ALMAX and AIRMAX. Visually, these marks are similar insofar one consists of five letters and the other of six letters and four letters are common to both marks. They differ visually because of their slightly different lengths and because of the letters that are not common to both – L in the Opponent’s mark and IR in the Applicant’s. On the whole, I would say that the level of visual similarity between the marks is moderate to high.

² These include, among others, 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

18. Aurally, the only real similarity between the marks is that they both end in MAX. A clear difference emerges between them in the sounds of their respective initial syllables. In the Opponent's mark, this sound is AL (or possibly ALL depending on pronunciation) whereas in the Applicant's, it is AIR. Those are quite different sounds and, in my opinion, are not liable to be confused by an English-speaking consumer.
19. As to the conceptual or connotative significance of the respective marks, I consider that this clearly differs from one to the next. It is true that both marks contain the suffix MAX and I am satisfied that, owing to the prevalence of the use of that suffix in trade marks for products in Class 5 (see the Applicant's evidence in this regard), this is likely to be taken by the average consumer as an abbreviation of the word "maximum" or "maximise". However, while that concept may be common to both marks, I think it is necessary to look also at the other elements of each in order to ascertain how the overall conceptual significance of each is likely to be perceived. In the Opponent's mark, the prefix AL may or may not be taken to indicate "alimentary", in light of the products to which the mark is applied, but, even if it is interpreted in that way, I feel that the word ALMAX is unlikely to have any conceptual significance for the average consumer. It is really a meaningless word. The Applicant's mark AIRMAX, on the other hand, has a fairly obvious connotative significance in respect of the products to which it is to be applied. It will, I think, be taken by the average consumer of such products as indicating that they will provide "maximum air" or that they will "maximise air" intake. That is the clear message carried by the mark and it is one that really has nothing in common with the Opponent's mark.
20. On an overall assessment, I would say that these marks share some similarities, particularly from a visual aspect, but that they are quite different in terms of their sounds and possible meanings. They are not entirely dissimilar marks and I would not go so far as to say that this case does not meet the criterion of similarity of marks required in order for the opposition under section 10(2)(b) to apply, but the level of similarity is quite low and I propose to treat it accordingly in assessing the likelihood of confusion between the marks.

Comparison of the goods

21. The Opponent's earlier trade mark is registered in Class 5 in respect of "*a special pharmaceutical product used for neutralising gastric hyperacidity*". The goods of the present application are as set out at paragraph 1 above, viz., pharmaceutical preparations and substances for respiratory diseases in Class 5 and inhalers in Class 10. I think it indisputable that an inhaler is not a similar product, either in terms of its nature or purpose, to a pharmaceutical for neutralising gastric hyperacidity. That being the case, the objection to registration under Section 10(2)(b) cannot apply in respect of those goods and I dismiss the opposition accordingly insofar as it relates to the goods in Class 10.

22. As to the respective goods in Class 5, which clearly fall within the meaning of similar goods for the purposes of Section 10(2)(b), given that they are each pharmaceuticals, I am satisfied that the degree of similarity should be assessed by reference to the specific goods themselves and not simply by reference to the category of goods within which they fall or, indeed, the class of the international classification within which they are listed. When the specific goods themselves are considered, it is obvious that they are significantly different in terms of their respective purposes, one being for the treatment of gastric ailments and the other being used to treat respiratory problems. For that reason, I think it proper to regard the level of similarity between the respective goods as sufficient for the objection under Section 10(2)(b) to be further considered but as being no more than moderate in degree.

Distinctiveness of the earlier mark

23. It is established that the more distinctive a mark is, whether inherently or because of the use made of it, the more likely it is that there will be confusion if a similar mark is subsequently used in relation to similar goods³. In the present case, the Opponent's mark ALMAX is an invented word and, as such, must be regarded as inherently distinctive. I cannot ascribe to it any additional factual distinctiveness that it may have acquired through use as the Opponent has not provided me with

³ Sabel BV –v- Puma AG and Rudolph Dassler Sport (Case C-251/95) [1998] 1 CMLR 445 – paragraph 24.

any details of the extent of the use that has been made of the mark in this jurisdiction (e.g., sales and promotional figures)

The circumstances of the trade and the average consumer

24. The goods in question are pharmaceuticals and neither those of the Opponent nor those of the Applicant are qualified by terms such as “prescription only” or “over the counter”. In those circumstances, I think I cannot take prescribing physicians and/or pharmacists as being the “consumers” of the relevant goods for the purposes of assessing the likelihood of confusion between the marks. Rather, the consumers must be regarded as the public generally and it is the perception of the average member of the public that must be considered.

25. I think that there is little doubt that the average person, who is to be regarded as reasonably observant and circumspect⁴, may be expected to pay a higher level of attention to the purchase of a pharmaceutical product than he would to other products, in view of the potentially deleterious consequences for his health and well-being of using an unsuitable product. Of course, it must be understood that such a person is engaged in the selection and purchase of a product that is intended to address his specific ailment and is not simply setting out to buy a pharmaceutical product, *per se*. As a consequence, he may be expected to take time to read product labels and information, to take account of active ingredients and to take care to avoid products containing compounds to which he may be allergic or otherwise intolerant. That level of attention and the fact that the respective goods of the parties are intended to treat entirely different medical conditions combine to reduce substantially the likelihood that the average consumer of these goods will confuse the respective products of the parties because of the fact that there is some similarity between the respective marks.

Likelihood of confusion

26. Having regard to the factors that I have outlined above, I think it follows that there is no appreciable likelihood of confusion on the part of the public between the Applicant’s AIRMAX and the Opponent’s ALMAX. The relatively low degree of

⁴ Lloyd Schuhfabrik Meyer & Co. GmbH –v- Klijsen Handel BV (Case C-342/97) [1999] 2 CMLR 1343 – paragraph 26.

similarity between the marks, the significant differences in the respective products to which they are to be applied and the degree of circumspection that may be expected of consumers of those products make it extremely unlikely, if not impossible, that there could ever be such confusion. Accordingly, I find that the objection to registration under Section 10(2)(b) of the Act is not supported and I also dismiss the opposition under that Section insofar as it relates to the goods in Class 5.

Section 10(3) - will the Applicant's use of the mark take unfair advantage of, or be detrimental to, the distinctive character or reputation of the Opponent's mark?

27. Section 10(3) of the Act provides as follows:

“A trade mark which –

(a) is identical with or similar to an earlier trade mark, and

(b) is to be registered for goods or services which are not similar to those for which the earlier trade mark is protected,

shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the State (or, in the case of a Community trade mark, in the Community) and the use of the later trade mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or reputation of the earlier trade mark.”

28. It is clear that there are several conditions that must be met in order for the prohibition against registration contained in this Section to apply. Among these is the requirement that the Opponent's earlier trade mark, being a Community Trade Mark, have a reputation in the Community. The Opponent has claimed such a reputation but has furnished no direct evidence in support of that claim. The only piece of its evidence that is relevant to the claim is to be found in the Statutory Declaration filed under Rule 20, in which reference is made at paragraph 5 to a decision of the Spanish Patent and Trade Mark Office, delivered in December, 1995, upholding an appeal against an application for registration of the trade mark AMVAX based on the earlier mark ALMAX (which proceedings are, presumably, analogous with the present opposition proceedings before this Office). In the

decision in question, reference is made to the fact that ALMAX is “*a well-known name in its commercial sector, as proven by the numbers of consumers who immediately identify this name with the products it distinguishes*”. That is a finding that it was, of course, within the competence of the relevant authority to make having regard to the facts before it but I would suggest, with respect, that it is not a sufficient basis on which I can rely to prove that the Opponent’s mark has a reputation in the Community in the absence of any evidence whatsoever that might go towards establishing that fact. I find, therefore, that the Opponent has not discharged the burden of proving that its mark had the requisite reputation at the time that the present application for registration was filed in order to ground an objection under Section 10(3) and I dismiss the opposition under that Section accordingly.

Section 10(4) – is the use of the mark by the Applicant liable to be prevented by virtue of the law of passing off?

29. Section 10(4)(a) of the Act reads as follows:

“A trade mark shall not be registered if, or to the extent that, its use in the State 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,”

30. The Opponent has not filed any evidence of use of its mark ALMAX in this jurisdiction and any claim made or implied in its Notice of Opposition or subsequent evidence to a substantial reputation in Ireland under the mark has not been proven. The claim to a right to prevent use by the Applicant of its mark through an action for passing off is therefore not supported and the opposition under Section 10(4)(a) must be rejected.

Tim Cleary
acting for the Controller
5 October, 2004