

IN THE MATTER of the Trade Marks  
Ordinance

AND

IN THE MATTER of an Application by  
Especialidades Latinas Medicamentos  
Universales, S.A. (Elmu S.A.) to  
register the word "DAMOXICIL" in  
Class 5 in respect of pharmaceutical,  
veterinary and hygienic products,  
medicinal dietetic products,  
disinfectants

AND

IN THE MATTER of an Opposition by  
Beecham Group Limited

D E C I S I O N

of

Mr. L.S. Shum acting for the Registrar of Trade Marks.

Hearing on 8th May 1981.

Mr. R. Carter of Messrs. Deacons, Solicitors, appeared for the  
Applicants.

The Opponents elected not to be represented at the Hearing and did  
not attend.

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On 28th January 1977 Especialidades Latinas Medicamentos  
Universales, S.A. (Elmu S.A.), a Spanish company of 2 Emilio Vargas  
Street, Madrid 27, Spain (hereinafter referred to as "the Applicants")  
submitted through their agents, Messrs. Deacons, Solicitors, an  
application to the Registrar of Trade Marks (hereinafter referred to  
as "the Registrar") for the registration in Part A of the Register

of the trade mark "DAMOXICIL" in Class 5 in respect of "pharmaceutical, veterinary and hygienic products, dietetic products for medicinal type, disinfectants". The specification of goods was subsequently amended to read "pharmaceutical, veterinary and hygienic products, medicinal dietetic products, disinfectants".

The supporting statutory declaration made by Mr. Encarnacion Gomez Vives, President of the Applicants, on 25th February 1977 stated that the trade mark had been used by the Applicants in respect of the goods mentioned in the application in Spain since June 1974 and the said trade mark had not hitherto been so used by the Applicants in Hong Kong and it was the Applicants' intention so to use it if and when it was registered.

On 16th June 1977 the Registrar wrote to Messrs. Deacons granting consent to advertise the application in the Gazette and the mark was duly advertised in the Gazette of 15th July 1977, page P.N. 1477.

On 3rd March 1978 Beecham Group Limited trading as Beecham Research Laboratories, and as Beecham Research International, and as Bencard and as Beecham Veterinary Products, of Beecham House, Great West Road, Brentford, Middlesex, England (hereinafter referred to as "the Opponents") filed a Notice of Opposition through their agents, Messrs. Johnson, Stokes and Master, Solicitors. The grounds of opposition to the mark are :

- "1. We are the registered proprietors of the trade mark comprising the words "AMOXIL" under Registration No. 86 of 1974 in Class 5 in respect of "pharmaceutical preparations and substances for human use and for

veterinary use".

2. The said registered trade mark has been used by us in respect of goods covered by the registration for a number of years in many countries of the world, including Hong Kong.
3. The applicant is seeking to register the word "DAMOXICIL" the subject of the application herein in Class 5 in respect of "pharmaceutical, veterinary and hygienic products, medicinal dietetic products, disinfectants".
4. The proposed mark which the applicant has applied to register so resembles our said registered trade mark as to be likely to deceive.
5. The proposed mark which the applicant has applied to register so resembles our said registered trade mark as to be likely to lead the public into believing that the applicant's goods are our goods.
6. The use of the proposed mark "DAMOXICIL" by the applicant will constitute an infringement of our rights in our said registered trade mark "AMOXIL".
7. By reason of the matters set forth, the proposed mark "DAMOXICIL" is not a registrable trade mark within the terms of the Trade Marks Ordinance.
8. The Registrar should exercise his discretion adversely to the applicant and we ask that Application No. 169B of 1977 be refused with costs against the applicant."

The Counter-Statement filed on 29th May 1978 by the Applicants sets out the grounds on which the Applicants rely as supporting their application, as follows :

- "1. The trade mark which we are seeking to register comprises the word "DAMOXICIL" which does not so nearly resemble the trade mark "AMOXIL" registered by the Opponent herein under registration No. 86 of 1974.
2. The word "DAMOXICIL" which we are applying to register under application No. 169B of 1977 is not liable to be confused with the Opponent's said trade mark "AMOXIL". The words themselves are sufficiently different and distinct to avoid any probability of deception or confusion even if used for the same goods.
3. The use of the trade mark which is the subject of this application would not constitute any infringement of the rights alleged to be vested in the Opponent as set out in paragraph 6 of the Notice of Opposition.
4. We do not admit the submissions made and contained in paragraph 4, 5 and 6 of the Notice of Opposition filed by the Opponent in this matter. The use or registration by the Applicant of the said trade mark which is the subject of the application herein would not mislead or cause confusion to the public as alleged in paragraph 5 of the Notice of Opposition.
5. By virtue of the foregoing, we ask that the Registrar should exercise his discretion in our favour, dismiss

the opposition and allow our application to proceed to registration and that costs be awarded against the Opponent.

6. We admit paragraph 1 of the Notice of Opposition."

The Opponents' evidence consists of a statutory declaration made on 10th April 1979 by Mr. Ronald Smither, Group Patents and Trade Marks Controller of the Opponents, in which he states, inter alia, that the Opponents are internationally well-known in the field of pharmaceutical and veterinary products both as carrying out original research in those fields and as manufacturers and merchants, that the Opponents are the proprietors in Hong Kong of the trade mark AMOXIL, No. 86 of 1974 registered in Class 5 in respect of "pharmaceutical preparations and substances for human use and for veterinary use", that the trade mark AMOXIL was first adopted and used by the Opponents in the United Kingdom in April 1972 and the same was first used in Hong Kong in November 1972, and that the Opponents are the registered proprietors of the mark in some 78 countries. Mr. Smither also states the annual sales figures of products sold, the amount spent in advertisement and the costs of maintaining sales representations specifically for the products, in Hong Kong under or in relation to the products on which the mark AMOXIL is used, as follows :

<u>Year</u>	<u>Sales</u> (£ Sterling)	<u>Advertisement</u> (£ Sterling)	<u>Sales Representations</u> (£ Sterling)
1972/73	4,121	1,670	2,831
1973/74	14,398	2,429	3,116
1974/75	18,523	4,031	4,004
1975/76	48,973	7,150	7,113
1976/77	53,296	4,163	10,960
1977/78	72,207	7,462	13,908

A bundle of promotional materials and a two-page advertisement in the journal "Medical Progress" are exhibited to the statutory declaration. Mr. Smither claims that by virtue of the extensive use, promotion and sales of products under the mark AMOXIL internationally and in Hong Kong, the Opponents have acquired a substantial reputation in Hong Kong in the mark AMOXIL both amongst the medical profession and the public. Mr. Smither also claims that the visual resemblance of the trade marks DAMOXICIL and AMOXIL is very close and that the pronunciation of the two marks is virtually identical. Accordingly he submits that in view of the similarity of the two marks, there is a strong likelihood of confusion.

The Applicants' evidence consists on a statutory declaration made on 7th June 1979 and a supplemental statutory declaration made on 10th September 1979, both by Mr. Sebastian Pacios Garcia-Esteller, General Director of the Applicants, in which he states that the worldwide development of antibiotics has involved the use of the chemical compound Amoxicilline and many pharmaceutical manufacturers have developed anti-biotics based entirely on this compound and that

the Applicants' product was marketed under the trade mark DAMOXICIL to indicate to doctors and pharmacists generally that the drug was derived from the compound Amoxicilline. He gives 13 examples of products manufactured by various manufacturers, which contain Amoxicilline and the name of each of which contains the letters "amoxi". Annexed to the supplemental statutory declaration and marked "A" is an extract from the World Health Organisation's List of International Non-Proprietary Names for pharmaceutical substances, Volume 26 No. 3, which indicates that, inter alia, the name "amoxicilline" is under consideration by the World Health Organisation as a proposed international non-proprietary name. There are also exhibited to the supplemental statutory declaration certain promotional literature and a sample of packaging for the Applicants' products used or proposed to be used under the mark DAMOXICIL. Mr. Garcia-Esteller claims that there is no similarity between the two marks and he explains the reasons for his view.

When the Opponents' agents, Messrs. Johnson, Stokes and Master, were informed of the arrangements for the Hearing they informed the Registrar that the Opponents had confirmed that the Opponents did not require them to attend at the Hearing and asked that their opposition be dealt with on the basis of the opposition documents already filed.

I am satisfied that the Opponents' evidence has established that the Opponents' mark in this case had a substantial reputation in Hong Kong as at 28th January 1977, the date of the application.

This was not disputed by Mr. Carter at the Hearing. Accordingly, the opposition will be considered under section 20 as well as under section 12(1) of the Trade Marks Ordinance. Mr. Carter agreed at the Hearing that the onus was on the Applicants to satisfy the Registrar that the mark applied for was not reasonably likely to deceive or cause confusion.

The questions to be considered under the corresponding section 12(1) (section 20 of the Trade Marks Ordinance) and section 11 (section 12(1) of the Trade Marks Ordinance) of the Trade Marks Act 1938 were authoritatively summarised in Smith Hayden & Co. Ltd.'s Application (1948) 63 RPC 97 by Evershed J. and are reproduced in "Kerly's Law of Trade Marks and Trade Names", Tenth Edition (hereinafter referred to as "Kerly"), section 10-02 (pages 172 - 174).

The first point to be considered is whether the two marks are to be used on the same goods or goods of the same description. The matters to be taken into account in considering this question are set out in Jellinek's Application (1946) 63 RPC 59 and are repeated in Kerly, 10-12, (page 162). However, I have little or no difficulty in deciding that in this case the respective goods covered by the mark applied for and the registered mark are the same goods or goods of the same description. Indeed, neither the Applicants nor Mr. Carter at the Hearing, denied it.

The rules for comparison of two words alleged to have a deceptive resemblance are set out in Chapter 17 of Kerly.

I must consider the question : "Who are the people whom the mark must be calculated to deceive". In accordance with past cases, these are "all of those who are likely to become purchasers of the goods upon which the marks are used, provided that such persons use ordinary care and intelligence" (Kerly, 17-05, at pages 453 and 454). It is stated in Kerly, 17-06 (page 454) :

"It is clearly not enough to show that retail dealers buying goods for resale would not be deceived, since they might themselves fraudulently or carelessly make use of the ambiguous character of the trade mark to deceive their customers, the ultimate purchasers."

In this case, I do not consider that there is any likelihood of the retail dealers, i.e. retail chemists or pharmacists, being confused by the two marks.

With regard to the public, the Applicants argued, and Mr. Carter repeated the arguments at the Hearing, that the evidence filed by the Opponents indicated that the products marketed by the Opponents under trade mark AMOXIL was an anti-biotic containing Amoxicilline and since anti-biotics were usually only sold by a pharmacist on prescription by a doctor, there was little or no danger of confusion arising from words which were derived from the same base, namely Amoxicilline. Mr. Carter submitted that the present case was very similar in facts and in principle to Geigy A.G. v. Chelsea Drug & Chemical Co. Ltd. (1966) RPC 64. The Opponents have not filed evidence to contradict the Applicants' statement that anti-biotics are usually only available on prescription. In the absence of such evidence, I must proceed

on the basis of the Applicants' statement.

However, even though the Opponents' products are sold in Hong Kong to the public only on prescription, I think I must take into account the fact that the Opponents have registered their mark in respect of "Pharmaceutical preparations and substances for human use and for veterinary use" and that there is no legal reason why they should not at any time from now start marketing a completely new range of preparations and substances which do not require a doctor's prescription. I must, therefore, consider all the members of the public who at any time use a chemist's shop, which means a very large cross-section of the community. I find support for this view in the Bayer Products Ltd.'s Application ("Diasil")(1947) 64 RPC 125. The Registrar's original decision (at pages 127 and 128) states :

"From a purely commercial point of view I should imagine that under these circumstances the Opponents are unlikely to apply the mark "Alasil" to goods other than those in respect of which it has established its reputation, but however that may be, the mark is registered in respect of all "Chemical substances prepared for use in medicine and pharmacy" and I must consider the application and opposition only on the basis that the Opponents' mark may be applied to any goods within the ambit of this specification."

Wynn-Parry J. also states at page 134 :

"Still considering the matter under section 12 I have, as regards the Appellants, to postulate a wide range of customers, because I have to postulate the use of the mark "Alasil" in relation to all goods falling within Class 5, and I have to postulate customers purchasing over the counter goods within the class not requiring, as a condition of their being supplied, the production of a doctor's written prescription as well as purchasers who require such a prescription."

I therefore take into account the fact that the specification of goods on which the Applicants' mark is proposed to be used, does not preclude products which do not contain amoxicilline or which are not anti-biotics, and which therefore can be purchased by members of the public without the production of a doctor's prescription.

The next question I must consider is "what amount of resemblance is likely to deceive". Kerly states at 17-07 (page 455) :

"As Lord Cranworth said in *Seixo v. Provezende* "What degree of resemblance is necessary ..... is from the nature of things incapable of definition a priori". Nor is the standard always the same : thus in the case of pharmaceutical products, in the absence of restrictions upon their distribution, it is the more important that the public should be protected from the consequences of deception and confusion."

Kerly also states at page 456 :

"In comparing the marks, the Registrar or the court, as the case may be, must, as appears from the authorities referred to below, take into account all the circumstances of the case, and must consider whether, as a whole, the applicant's mark is substantially different from the opponent's.

The onus of proof in relation to the reasonable probability of section 12(1) of the Act of 1938 was summed up by Parker J. in a case involving the comparison of two words, as follows : "You must take the two words. You must judge them, both by their look and by their sound. You must consider the goods to which they are to be applied. You must consider the nature and kind of customer who would be likely to buy those goods. In fact you must consider all the surrounding circumstances; and you must further consider what is likely to happen if each of those trade marks is used in a normal way as a trade mark for the goods of the respective owners of the marks."

At the Hearing, Mr. Carter referred to Kerly, 12-20 (page 467), on "Importance of first syllable" :

"It has been accepted in several reported cases that the first syllable of a word mark is generally the most important. It has been observed in many cases that there is a "tendency of persons using the English language to slur the terminations of words"."

If the two marks are looked at side by side for comparison, there is probably not so much resemblance between them, both visually and phonetically, as to be likely to cause confusion. DAMOXICIL begins with the letter 'D', has nine letters and four syllables. AMOXIL begins with the letter 'A', has six letters and four syllables. But I must also consider the two marks on the basis of imperfect recollection.

On the matter of imperfect recollection, Kerly states at 17-23 (page 469) as follows :

"Is it clear that the tribunal ought not merely look at the marks as they stand side by side, for, from the nature of the case, they will not be so put before any customer whom it is sought to deceive by means of either of them. He can only contrast the mark upon the goods offered to him with his recollection of the mark used upon those he is seeking to buy, and allowance must be made for this in estimating the probability of deception. Any other rule would be of no practical use. It has to be borne in mind that the ordinary purchaser has only "an ordinary memory"."

"The question is not whether if a person is looking at two trade marks side by side there would be a possibility of confusion; the question is whether the person who sees the proposed trade mark in the absence of the other trade mark, and in view only of his general recollection of what the nature of the other trade mark was, would be liable to be deceived and to think that the trade mark before him

is the same as the other, of which he has a general recollection."

"The answer to the question whether the sound of one word resembles too nearly the sound of another so as to bring the former within the limits of section 12 of the Trade Marks Act 1938, must nearly always depend on first impression, for obviously a person who is familiar with both words will neither be deceived nor confused. It is the person who only knows the one word, and has perhaps an imperfect recollection of it, who is likely to be deceived or confused. Little assistance, therefore, is to be obtained from a meticulous comparison of the two marks, letter by letter and syllable by syllable pronounced with the clarity to be expected from a teacher of elocution. The court must be careful to make allowance for imperfect recollection and the effect of careless pronunciation and speech on the part not only of the person seeking to buy under the trade description but also of the shop assistant ministering to that person's wants."

There is no evidence on how exactly the two words ought to be pronounced. Neither the Opponents nor the Applicants have suggested or indicated on which syllable of each of the two words the accent should fall. The Opponents state that DAMOXICIL consists of four syllables DA/MOX/I/CIL and AMOXIL consists of three syllables A/MOX/IL. The Applicants do not appear to disagree. In the absence of any evidence on exactly how the two words should be pronounced

and based on what the Opponents have said on the number of syllables in each word, which has not been disputed by the Applicants, I think AMOXIL would be pronounced as A-MOX-IL with the accent falling on the second syllable and DAMOXICIL would be pronounced as DA-MOX-I-CIL with the accent also falling on the second syllable. Mr. Garcia-Esteller states in paragraph 9(b) of his supplemental statutory declaration : "My Company's trade mark has an extra syllable. This results in the two trade marks being immediately phonetically distinguishable. The addition of the soft sounding "IC" syllable is highly distinctive." But I do not agree that a soft sounding syllable can be highly distinctive, particularly when in many cases there is a "tendency of persons using the English language to slur the terminations of words" and also when imperfect recollection is taken into account. In fact, I feel in this case that there is a great possibility that the "soft sounding syllable" will be slurred or omitted when DAMOXICIL is casually pronounced. Even if (which I think is most unlikely) the two words may be pronounced as AM-OX-IL and DAM-OX-I-CIL with the accent falling on the first syllable in each case, I feel that the result would not be very much different so far as phonetic resemblance of the two words are concerned. In my opinion, therefore, the only phonetic difference between the two words is essentially the first syllable. At the Hearing, Mr. Carter emphasized that the first syllable of a word was far the most important for the purpose of distinction. I agree that visually 'DA' is different from 'A'. But phonetically, I am of the view that there is very little distinction between 'DA' and 'A' in the pronunciation of DAMOXICIL and AMOXIL, particularly when imperfect recollection is taken into account. I feel strongly that phonetically DAMOXICIL so closely resembles AMOXIL that there is a real like-

likelihood of confusion or deception.

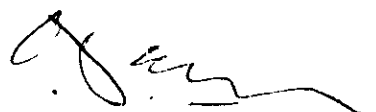
I feel, however, that visually the two words are sufficiently different.

There is a point raised by the Applicants in the supplemental statutory declaration, which I think I ought to dispose of. The Applicants claim that "Amoxicilline" is a generic term or a non-proprietary name. "Amoxi" are letters deriving from the term "Amoxicilline" and are commonly used as part of a name for products containing Amoxicilline. These products are generally available at pharmacies in many places of the world. The Applicants have given 13 names each of which consists of the letters "Amoxi" as part of the name, e.g. AMOXIROBERT, AMOXICILINA-DIF, CLUCAMOXI and KEZAMOXI. The Applicants submit that the Opponents should not be allowed to have a monopoly of all words containing the letters "Amoxi" which are taken from the non-proprietary name Amoxicilline. I agree. In fact, I have considered the opposition in this case on the basis that the Opponents do not have a monopoly of the letters "Amoxi". I have considered the opposition on the basis of whether there is any deceptive resemblance between the two words AMOXIL and DAMOXICIL and I have indicated above that I feel that phonetically there is such deceptive resemblance. If the mark applied for was one of the above words, AMOXIROBERT, ..... etc., I would probably find that in fact there is no visual and phonetic resemblance between such word and the word AMOXIL and I probably would accordingly find the opposition unsuccessful.

Having carefully considered the evidence and the submissions made at the Hearing, and for the reasons given above, I have come to the conclusion that not only that there is a likelihood of confusion between the mark applied for, "DAMOXICIL", and the registered trade mark, "AMOXIL" but also that there is a real tangible danger of confusion if the mark "DAMOXICIL" is put on the Register. The onus is on the Applicants to convince me that there is no reasonable probability of deception and Kerly states at 10-06 (page 176) that the onus is heavier on an applicant when a mark is new, as "DAMOXICIL" was in Hong Kong as at the date of the application for its registration. I find that the Applicants have not discharged this onus and accordingly refuse the application.

As no use of "DAMOXICIL" had taken place in Hong Kong before the date of application for registration, consideration of the mark under section 22 of the Trade Marks Ordinance, "honest concurrent use" does not arise.

I find that the Opponents are entitled to an award of costs, that any representations which either party may wish to make as to the amount of these costs will be considered if received within one month from the date of this Decision and that failing such representations or subject to any representation calling for special treatment, costs will be calculated on the usual scale.



(L. S. Shum)

Deputy Principal Solicitor

24th June 1982