TRADE MARKS ACT, 1996

Decision in Hearing

IN THE MATTER OF an application for registration of Trade Mark No. 220204 and in the matter of an Opposition thereto.

PIERRE FABRE DERMATOLOGIE **Applicant**

E.R. SQUIBB & SONS, L.L.C. **Opponent**

Application for registration

1. On 11 January, 2001, Pierre Fabre Dermatologie, a French company of 45 place Abel Gance, 92100 Boulogne, France, made application (No. 2001/001287) under Section 37 of the Trade Marks Act, 1996 ("the Act") to register the word MYCOSTEN as a trade mark in respect of a specification of goods in Class 5, which was changed in the course of the examination of the application to read as follows:

   > *"Pharmaceutical products, dermatological products, dermocosmetic products for skin and hair hygiene and care."*

2. The application contained a claim under Section 40 of the Act to a right of priority on the basis of an application for registration filed in France on 1 August, 2000.

3. The application was accepted for registration and advertised accordingly under No. 220204 in Journal No. 1929 on 14 November, 2001.

Opposition

4. Notice of opposition to the registration of the mark pursuant to Section 43 of the Act was filed on 7 February, 2002 by E.R. Squibb & Sons, L.L.C. of Lawrenceville-Princeton Road, Princeton, New Jersey 08540, United States of America. The Applicant filed a counter-statement on 10 May, 2002 and evidence

was subsequently filed by the parties under Rules 20, 21 and 22 of the Trade Marks Rules, 1996 ("the Rules").

5. The matter became the subject of a Hearing before me, acting for the Controller, on 28 June, 2007. The parties were notified on 1 August that I had decided to uphold the opposition and to refuse registration of the mark. I now state the grounds of my decision and the materials used in arriving thereat in response to a request by the Applicant in that regard pursuant to Rule 27(2) filed on 31 August, 2007.

Scope of the opposition

6. The opposition is based on the Opponent's proprietorship and use of the trade mark MYCOSTATIN, which is registered as of 5 August, 1955 under No. 57859 in respect of goods in Class 5, namely, *"an antibiotic preparation"*. On the basis of that registration, the Opponent raises objection against the present application under Section 10(2)(b) of the Act[1].

The evidence[2]

Rule 20

7. Evidence submitted by the Opponent under Rule 20 consisted of a statutory declaration (and Exhibits ERS1 and ERS2), dated 31 October, 2002 of Nadine P. Flynn, its Assistant Secretary. She says that the Opponent commenced use of the trade mark MYCOSTATIN in Ireland in 1977 and sales of product under the mark average €400,000 per annum. She exhibits sample product packaging and product information leaflets from which it is apparent that MYCOSTATIN is used in the prevention and treatment of fungal infections, commonly referred to as thrush, and that it is sold in various forms (oral suspension, cream, topical powder, ointment and pastilles), the active ingredient being Nystatin, an antifungal antibiotic.

[1] Objection was also raised under Section 10(3) and Section 10(4)(a) but these aspects were not pressed on behalf of the Opponent at the hearing as the case is susceptible of determination within the context of Section 10(2)(b) alone. The notice of opposition included grounds of opposition under other sections of the Act also but these were not particularised or substantiated and may simply be disregarded.

[2] review of the evidence confined to matters of relevant fact or claimed fact

Rule 21

8. Evidence submitted by the Applicant under Rule 21 consisted of a statutory declaration (and Exhibit PFD1) dated 9 July, 2003 of Daniel Cavil, who is described as the representative of Pierre-Fabre Dermo-Cosmetique, President of the Applicant. He says that searches of the Irish and Community Trade Mark Registers reveal the existence of several trade marks, which he lists, having the prefix MYCOS or MYCO and that the term MYCOS is descriptive in the world of pharmaceuticals. The Opponent's trade mark MYCOSTATIN is used in relation to a prescription-only product whereas the Applicant intends that its trade mark MYCOSTEN will be used in relation to a product that may be dispensed on the authorisation of a pharmacist. It is intended that the Applicant's product will be an antifungal and antibacterial preparation for topical use for the treatment, primarily, of mycosis[3] and onychomycosis[4], which are different conditions to those in respect of which the Opponent's product is used.

Rule 22

9. Evidence submitted by the Opponent under Rule 22 consisted of a further statutory declaration dated 1 April, 2004 of Nadine P. Flynn, which does not add to the facts already in evidence in any significant manner.

The hearing and arguments of the parties

10. At the hearing the Opponent was represented by Paul Coughlan, BL instructed by Tomkins & Co., Trade Mark Agents and the Applicant by Jonathan Newman, BL instructed by F.R. Kelly & Co., Trade Mark Agents.

11. The thrust of Mr. Coughlan's argument was that a person who had once been prescribed the Opponent's MYCOSTATIN for the treatment of a fungal infection might very well purchase the Applicant's MYCOSTEN on a subsequent occasion to treat another such infection in the mistaken belief that it was one and the same product that s/he had previously used. The Applicant's evidence is to the effect that the product proposed to be marketed as MYCOSTEN will not require a doctor's prescription but will, rather, be available over the counter in pharmacies.

[3] condition caused by the presence on any part of the body of parasitic fungi
[4] fungal infection of fingernails/toenails

In that scenario, there is a very real risk that the selection of the product that is dispensed by the pharmacist will be unduly influenced by the ultimate consumer, who is not medically qualified. The high degree of visual and aural similarity between MYCOSTATIN and MYCOSTEN is such that the marks are not readily distinguishable by the average consumer, particularly having regard to imperfect recollection and the fact that the conditions which the products are intended to treat may be suffered only intermittently by the average person and perhaps with long gaps between bouts.

12. Mr. Newman relied, in response, on the nature of the respective products to argue that there is little likelihood in practice of confusion between them notwithstanding the similarities of the respective trade marks. The Opponent's trade mark is registered (and therefore protected) in respect, only, of an antibiotic preparation and the reality is that such a product must be prescribed by a doctor and dispensed by a pharmacist before it reaches the hands of its ultimate consumer. Whether or not there is a likelihood of confusion arising from the Applicant's proposed use of its trade mark must accordingly be judged from the perspective of the average doctor or pharmacist, who are the "consumers" for the purposes of the assessment of likelihood of confusion in this case. It has long been held that medical professionals exercise great care in the prescribing and dispensing of pharmaceuticals and that the likelihood of confusion arising from the simultaneous use of similar trade marks is reduced accordingly. That is all the more relevant in this case because the evidence shows that the very specific condition which the Opponent's product is used to treat (digestive, vaginal or cutaneous candidosis) is quite different from those for which the Applicant's proposed product will be used.

Grounds of decision

Section 10(2)(b) – likelihood of confusion

13. Section 10(2)(b) of the Act prohibits the registration of a trade mark if, because it is similar to an earlier trade mark and would be registered for goods or services in respect of 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. Case-law of the European Court

of Justice (ECJ) directs that the likelihood of confusion must be appreciated globally, taking into account all factors relevant to the circumstances of the case[5]. Those factors include, in all cases, the degree of similarity between the respective trade marks and the respective goods/services, the distinctiveness of the earlier trade mark, the nature of the goods/services at issue and the circumstances of the trade in them as well as the perception of the average consumer of the goods/services concerned, who is to be regarded as reasonably observant and circumspect but who may rarely have the opportunity to make a direct comparison between the marks and must rely instead on the imperfect picture of them that he keeps in his mind. While each of those factors must be assessed individually and objectively, it would be an artificial exercise to seek to separate them, one from the next, in the assessment of likelihood of confusion. Indeed, the concept of a global appreciation of the likelihood of confusion implies some interdependence between the relevant factors[6] and their respective effects must be weighed against each other in the overall assessment. For the purposes of setting out the reasons for my decision, I look therefore at the facts of the case as they affect each of the relevant factors individually before turning to the matter of their combined effect on the question of whether or not confusion is likely.

Similarity of the trade marks

14. The marks to be compared are MYCOSTATIN and MYCOSTEN. Visually, those words display a high degree of similarity because of the shared character string M-Y-C-O-S-T and the fact that both end with the letter N. The words contain ten and eight letters, respectively, seven of which are common to both and are identically arranged with the inevitable result that the words look very alike.

15. There is also a significant aural similarity arising from the shared first syllable, the sharp C, the ST sound and the terminal N. Of course, the aural impact of any word depends on the pronunciation that it may be given and it must be recognised that invented words used as trade marks, such as these, may be pronounced differently by different consumers. I have no evidence as to what the correct or likely pronunciations of these words are and, so, I must use my own judgement on

[5] Case No. C-251/95, Sabel BV *v* Rudolf Dassler Sport
[6] ECJ in Case No. C-39/97, Canon Kabushiki Kaisha *v* Metro-Goldwyn-Mayer Inc.

the matter. The Applicant's mark is the more straightforward of the two and is likely, in my opinion, to be pronounced by the vast majority of people as MY-*COST*-EN, i.e., with a clearly audible stress on the "cost" sound in the middle of the word. The Opponent's mark may be pronounced by some consumers as MY-*COST*-ATIN or MY-*COAST*-ATIN but I think the more likely pronunciation is MYCO-STATIN, the effect being that the character string C-O-S-T is not pronounced as "cost" in the same way as in MYCOSTEN. I conclude, therefore, that the aural similarities between the trade marks arising from the shared elements identified above are offset to some extent by the likely pronunciation of each by the average person.

16. In terms of the conceptual significance of the respective marks, it must be observed that each is an invented word having no direct or dictionary meaning and they should not, therefore, be regarded as either similar or dissimilar on conceptual grounds. That is the case insofar as members of the public who are the ultimate consumers of the products under consideration are concerned, to whom both words would be meaningless. The Applicant argues, however, that the Opponent's trade mark MYCOSTATIN is derived from MYCO, meaning "fungus" and STATIN, referring to its active ingredient, and that the derivation of the word would be clear to medical professionals who would readily distinguish its meaning from that of MYCOSTEN. I do not agree. As regards the element, MYCO, it seems to me that it must be assumed that persons who understand that element as referring to fungus or fungal infection will interpret it the same way in both marks, thereby creating a similarity between them rather than a dissimilarity. As to STATIN, it is clear from the evidence that the product marketed by the Opponent under the trade mark MYCOSTATIN is not one of the category of cholesterol-lowering drugs known as statins and, having regard to the facts of the case, I do not believe that it would be correct to assume a conceptual distinction between the marks in the minds of that portion of the relevant consumer pool consisting of medical professionals based on the inclusion of STATIN as an element of the Opponent's mark.

Similarity of the goods

17. The goods to be compared are *"an antibiotic preparation"* and *"pharmaceutical products, dermatological products, dermocosmetic products for skin and hair hygiene and care"*. Clearly, an antibiotic preparation is included in the term, pharmaceutical products, so that the application for registration must be regarded as covering goods that are identical to that in respect of which the earlier mark stands protected. The evidence in the case is to the effect that the Opponent's mark is used in relation to an antifungal antibiotic used in the treatment of candidosis and available in several forms, including creams and ointments for topical application, while the Opponent's mark is to be used on an antifungal and antibacterial preparation, also for topical application. Allowing for the fact that the Applicant's intended use of its trade mark does not extend to antibiotic preparations specifically, it seems to me, nevertheless, that there are several points of close similarity between the respective goods in this case and that they should be regarded as highly similar for the purposes of the overall assessment of likelihood of confusion.

Distinctiveness of the earlier mark

18. The Opponent's earlier trade mark MYCOSTATIN is an invented word and, as such, is inherently distinctive as a trade mark and was originally registered in Part A of the Register under the Trade Marks Act, 1963 as a trade mark adapted to distinguish its Proprietor's goods. The use of the trade mark in the State commenced as long ago as 1977 and, although the level of sales of goods under it is not especially high, it must be assumed that the mark has acquired a certain additional distinctiveness by virtue of the use that has been made of it. Even in the absence of evidence as to the market share held by the Opponent's product, it seems reasonable to suppose that, by virtue of the longevity of the use of the trade mark, it has come to the notice of a substantial number of persons affected with the particular ailment that it is intended to treat as being a name associated with that specific product and, by extension, with the Opponent.

Nature of the goods and consumer behaviour

19. The goods under consideration are pharmaceuticals, specifically antifungal creams or ointments for topical application. On the assumption that persons of all descriptions may suffer from fungal infections, the goods must be regarded as

being aimed at consumers generally. The Applicant points out, however, that the specific preparation in respect of which the Opponent's product stands protected is an antibiotic and asserts that the average consumer in this instance should be taken to be the average doctor or pharmacist because antibiotics are not available for purchase by the end-user without the intervention of those medical professionals. That seems to me to ignore the fact that the Applicant's mark is not restricted to use in relation to prescription-only pharmaceuticals so that the question of the likelihood of confusion necessarily embraces the perception of the ordinary end-user. In my opinion, it is more correct to say that the "consumers" of these goods include both the medical professionals who prescribe or dispense them (and to whom the trade marks used in relation to different products are certainly relevant) and the patients who ultimately use the goods. In the circumstances, one cannot identify a single "average consumer" for the purpose of the assessment of likelihood of confusion since it may be expected that the level of knowledge applied to the selection of the relevant goods will differ as between the two categories of consumer. The likelihood of confusion must therefore be assessed from the perspective of each category of consumers separately. In making those assessments, I keep in my that a higher level of care and attention may be expected to be applied by all consumers, whether or not they are medically qualified, to the selection of pharmaceuticals than would be the case in respect of many other categories of goods.

Likelihood of confusion

20. The question to be decided is whether the combined effect of the foregoing factors is that there is a likelihood on confusion on the part of the public. The confusion in question is confusion as between goods bearing the marks and it may be direct, in the sense that a product called MYCOSTEN is mistaken for MYCOSTATIN or vice versa, or indirect, in the sense that consumers familiar with MYCOSTATIN assume that MYCOSTEN is a related product emanating from the same commercial undertaking. For registration to be refused there must be a real likelihood of confusion arising in the actual conditions of everyday trade in the goods concerned and such a likelihood may not be inferred from the possibility of confusion in exceptional circumstances.

21. In the present case, the typical purchasing scenario involves interaction between the end-user of the product and a medically qualified intermediary, either a doctor and/or a pharmacist, whose function it is to ensure that the end-user gets the correct product. It is useful, therefore, to assess the likelihood of confusion, first of all, from the perspective of the average doctor or pharmacist. Confusion on the part of such persons might result from imperfect recollection of product names, failure to apprehend differences in the specific indications for use as between the products and misspelling or misreading of product names on written prescriptions. While it is possible that any one of those factors could arise in a particular case, I am not persuaded, having regard to the specific facts of this case, that they are likely to arise in the average or typical case such that refusal of the application would be warranted. In the context of a written prescription, the visual comparison of the marks is the most significant and I have already found that there is a high degree of visual similarity between MYCOSTATIN and MYCOSTEN. Nevertheless, the marks are not visually indistinguishable if due care is taken and I think it is correct to assume that, in cases of doubt, the average pharmacist would check before filling a prescription. Also, in view of the fact that MYCOSTATIN is used to treat a quite specific condition, I think that the intervention of doctors and pharmacists in the supply chain is sufficient to obviate the likelihood of confusion in the scenario in which the end-user of the product is effectively at a remove from the process of its selection and supply.

22. It is clear, however, both from the language of the specification of goods in the application for registration and from the Applicant's own evidence, that its product will not necessarily be purchased by the end-user on foot of a doctor's written prescription in all cases. Over-the-counter sales of MYCOSTEN in pharmacies are envisaged and it is a feature of such sales that, in general, the end-user's perception is decisive, or at least dominant, in the product selection process. While pharmacists are trained to assist customers, if required, in the selection of over-the-counter medicines, including by discussing symptoms, dosage rates, contra-indications, etc., no such discussion is necessary or likely if the customer knows the name of the product s/he requires. It is necessary, therefore, to assess the likelihood of confusion in this case from the perspective also of the average

end-user, who is not medically qualified and who is exposed to pharmaceutical products on an infrequent, rather than a regular, basis.

23. Looked at from that perspective, I think there is a real danger of confusion arising from the simultaneous use of the trade marks MYCOSTATIN and MYCOSTEN in relation to creams or ointments for topical application for the treatment of fungal infections. For the average end-user, who may contract such infections quite infrequently, imperfect recollection may very well result in confusion as between the trade marks. It is the case that the opening parts of words are generally the more important in terms of the overall impression created by them and the fact that the first 6 letters of these words are the same is an important factor in the assessment of likelihood of confusion. One can easily envisage a person who, six months or more previously, had been prescribed a pharmaceutical cream called MYCOSTATIN to treat a fungal infection, mistakenly recalling it as MYCOSTEN if offered by a pharmacist a product having that name, which was also in the form of a cream and also for the treatment of a fungal infection. That would be an understandable error, even for a person exercising the kind of care and attention that may be expected of the average person when it comes to pharmaceutical products. The capacity for confusion is further compounded if one projects forward in time to a future occasion when the same person may again contract an infection of the type for which MYCOSTATIN was previously prescribed and, recalling that MYCOSTEN is available over-the-counter, may simply go to the local pharmacy and ask for that product by name. In my opinion, that is not a far-fetched scenario or one that falls into the realm of the exceptional. In the absence of any conceptual significance in either mark for the average person, s/he will have only the visual and aural mental image of them and, given the high level of visual similarity and the more than moderate aural similarity, I think they are certainly susceptible of being misremembered and mistaken, one for the other.

24. The question of the perception of similar pharmaceutical trade marks on the part of the average end-user was considered by the ECJ in Case No. C-412/05, *Alcon Inc. v OHIM and Biofarma SA*, which was the subject of detailed submissions on behalf of both parties at the hearing. In that case, the ECJ appears to have

recognised the effect of the occasional nature of the use of pharmaceutical products and the consequent likelihood of imperfect recollection of product names leading to confusion on the part of end-users. The case concerned products that were sold in pharmacies to end-users and, although it was accepted as a fact that intermediaries such as healthcare professionals were liable to influence or even to determine the choice made by the end-users, the ECJ found that *"a likelihood of confusion also exists for those consumers since they are likely to be faced with those products, even if that takes place during separate purchasing transactions for each of those individual products, at various times"*. It seems, therefore, that, even in the case of prescription-only medications which are not actually selected for purchase by the intended end-user, the likelihood of confusion on the part of the end-user is not to be ignored. The ECJ noted that end-users have the *"ability to make those [healthcare] professionals take into account their perception of the trade marks at issue and, in particular, their requirements or preferences"*. Those comments reflect the reality that, in certain circumstances, a confusion in the mind of the end-user as between two different products might result in the wrong product being dispensed notwithstanding that the dispensing pharmacist exercises due care. In my opinion, the present matter is a case in point. There are sufficient similarities between the respective trade marks and the products on which they are used or proposed to be used to suggest a likelihood of confusion on the part of the average person and, even though that likelihood of confusion is not to be expected of the medical professionals who are involved in the supply of the relevant goods, nevertheless, there is a real likelihood that the Applicant's product will be sold in place of the Opponent's with all of the attendant damage to the Opponent that the prohibition on registration set out in Section 10(2)(b) of the Act seeks to avoid. I have decided accordingly to uphold the opposition under that Section and to refuse registration of the Applicant's trade mark.

Tim Cleary

Acting for the Controller

26 October, 2007