TRADE MARKS ACT, 1996

Decision in Hearing

IN THE MATTER OF an application for registration of Trade Mark No. 226382 and in the matter of opposition thereto.

MCDERMOTT LABORATORIES LIMITED
t/a GERARD LABORATORIES **Applicant**

SANOFI-SYNTHELABO **Opponent**

Application for registration

1. On 4 February, 2003, McDermott Laboratories Limited, trading as Gerard Laboratories, an Irish company of Unit 35, Baldoyle Industrial Estate, Baldoyle, Dublin 13, made application (No. 2003/00200) under Section 37 of the Trade Marks Act, 1996 ("the Act") to register the word ZOLDEM as a trade mark in respect of goods in Class 5, namely, *pharmaceutical preparations and substances*.

2. The application was accepted for registration and advertised accordingly under No. 226382 in Journal No. 1969 on 28 May, 2003.

3. Notice of opposition to the registration of the mark pursuant to Section 43 of the Act was filed on 27 August, 2003 by Sanofi-Synthelabo, a corporation organised under the laws of France of 174 avenue de France, 75013 Paris, France. The Applicant filed a counter-statement on 24 November, 2003 and evidence was subsequently filed by the parties under Rules 20, 21, 22 and 23 of the Trade Marks Rules, 1996 ("the Rules").

4. The matter became the subject of a hearing before me, acting for the Controller, on 26 April, 2007. The parties were notified on 22 May, 2007 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 in

response to a request filed by the Opponent on 8 June, 2007 pursuant to Rule 27(2) of the Rules.

Scope of the opposition

5. Unlike most oppositions that are filed against the registration of trade marks, the opposition in this case is not based on the Opponent's claim to an earlier trade mark or other earlier right with which the mark applied for is claimed to be in conflict. While such a claim is contained in the notice of opposition filed and reference is made therein to the Opponent's Registered Trade Mark AMBIEN[1], that mark is clearly not similar to the mark applied for and could not ground an objection to the present application on so-called relative grounds. That pillar of the Opponent's case could not have succeeded and, along with some other grounds cited in the notice of opposition, which do not require separate mention, it was formally abandoned at the hearing of the matter.

6. The Opponent's case is, rather, that the trade mark applied for, ZOLDEM, is confusingly similar to the International Non-Proprietary Name (INN) zolpidem and that the application is therefore open to objection under the following Sections of the Act:

    - Section 8(1)(b) – *trade mark devoid of any distinctive character,*
    - Section 8(1)(c) – *trade mark designates the nature of the goods,*
    - Section 8(3)(a) – *trade mark contrary to public policy,*
    - Section 8(3)(b) – *trade mark of such a nature as to deceive the public,*
    - Section 8(4)(a) – *use of trade mark prohibited by law,*
    - Section 8(4)(b) – *application for registration made in bad faith.*

[1] No. 149250 registered for goods in Class 5 as of 29 May, 1992

The evidence[2]

Rule 20

7. Evidence submitted by the Opponent under Rule 20 consisted of a statutory declaration (and Exhibits A-M) dated 16 June, 2004 of Anne-Sophie Nibert, a lawyer employed in the Opponent's "Legal Trade Mark Department". She says that,

- zolpidem is an international Non-Proprietary Name (INN) for a hypnotic pharmaceutical used in the treatment of insomnia,

- the World Health Organisation (WHO), of which Ireland is a member, administers the INN system and approves new INNs,

- in 1993, the World Health Assembly of the WHO issued a request to all members to develop policy guidelines on the use and protection of INNs and to discourage the use as trade marks of names derived from INNs,

- the Medical Preparations (Labelling & Package Leaflets) Regulations, 1993, [S.I. No. 71 of 1993] implement the provisions of European Directive 92/27 on the labelling of medicinal products for human use and on package leaflets and provide that the name of a medical preparation must not be liable to confusion with the common name, defined as the INN or, if one does not exist, the usual common name,

- to be marketed in Ireland, a medical preparation must have the approval of either the Irish Medicines Board (IMB) or the European Agency for the Evaluation of Medicinal Products (EMEA), and

- the Consumer Information Act, 1978 provides that it is an offence for a person, in the course of trade, business or profession, to apply any trade description to goods which is false to a material degree, including descriptions which are misleading to a material degree.

[2] review of the evidence confined to assertions of relevant fact

Rule 21

8. Evidence submitted by the Applicant under Rule 21 consisted of a statutory declaration (and Exhibits RC1 – RC3) dated 12 April, 2005 of Ros Carney, its Commercial Director. She says that the Applicant has been selling a zolpidem formulation under the trade mark ZOLDEM since September, 2003, and that the IMB granted the Applicant a product authorisation (No. PA 577/48/1) for ZOLDEM.

Rule 22

9. Evidence submitted by the Opponent under Rule 22 consisted of a statutory declaration (and Exhibits 1-4) dated 15 June, 2006 of Edith Gourtay, a lawyer employed by the Opponent. In my opinion, it does not add anything of significance to the facts already in evidence.

Rule 23

10. On 4 August, 2006, the Applicant sought leave to file further evidence under Rule 23 in order to answer various issues raised in the Opponent's evidence under Rule 22. The Opponent objected to the granting of leave. Having considered written submissions from both parties, the Controller decided that there was only one matter in respect of which there was a need to file evidence under Rule 23, namely an error in the Applicant's evidence under Rule 21, in which the document exhibited at Exhibit RC1 consisted of a detailed description of the Applicant's ZOLDEM, including therapeutic indications, dosage instructions, contra-indications, etc. rather than being the product authorisation for ZOLDEM, as stated by Ms. Carney. The Applicant subsequently filed a further statutory declaration dated 12 October, 2006 of Ros Carney, correcting this error and exhibiting the correct document.

The hearing

11. At the hearing the Opponent was represented by Ms. Niamh Hall, Trade Mark Agent of F.R. Kelly & Co. and the Applicant by Ms. Alison Ryan, Trade Mark Agent of Anne Ryan & Co.. Rather than attempting a general synopsis of the very detailed and extensive submissions made by Ms. Hall and Ms. Ryan, I shall refer

to the relevant aspects of their respective arguments in my examination of each of the grounds of opposition that were maintained by the Opponent.

Grounds of decision

Section 8(1)(b) – trade mark devoid of any distinctive character

12. Section 8(1)(b) of the Act prohibits the registration of trade marks that are devoid of any distinctive character. Ms Hall asserted that the present application falls foul of the Section because of the very close similarity between the trade mark ZOLDEM and the INN zolpidem. She pointed out that undertakings other than the Applicant, including the Opponent, may use the INN freely in relation to pharmaceutical products sold by them containing that active ingredient and argued that the name ZOLDEM was therefore not apt to identify the goods of the Applicant alone and to distinguish them from the like goods of other undertakings. Ms. Ryan replied that ZOLDEM is an invented word and, as such, must be regarded as possessing at least the minimal amount of distinctiveness required to avoid the prohibition contained in Section 8(1)(b), which relates only to marks that are devoid of ***any*** distinctive character whatsoever.

13. It is established in the case-law of the European Court of Justice (ECJ) that the distinctive character required of a trade mark in order to be registrable is that which enables it to perform its essential function of distinguishing the goods/services of its proprietor. In Case C-102/77, *Hoffmann-La Roche & Co. AG v Centrafarm Vertriebsgesellschaft Pharmazeutischer Erzeugnisse mbH*, the ECJ stated that "*the essential function of a trade mark is to guarantee the identity of the origin of the trade marked product to the consumer or ultimate user by enabling him, without any possibility of confusion, to distinguish that product from products which have another origin"* and in Case C-299/99, *Koninklijke Philips Electronics NV and Remington Consumer Products Ltd.,* it observed that "*a trade mark has distinctive character if it serves to distinguish, according to their origin, the goods or services in respect of which registration has been applied for*". There is, therefore, no requirement that a trade mark display particular inventiveness, novelty or striking singularity in order to be found to possess distinctive character within the meaning of the Act. It is sufficient if the mark is of such a nature as to be likely to be recognised and recalled on a

subsequent occasion of purchase by the average consumer who has once been exposed to it. In this regard, I intend "recalled" as including, (i) remembered and, (ii) linked to the goods/services in relation to which the consumer previously saw the mark used.

14. In the case of word marks, there is no general prohibition on the registration of words that are derived from the names of the goods in respect of which registration is sought. Trade marks frequently consist of or contain such words. Whether a word of that nature possesses the requisite distinctive character must be judged by reference to the goods in question and the presumed expectations of the average consumer of those goods. In the present case, the consumers of the goods "*pharmaceutical preparations and substances"* must be taken to include both the ultimate consumers and the medical specialists who sometimes function as intermediaries in the supply of the goods to those end-users. It seems reasonable to assume that the perceptions of the word ZOLDEM on the part of each of those categories of consumer will be different. For the majority of ordinary consumers, the word ZOLDEM would appear to be perfectly recognisable and memorable as a pharmaceutical trade mark. It is not a word that the ordinary person might be expected to understand as having any particular meaning or significance in relation to pharmaceuticals generally and there is no reason to assume that he would have any difficulty in distinguishing between pharmaceuticals marketed under that name and others having different names.

15. It may be assumed, of course, firstly, that a certain proportion of ordinary consumers are familiar with the word zolpidem by virtue of having been prescribed medicines having that compound as their active ingredient and, secondly, that medical professionals such as doctors and pharmacists are aware of the fact that zolpidem is an INN. The thrust of the Opponent's argument is that those persons would not understand the name ZOLDEM as a trade mark of a given undertaking but would assume, rather, that the word simply indicated the nature of the marked product and would not rely on it to identify and distinguish the goods of the Applicant alone. But that proposition begs the question as to why the persons concerned would attach no significance at all to the fact that the name is ZOLDEM and not ZOLPIDEM. The difference between the two, although

slight, is nevertheless apparent and it does not seem reasonable to assume, as the Opponent suggests, that the persons concerned will not even perceive it or, if they do, will not understand it to carry any import. Pharmaceuticals are generally chosen with considerable care, both by the end-users of them and by persons charged with dispensing them, and it may be expected that the level of care applied to their selection will allow the average person to notice that the name ZOLDEM appearing on a product is not one and the same as the word zolpidem, with which he must be assumed to be familiar. Of course, if a person who knows of zolpidem as an ingredient of a pharmaceutical product is exposed to pharmaceuticals marketed under the name ZOLDEM, he may well suppose that the pharmaceuticals in questions contain zolpidem but he is also likely to assume that the particular product is that of a specific undertaking which has chosen the name ZOLDEM as a brand name for the product. In other words, the effect of the word ZOLDEM is to convey an origin-specific message as to the source of the product while simultaneously alluding to its nature. That being the case, ZOLDEM cannot be said to be devoid of any distinctive character as a trade mark for the goods of the application and I have decided to dismiss the objection under Section 8(1)(b) of the Act accordingly.

Section 8(1)(c) – trade mark designates the nature of the goods

16. Section 8(1)(c) of the Act prohibits the registration of trade marks that consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services. Ms. Hall argued that the trade mark put forward for registration by the Applicant consists of a word that directly describes a characteristic of the goods of the application, namely, that they contain the active ingredient zolpidem, and that registration of the trade mark in the name of the Applicant would place the Applicant in a position of unfair advantage as against other undertakings producing such goods. As with the objection under Section 8(1)(b), Ms. Ryan countered that ZOLDEM, being an invented word, could not be said to consist ***exclusively*** of a descriptive indication.

17. In Joined Cases Nos. C-108 and 109/97, *Windsurfing Chiemsee Produktions- Und Vertriebs G.m.b.H. v Boots- Und Segelzubehör Walter Huber and Another,* the ECJ identified the policy objective underpinning the prohibition on the registration of trade marks of the kind referred to in Section 8(1)(c), namely, *"that descriptive signs and indications relating to the categories of goods or services in respect of which registration is applied for may be freely used by all, including as collective trade marks or as part of complex or graphic marks"* and to prevent such signs and indications *"being reserved to one undertaking alone because they have been registered as trade marks"*. In Case No. C-383/99, *The Proctor & Gamble Co. v Office for Harmonisation in the Internal Market (Trade Marks and Designs)*, the ECJ stated that the signs and indications mentioned in Section 8(1)(c) are *"only those which may serve in normal usage from a consumer's point of view to* ***designate*** (my emphasis)*, either directly or by reference to one of their essential characteristics, goods or services such as those in respect of which registration is sought"*.

18. In view of the specific policy objective served by Section 8(1)(c) as defined by the ECJ and, also, in keeping with the principle of interpretation just outlined, the term "*to designate*" in the Section must be understood as meaning "*to name*" or "*to specify*" rather than, say, "*to suggest*", "*to allude to*" or "*to evoke*". In the context of marks consisting of words, it is only those words which directly name or specify essential characteristics of the relevant goods or services that may be legitimately required for use by all undertakings in the field. ZOLDEM is not such a word. It is not the actual name of any pharmaceutical substance and it is not realistic to suggest that the Applicant's competitors might legitimately wish to use the word ZOLDEM to indicate that products sold by them contain zolpidem. Why would they? Nor is it correct, in my opinion, to suggest that ZOLDEM would serve in normal usage from a consumer's point of view to designate the content of the goods in question. The word that fulfils that function is zolpidem and I see no reason to believe that, in place of that word, the average consumer would use the name ZOLDEM or would understand the use of that name as being for the purpose only of designating the content of the goods.

19. As I have already stated, I do not doubt but that informed consumers (medical professionals and persons who have been prescribed zolpidem formulations) may draw the inference that a pharmaceutical marketed under the name ZOLDEM contains zolpidem but that fact alone does not mean that the present mark is open to objection under Section 8(1)(c) of the Act. If it did, then a vast number of word trade marks would have to be regarded as wrongly registered as it is quite common for word marks to contain allusive messages from which the targeted consumer may draw inferences as to the characteristics of the marked goods or services. Neither the language of Section 8(1)(c) itself nor the interpretations of its meaning given by the ECJ support the proposition that such marks are excluded from registration. So, while ZOLDEM may constitute little more than a thinly veiled suggestion as to the nature of the goods in question, it is still an invented word and does not name or specify in a literal manner any characteristic of the goods. For that reason, I have decided that the objection against the application based on Section 8(1)(c) of the Act should be dismissed.

Section 8(3)(a) – trade mark contrary to public policy

20. Section 8(3)(a) prohibits the registration of trade marks that are contrary to public policy or to accepted principles of morality. Ms. Hall argued at the hearing that the adoption as a trade mark of a word that is liable to confusion with an INN is contrary to the policies of the WHO and, by virtue of the State's membership of the WHO, is therefore also contrary to public policy in the State. In the field of medicines, confusion in nomenclature as between product brand names and INNs can have serious consequences for patient safety and public policy interests dictate that public safety should not be compromised. Furthermore, the freedom available in the selection of names for related substances as part of the INN system may be reduced by the registration as trade marks of words that are similar to existing INNs. Ms. Ryan responded to the effect that the prohibition on registration contained in Section 8(3)(a) of the Act is directed at trade marks that are offensive or immoral or which have criminal connotations. The present application therefore falls entirely outside of the scope of the Section. She pointed out that the Applicant's product has already received a marketing authorisation from the relevant body in the State, the IMB, and asserted that it would be wrong,

in the circumstances, for the Controller to withhold registration on grounds of public policy related to patient safety.

21. Murdoch's Dictionary of Irish Law [Revised Third Edition] defines public policy as *"the principle in law that a person will not be permitted to do that which has a tendency to be injurious to the public, or against the public good"*. In "Intellectual Property Law in Ireland" [Second Edition] by Clark & Smyth, the authors observe, at paragraph 30.36, that *"public safety is, of course, a matter of public policy and therefore the question arises as to whether or not it is a ground for refusal to register where the trade mark is identical or confusingly similar to an existing trade mark where co-existence may be of concern to public safety"* and, indeed, the example cited is the case of trade marks for pharmaceutical products. I have not been directed to any case-law on this point that is binding on the Controller.

22. In approaching this aspect of the matter, I taken the view that the two-part ground of refusal specified in Section 8(3)(a) – public policy/accepted principles of morality – is on a par with any and all of the other grounds of refusal specified in the Act and is not to be invoked merely on the basis of a vague distaste for the trade mark propounded for registration. Rather, the mark must be objectionable on specific and objectively sound criteria falling within the scope of the Section in order for refusal thereunder to be justified. It is for the Opponent to show that that is the case and, in the present instance, I am not satisfied that it has done so.

23. Certainly, the Opponent's suggestion that the registration of ZOLDEM is contrary to public policy for the sole reason that Ireland is a member of the WHO and the WHO follows a policy of discouraging the adoption of trade marks that are similar to INNs is unsustainable. Public policy, as a concept, should not be equated with the policies adopted by public bodies, which are apt to change from time to time or to be incompatible with policies pursued simultaneously by other organs of the State. Ireland's membership of the WHO and its adherence to the principles of that organisation do not, of themselves, mean that the registration of a trade mark that is similar to an INN is contrary to public policy, notwithstanding the WHO's general opposition against such registrations.

24. Of course, the INN system itself serves the purpose of creating certainty in drug identification, thereby removing language barriers to the correct prescribing and dispensing of drugs in different territories. The preservation of the integrity and future operation of that system may be seen, therefore, as being in the public interest. However, the Opponent has not shown that the registration of the Applicant's mark will in any way compromise the INN system by reducing the freedom of the WHO to develop new INNs for yet unknown pharmaceutical substances that may be similar or related to existing substances, including zolpidem. The INN system involves the use of common syllables, known as "stems", in relation to pharmacologically related substances, which stems are most commonly included in INNs as suffixes but may also be used as prefixes or infixes. At the hearing, Ms. Ryan for the Applicant asserted that the stem in zolpidem is "pidem" and that the registration of ZOLDEM would not, therefore, amount to a restriction of the choice of names available for new pharmaceutical substances having characteristics identified by that stem. Whether or not that is the case I cannot say but it is for the Opponent to prove its assertion to the contrary. As the Opponent has not shown that either zol or dem are stems used in the INN naming system, I have no basis for finding that the registration of ZOLDEM would affect the future operation of that system and thus be contrary to public policy.

25. Nor has it been demonstrated to me by the Opponent how the registration of ZOLDEM would, because of its similarity with the INN zolpidem, compromise public safety and be therefore contrary to public policy. The Applicant has shown that the product marketed by it under the name ZOLDEM has received a product authorisation from the IMB and, as far as that product is concerned, I take that as *prima facie* evidence that the use of the name does not give rise to any issues of public safety. As regards any other products to which the Applicant might apply the trade mark (the specification of goods of the application covers pharmaceutical preparations and substances generally), I am not persuaded that a real issue of public safety would arise even if the products in question were not zolpidem formulations. The evidence shows that zolpidem is a powerful and potentially dangerous drug and I do not think that the health of persons in need of

that drug would be jeopardised by the presence in the market of a non-zolpidem pharmaceutical product called ZOLDEM. To think that it would be would be to assume that this non-zolpidem ZOLDEM would be purchased and consumed by the persons concerned in place of the zolpidem formulation prescribed for them with the result that the condition for which they were prescribed zolpidem would go untreated and, potentially, they would suffer some ill-effects from the ZOLDEM product that they should not have taken in the first place. In my opinion, that scenario relies on an assumption of reckless disregard for their health on the part of the persons concerned. That is contrary to the general assumption that people take some care in the selection and use of medicines generally and, in the case of a drug such as zolpidem, it is an unreasonable and unjustifiable assumption. On the basis that the prohibition on the registration of trade marks set out at Section 8(3)(a) of the Act should only be invoked if there are reasonable and realistic grounds for doing so, I have decided that the Opponent has not substantiated its opposition against the present application based on that Section and I dismiss that aspect of the opposition accordingly.

Section 8(3)(b) – trade mark of such a nature as to deceive the public

26. Section 8(3)(b) of the Act prohibits the registration of trade marks that are of such a nature as to deceive the public, for instance as to the nature, quality or geographical origin of the goods or service. The Opponent's case on this ground of opposition, as articulated by Ms. Hall at the hearing, is that the use of the trade mark ZOLDEM in relation to pharmaceuticals not containing zolpidem would be deceptive as to the nature of the goods in question as it would convey a false impression to the consumers of those goods concerning the active ingredient contained in them. Ms. Ryan replied that the Applicant's evidence is to the effect that it uses the trade mark on a product containing zolpidem and that such use could not be regarded as deceptive. As to any possible use of the mark in the future on other products within the specification of goods listed in the application for registration (which use is not contemplated by the Applicant), such would be subject to approval by the IMB via the product authorisation procedure and the question of whether the name would be potentially misleading in relation to any such product is proper to that procedure.

27. As I have already stated, I think it likely that persons who know of zolpidem might suppose that a pharmaceutical product marketed under the name ZOLDEM probably contained that substance as its active ingredient. The question arises then as to whether the mark should be regarded as deceptive in nature as regards pharmaceutical products not containing zolpidem, which products also fall within the specification of goods of the application? In my view it should not. The trade mark does not declare in an unequivocal manner that the goods marketed under it contain zolpidem. In the context of the goods in question, any initial assumption to that effect made by the relevant consumers must be weighed against the care and attention that they must be expected to exercise in the selection and purchase of the goods. In the case of non-zolpidem pharmaceuticals marketed under the name ZOLDEM, that process of selection should operate to quickly disabuse the relevant consumer of any initial misapprehension that he may have as to the nature of the goods.

28. It would be incorrect, in my opinion, to find that the trade mark is of such a nature as to deceive the public in circumstances where deception is unlikely as a practical matter notwithstanding the initial impression likely to be created by the mark in the mind of the relevant consumer. In argument on this point, Ms. Hall for the Opponent referred to the well-known U.K. case, *ORLWOOLA*[3] in which Fletcher Moulton LJ stated that the trade mark, if used in relation to goods not wholly made of wool, would be *"a misdescription which is so certain to deceive that its use can hardly be otherwise than fraudulent"*. If anything, I regard that statement as authority for the proposition that the question of whether a trade mark is of such a nature as to deceive must be judged by reference to the likely effect of its use in the ordinary course of trade on the mind of the average consumer of the particular goods in question. In the case of a word mark, if the message conveyed is clear and unequivocal and directed to an essential quality of the goods (*these goods are made entirely of wool)*, then a likelihood of actual deception is apparent and the mark must be regarded as being of such a nature as to deceive. For the reasons that I have outlined, I do not agree with the Opponent that the nature of the word ZOLDEM is so obviously and definitively indicative of zolpidem

[3] [1909] 26 RPC 681 and 850

content that its use would serve to deceive consumers who exercise ordinary care as to the nature of the goods of the present application. I have decided therefore to dismiss the opposition under Section 8(3)(b) of the Act.

Section 8(4)(a) – use of trade mark prohibited by law

29. Section 8(4)(a) of the Act prohibits the registration of trade mark if, or to the extent that, their use is prohibited in the State by any enactment or rule of law or by any provision of Community law. The Opponent bases its objection against the application under that Section on two enactments, namely the Medical Preparations (Labelling and Package Leaflets) Regulations, 1993 [S.I. No. 71 of 1993][4] and the Consumer Information Act, 1978.

30. Regulation 2(1) of the Medical Preparations (Labelling and Package Leaflets) Regulations, 1993 contains definitions of terms used in the Regulations and includes the following:

> *"common name" means the international non-proprietary name recommended by the World Health Organisation, or, if one does not exist, the usual common name*
>
> *"name of the medical preparation" means the name given to a medical preparation, which may be either an invented name or a common or scientific name, together with a trade mark or the name of the manufacturer; the invented name shall not be liable to confusion with the common name*

31. The Opponent says that the effect of those provisions is that a trade mark for use on a pharmaceutical product must not be liable to be confused with the INN of an ingredient in the product and, if it is, its use would be prohibited by virtue of the 1993 Regulations. It says that the use of the trade mark ZOLDEM on a zolpidem formulation is therefore prohibited by law. That proposition seems to me to ignore the fact that the Applicant has already secured the approval of the IMB for

[4] no question was raised by the Applicant as to whether a Statutory Instrument falls within the meaning of "enactment" for the purposes of Section 8(4)(a) – I think it must.

the marketing of a product containing zolpidem under the name ZOLDEM. I regard that fact as indicating that the body with the relevant experience and expertise in these matters does not regard the use of the name as being contrary to the 1993 Regulations and I do not see how the Controller could take a different view. While the product authorisation procedure operated by the IMB does not extend to consideration of trade mark issues, such as the existence of conflicting earlier rights, etc., which matters fall within the responsibility of the Controller, the granting of a product authorisation must be accepted by the Controller as evidence that the use of a given trade mark is not prohibited by virtue of the law concerning the labelling of medicinal products. It is for the Opponent to prove the contrary and, in my opinion, it has not done so.

32. The Opponent also says that the Consumer Information Act, 1978 provides that it is an offence for anyone, in the course of any trade, business or profession, to apply to goods any trade description which is false to a material degree, which includes descriptions which are misleading to a material degree. It argues that the use of the trade mark ZOLDEM on non-zolpidem pharmaceuticals would be misleading and would, therefore, be prohibited by the Consumer Information Act.

33. The Consumer Information Act, 1978 has, however, been repealed in its entirety by Section 4(1) of the Consumer Protection Act, 2007. While that repeal was not effected until after the relevant date for these proceedings (the date of filing of the application under opposition), nevertheless I regard it as appropriate to consider the position under the law as it now stands given that the registration procedure has not yet been finalised and it seems unreasonable to consider refusing the application on the basis of a legislative provision that no longer has effect. In any event, the provision of the former legislation on which the Opponent relies has been re-enacted in an amended manner in Sections 42 and 43 of the Consumer Protection Act, the relevant parts of which read as follows:

> *42- (1) A trader shall not engage in a misleading commercial practice.*
>
> ……..

43-(1) A commercial practice is misleading if it includes the provision of false information in relation to any matter set out in subsection (3) and that information would be likely to cause the average consumer to make a transactional decision that the average consumer would not otherwise make.

(2) A commercial practice is misleading if it would be likely to cause the average consumer to be deceived or misled in relation to any matter set out in subsection (3) and to make a transactional decision that the average consumer would not otherwise make.

(3) The following matters are set out for the purposes of subsections (1) and (2):

……..

(b) the main characteristics of a product, including, without limitation, any of the following:

……..

(viii) its composition, ingredients, components or accessories;

……..

(5) In determining whether a commercial practice under subsection (1) or (2) is misleading, the commercial practice shall be considered in its factual context, taking account of all of its features and the circumstances.

34. In light of the foregoing, it seems to me that the objection against the present application under Section 8(4)(a) based on the allegation of non-compliance with consumer protection legislation requires consideration of whether the use by the Applicant of the trade mark ZOLDEM in relation to a non-zolpidem pharmaceutical product would constitute a misleading commercial practice in that it would, (a) involve the provision of false information or, (b) be likely to cause the average consumer to be deceived or misled, in relation to the ingredients of the product in question with the result that the consumer would purchase the product in the mistaken belief that it contained zolpidem. As to the first matter, I do not think that the use of the trade mark may properly be characterised as the provision

of information, *per se*, in relation to the product and I would not accept that its use could be construed as a misleading commercial practice on that basis. I have already stated that I do not think that the use of the trade mark on non-zolpidem formulations would be likely to cause consumers to be deceived as to the nature of the products in question, including their active ingredients. Section 43(2) distinguishes between "deceived" and "misled" and I assume the latter is intended to imply a lower threshold of confusion but, even allowing for that, I do not think that the initial impression likely to be created in the mind of the consumer by the word ZOLDEM is sufficient to support the finding that the consumer will be misled by the use of that name. Even if it is, I do not think that the average consumer would be likely to be misled to the extent that he would be caused to make a transactional decision that he would not otherwise make, i.e., to purchase the product thinking that it was a zolpidem formulation. Section 43(5) calls for consideration of the factual context and circumstances of any allegedly misleading commercial practice and, in the context of the goods in question here, I do not accept that the proposed use of the trade mark would lead to the kind of deception/misleading and consequential misinformed purchasing behaviour that the relevant provisions of the Consumer Protection Act, 2007 seek to avoid. I have decided, therefore, that the opposition under Section 8(4)(a) is not supported and should be dismissed.

Section 8(4)(b) – application for registration made in bad faith

35. Section 8(4)(b) of the Act provides that a trade mark shall not be registered if, or to the extent that, the application for registration is made in bad faith by the applicant. The Opponent's case is that the similarity between ZOLDEM and zolpidem is so striking that the trade mark must have been adopted by the Applicant solely for the purpose of benefiting from likely confusion on the part of medical professionals and ordinary consumers, which confusion would result in the Applicant's product being sold in place of competing zolpidem formulations. The Opponent is critical of the Applicant's failure to offer an alternative explanation of its adoption of the trade mark, suggesting that that, in itself, is indicative of bad faith in the adoption of the mark.

36. In my opinion, the Opponent's case on this point is utterly unsustainable and it has not established any appearance of bad faith in the making of the application for registration such that the onus would pass onto the Applicant to show the contrary. If it constituted bad faith to adopt a trade mark that evoked a characteristic of the goods or services in respect of which registration was sought, then a huge number of trade mark applications would fall to be refused. That is a million miles away from bad faith and I see nothing whatever untoward in the Applicant's adoption of the trade mark ZOLDEM or in the fact that the name was obviously chosen because of the inclusion of zolpidem as an ingredient of the product. Pharmaceutical trade marks frequently consist of names that allude to the ingredients of the relevant products and the mere adoption as a trade mark of such a name is not indicative of bad faith. The Opponent's objection under Section 8(4)(b) of the Act is unsubstantiated.

Evidence of internet sales

37. The evidence filed by the Opponent included material showing that zolpidem formulations, possibly including ZOLDEM, are offered for sale via the internet and it was argued on behalf of the Opponent that regard should be had to the growing phenomenon of online trade in pharmaceutical goods, in which scenario the likelihood of confusion between trade marks and INNs is enhanced. While not discounting this evidence, I have not been persuaded by it that the present application for registration should be refused on any of the grounds of opposition raised against it. Apart from the fact that direct, online purchases of pharmaceutical preparations containing zolpidem would not appear be in accordance with the law here and should not, therefore, be taken as the typical market scenario against which to judge the opposition to the application, it has not been shown that the level of care and attention likely to be paid by the average consumer to the selection and purchase of pharmaceuticals is any lower in the case of consumers who buy online. I see no reason to think that it would be.

Opponent's reliance on principles for comparing marks

38. In argument in support of the opposition, Ms. Hall referred to well-known case law of the ECJ which has established a number of principles to be followed in comparing trade marks for the purpose of assessing the likelihood of confusion

between them. Applying those principles to the comparison of ZOLDEM with ZOLPIDEM, she argued that there was a manifest likelihood of confusion. I have not referred in this decision to the principles of comparison in question nor relied on them for the purpose of determining the specific grounds of opposition that were maintained by the Opponent. In my view, it would not have been appropriate to do so as the questions that I have had to decide do not concern any alleged conflict between similar trade marks.

Tim Cleary
Acting for the Controller

20 July, 2007