

O-249-11

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION 2522860
BY PETMEDS LIMITED FOR THE TRADE MARKS:**



AND

**OPPOSITION THERETO (NO 100041) BY
PETMED EXPRESS, INC**

TRADE MARKS ACT 1994

In the matter of application 2522860 by Petmeds Limited for a series of two trade marks

and

Opposition thereto (no 100041) by PetMed Express, Inc

THE BACKGROUND AND THE PLEADINGS

1) The details of Petmeds Limited's¹ ("Limited") trade mark application the subject of this dispute are as follows:

Trade mark 2522860

Filing date: 5 August 2009

Published in the trade marks journal: 23 October 2009

Trade marks (series of two):



Goods and services sought to be registered:

Class 05: Sanitary preparations; plasters, materials for dressings; disinfectants; animal washes and grooming preparations; preparations and substances for animal hygiene.

Class 35: Retail services, mail order retail services, electronic retail services, online retail services, all connected with the sale of goods for animals, animal care and animal healthcare.

Class 44: Veterinary services; dispensing of pharmaceutical preparations for animals, veterinary preparations and substances, veterinary medicines and veterinary products; all of the aforesaid including services offered online; information, advisory and consultancy services in relation to all of the aforesaid.

¹ Its previous name being Petscriptions Ltd

2) PetMed Express, Inc (“Inc”) opposes the registration of the above application. It filed its opposition on 22 January 2010. It opposes registration in respect of all the goods and services sought to be registered. Inc bases its opposition under section 5(2)(b) of the Trade Marks Act 1994 (“the Act”). Inc relies on two earlier marks the details of which are:

1) UK trade mark 2370144

Filing date: 7 August 2004
Completed registration procedure: 4 March 2005
Registration revoked on: 19 November 2010
Revocation with effect from: 5 March 2010
Trade mark:



Goods and services for which the mark was registered:

Class 05: Prescription and non prescription pet medications.

Class 31: Pet health and nutritional supplements for animals for purposes other than medical use.

2) UK trade mark 2370145:

Filing date: 7 August 2004
Completed registration procedure: 11 March 2005
Registration revoked on: 19 November 2010
Revocation with effect from: 12 March 2010
Trade mark:



Goods and services for which the mark was registered:

Class 05: Prescription and non prescription pet medications.

Class 31: Pet health and nutritional supplements for animals for purposes other than medical use.

3) Ltd filed a counterstatement denying that there would be a likelihood of confusion. Its defence is based, in part, on the word PETMEDS being descriptive. In its counterstatement Ltd stated:

“In particular, the Applicant asserts that the common element PETMEDS, which is the only element in common between the marks, is descriptive of the goods and services covered and must be left available for use by traders.”

4) Only Inc filed evidence. The matter then came to be heard before me on 16 June 2011 where Inc was represented by Mr Parnell of Phillips & Leigh and where Ltd was represented by Mr Guise of Field Fisher Waterhouse.

THE EVIDENCE

5) As stated above, only Inc filed evidence. Inc filed two witness statements. One is from Ms Alison Berges, Inc’s General Counsel. Her evidence is simply that Inc is the largest online pet pharmacy in the US and that it sells and distributes prescriptions and non-prescription pet medications and other health products for dogs, cats and horses through its website. Ms Berges also highlights (and provides Internet extracts in support) that Ltd’s method of business and products are extremely similar to that of Inc. A witness statement was also filed by Mr John Weston of Phillips & Leigh (Inc’s representatives in this matter). His evidence highlights something which is a matter of public record, namely that the two earlier marks relied upon by Inc have been revoked, together with his submission that the effective dates of revocation mean that they remain earlier rights. Mr Weston also refers to the preliminary indication that was issued in these proceedings – I will say no more about this because the preliminary indication has no bearing on the decision required of me.

THE STATUS OF THE EARLIER MARKS

6) As noted above, both of Inc’s earlier marks have, since the opposition was launched, been the subject of successful applications for revocation on the grounds of non-use. Inc has referred to the decision of Mr Edward Smith (for the registrar) in *IT’S FRIDAY* (BL O-209-09) to support the proposition that the earlier marks must still be taken into account. Mr Smith referred in that case to a number of other decisions and judgments including: *Hormel Foods Corp v. Antilles Landscape Investments NV* [2005] RPC 28, *RIVIERA Trade Mark* [2003] (“*Riviera*”) RPC 59 and the General Court (“GC”) Case T-161/07 *Group Lottus Corp, SL v OHIM (“Coyote Ugly”)*. Prior to the hearing I brought to the parties’ attention the decision of Amanda Michaels (sitting as the Appointed Person) in *Now Wireless* (BL O-338-10) where she stated:

“Should a stay be granted?”

23. The application to stay the appeal is made on the basis of applications to revoke each of HK’s earlier CTMs on grounds of non-use. The applications for revocation lodged at OHIM on 1 April 2010 seek revocation of HK’s marks in their entirety. As I have mentioned above, the applications specify the dates from which revocation is sought, which are all well after the date of Wireless’s trade mark application (April 2005) and the publication of its application (November 2007).

24. I have a discretion to grant a stay if it is appropriate to do so both in terms of the potential effect of the revocation proceedings on the current appeal, and in terms of the circumstances in which the application for a stay is made.

25. The essence of Mr Buerhlen’s submissions on behalf of Wireless was that it would be right to grant the stay sought, because if the CTMs are revoked, the opposition will fail. He submitted that a revoked mark is not a registered mark upon which reliance can be placed in opposition proceedings. HK, on the other hand, argued that even if the CTMs are revoked, that would not prevent it from relying upon them to oppose Wireless’s application, on the basis that the CTMs were validly registered when the application was made, when the application was published, when the opposition was filed and at the time of the Hearing Officer’s decision. In other words, the CTMs were at the relevant date (the date of publication of Wireless’s application) earlier trade marks within the meaning of section 6 of the Act. They were then not subject to the “use conditions” of section 6A because the registration procedures for the CTMs were completed less than five years before the date of publication. Wireless’s argument suggests that revocation for non-use has a retroactive effect which goes back before the date specified in the order for revocation.

26. Wireless sought to rely first of all upon the decision of the European Court of Justice in *Levi Strauss & Co v Casucci*, Case C-145/05, [2006] E.C.R. I-3703, [2007] F.S.R. 8. There the issue was whether the national court could order the cessation of use of the junior mark if the senior mark had lost its distinctive character and been revoked. The Court held at paragraph 36 that after revocation the national court could not order cessation of the use of the junior mark. However, it does not seem to me that this judgment affects the question which I must decide, as the Court was not considering the question of the impact of the senior mark prior to revocation, but whether a mark which had been revoked could have continuing effects for the future. Mr Buehrle reminded me that I had considered *Levi* in an appeal which I heard in 2007, BL O/364/07, T-Mobile. In that case, T-Mobile had relied in opposition proceedings upon a mark which was later revoked for non-use. The date from which the

revocation took effect was later than the relevant date for the opposition. The applicant, O2, then wished to make an application to invalidate the earlier mark altogether. The question before me was whether such an application could be made at all, but I also had to consider whether T-Mobile would have been able to rely upon the 'validity' of its revoked mark up to the date of revocation. It seemed to me that clearly it would have been able to do so, broadly for the reasons set out in the following paragraphs of this decision. In my judgment, the decision in Levi is not determinative of the question which I now have to decide, because the Court was only considering whether it would be appropriate to grant an injunction on the basis of a mark which had been revoked, looking to control activities after the mark was deemed invalid. The Court did not consider the question before me, which is whether it is appropriate to give effect in opposition proceedings to a mark which has been revoked, in relation to a time when it was valid.

27. Article 55 of Regulation 207/2009 provides:

"The Community trade mark shall be deemed not to have had, as from the date of the application for revocation ... the effects specified in this Regulation, to the extent that the rights of the proprietor had been revoked. An earlier date, on which one of the grounds for revocation occurred, may be fixed in the decision at the request of one of the parties."

That is to be contrasted with Article 55 (2) which provides:

"The Community trade mark shall be deemed not to have had, as from the outset, the effects specified in this Regulation, to the extent that the trade mark has been declared invalid."

28. Article 55(3), which provides that the retroactive effect of revocation shall not affect previous decisions on infringement or contracts concluded prior to the revocation, does not seem to me to detract from the generality of Article 55(1). In my view, all of those provisions make it clear that revocation does not affect the validity of the mark up to the date when revocation takes effect, unlike a declaration of invalidity which affects the mark from the outset.

29. Moreover, that seems to me to be consistent with the position under the 1994 Act, section 46(6) of which provides:

"Where the registration of a trade mark is revoked to any extent, the rights of the proprietor shall be deemed to have ceased to that extent as from-- (a) the date of the application for revocation, or (b)

if the registrar or court is satisfied that the grounds for revocation existed at an earlier date, that date.”

The words "the rights of the proprietor shall be deemed to have ceased" in this subsection again show that revocation does not affect the validity of the mark up to the date when revocation takes effect. The rights are valid up to that date, and then cease. That approach is again consistent with the provisions of sections 6 and 6A of the Act which impose a use requirement upon earlier marks relied upon for the purposes of opposing a UK trade mark application only if they have been registered for more than 5 years. Marks which have been registered for less than 5 years at the date of publication of the mark opposed can be relied upon even if they have not been used, and (logically) even if subsequently revoked for non-use.

30. In *Hormel Foods Corp v. Antilles Landscape Investments NV* [2005] R.P.C. 28, Mr Richard Arnold Q.C. then sitting as a deputy judge of the Chancery Division said at paragraph 97

“A claim for revocation of a trade mark is fundamentally different to a claim that the trade mark was invalidly registered. A claim that a trade mark is invalidly registered is a claim that the mark should never have been registered for whatever reason, and has wrongly remained on the Register ever since. It thus essentially concerns the position as at the application date (subject to the slight anomaly created by the proviso to s. 47(1) of the 1994 Act). By contrast a claim that a trade mark should be revoked is a claim that the mark, even though it may have been validly registered, should be removed from the Register because of events occurring subsequent to registration, e.g. because it has not been used by the proprietor for five years.”

That view is echoed in Kerly’s *Law of Trade Marks and Trade Names*, 14th ed at 10- 003-5. I do not believe that the position is affected by the decision of the Court of First Instance in *Case T-191/04, MIP Metro Group Intellectual Property GmbH & Co KG v OHIM*, (13 September 2006) for the reasons which I gave in my decision in *TMobile*.

31. Next on this point *Wireless* relied upon a decision of OHIM’s Second Board of Appeal in *Case R 787/2005-2, Mejerigaarden Holdings A/S v Berentzen Brennerieien GmbH* (23 January 2007). There an appeal against a successful opposition was suspended by the Board of Appeal until after a decision had been made in revocation proceedings. The earlier mark having been revoked in part, the appeal proceeded on the basis of the narrower specification of goods, on which basis the appeal was allowed. Unfortunately for present purposes, no explanation is given in the decision as to why the suspension was granted or why the appeal

proceeded only on the basis of the uncanceled part of the earlier mark's specification. In the circumstances, I do not consider that this decision provides me with any basis upon which to depart from what seems to me to be the clear meaning of Article 55(1), that the effects of revocation run from the specified date, and (by necessary implication) not from any earlier date.

32. Lastly, Mr Buehrlen referred me to a more recent decision of the General Court in Case T-27/09, *Stella Kunststofftechnik GmbH v OHIM*, 10 December 2009. In that case, the applicant had applied for a CTM consisting of the word 'Stella' on 29 February 1996 and the mark was registered on 19 September 2001. On 11 May 2004, the intervener applied to register a figurative mark containing the words 'Stella Pack.' The applicant filed a notice of opposition based upon its earlier CTM; the intervener countered by applying to revoke it. That application for revocation was partially successful and the CTM was revoked in respect of some but not all of the goods within the specification with effect from 22 December 2006. The applicant appealed both on the merits and on the basis that the revocation proceedings should have been suspended until the opposition proceedings had been resolved. I was referred to paragraph 38 of the judgment, where the Court said:

“.. the Board of Appeal also did not err in law in considering ... that revocation proceedings initiated after opposition has been raised could at most give rise to suspension of the opposition proceedings. Indeed, in the event that the earlier mark was revoked the opposition proceedings would be devoid of purpose.”

The Court continued at paragraph 39:

“However, bringing opposition proceedings without awaiting the outcome of the revocation proceedings would not be of any advantage to the proprietor of the earlier mark cited in the opposition proceedings and to which the application for revocation relates. Even if the opposition proceedings resulted in dismissal of the Community trade mark application, there would be nothing to prevent the same application from being filed again once the earlier mark had been revoked.”

33. It was submitted on Wireless's behalf that this decision shows that if the mark relied on by the opponent has been revoked by the time the final decision was reached, it cannot be relied upon in the opposition. However, in *Stella* the Court found that there was no basis for saying that revocation proceedings had to be suspended whilst opposition proceedings based on the challenged mark were pending. Wireless argued that the last sentence of paragraph 38 shows that the Court considered that the opposition would

fail if the earlier mark had been revoked, even where the revocation only took effect after the relevant date for the opposition. It does not seem to me that that is what the Court said. The Court did not go so far as to say that the opposition proceedings would fail, but commented that the opposition would be "devoid of purpose." The Court did not explain what it meant by that expression, but when taken with paragraph 39 of the Court's decision, it seems to me that the Court was suggesting that continuing with an opposition based upon a revoked mark might be of limited commercial benefit to the opponent. Paragraph 39 in my judgment shows that the Court contemplated that the opposition proceedings based on the revoked mark might succeed, but that this would give no advantage to the opponent, as there would be nothing to prevent the same application being made, after the revocation, without the risk of opposition. It does not seem to me, therefore, that the General Court's decision supports Wireless's argument that revocation takes effect from an earlier date than that specified in the order for revocation. I think the decision does the opposite, and supports the view I have expressed above as to the effect of Article 55.

34. For these reasons, it seems to me that there is no purpose in granting the stay requested by Wireless. Even if its revocation applications succeed in relation to all of the goods and services in HK's specifications and for each of its CTMs, it seems to me that the effect of revocation will not be back-dated to the relevant date for this opposition.

35. For the sake of completeness, I would add that I would in any event have been reluctant to exercise my discretion to grant the stay to Wireless at this stage, because of its delay in seeking to revoke HK's CTMs. Applications to revoke the CTMS for non-use could have been made on a variety of dates from December 2008 to May 2009 and certainly could have been made before Mrs Corbett made her decision. When I asked why the applications had not been made at an earlier stage, Mr Buehrlen said, perfectly reasonably, that his client would not have wished to incur the costs of applying to revoke CTMs had it proved unnecessary for them to do so. I accept that. Nevertheless, at the least, it seems to me that Wireless could have indicated to the Hearing Officer that if she were minded to uphold the opposition, it would wish to apply to revoke the CTMs, and could have asked her to order a stay of her decision.

36. For all of these reasons, the stay sought by Wireless is refused. I do not need to consider more of the preliminary points identified above, and I will move on to consider the substantive points in the appeal."

7) In the case before me the effective date of revocation of the earlier marks is after both the date of filing and the date of publication of Ltd's mark. The applications for revocation were not filed until after the opposition was lodged. In

relation to Ms Michaels decision in *Now Wireless, Inc* argued that it was fully consistent with its view that the earlier marks may still be relied upon having regard to their effective dates of revocation. Ltd, on the other hand, drew a distinction from Ms Michaels's decision. It was argued that Ms Michaels was dealing with a request to suspend proceedings to await the outcome of revocation proceedings that had only been launched following the issue of the tribunal's decision in the opposition proceedings; at the time of the tribunal's substantive decision the marks were still live and the application for revocation had not even been filed. It was argued that a quite different scenario in these proceedings exists given that the earlier marks have already been revoked, being revoked prior to the hearing and prior to the substantive decision required of me.

8) Whilst the contextual background in these proceedings differs from that in *Now Wireless*, Ms Michaels was clearly seized with the issue as to whether revocation of an earlier mark has an effect on the capability of that earlier mark to be relied upon in opposition proceedings in circumstances where the effective date of revocation post-dates the publication date of the opposed mark. Her finding, after a thorough review of the relevant case-law, was that the revocation of an earlier mark has no effect on the opposition unless the effective date of revocation pre-dates the publication date of the opposed mark. I have no reason to come to any alternate view, indeed, for all the reasons Ms Michaels gives, it seems an eminently sensible decision. The question that arises is whether the difference in contextual background should result in a different outcome. I was referred by Ltd to the judgment of the GC in *MIP Metro* which, it was argued, supported the proposition that an earlier mark that is not live at the point of the final decision should not be relied upon. Ms Michaels made reference to this judgment at paragraph 26 of her decision in *Now Wireless* in the context of an earlier decision of hers in *T-Mobile* (BL O/364/07) where she stated:

“Mr James referred me to the decision of the Court of First Instance in Case T-191/04, *MIP Metro Group Intellectual Property GmbH & Co KG v OHIM*, (13 September 2006). There, the CFI held that the purpose of opposition proceedings is to ensure that it is possible to refuse registration of a new mark which may conflict with an earlier mark with which it would co-exist. Where the opponent's earlier mark was validly registered at the date of the opposition notice, but its initial term of protection was to expire some 6 months later, the CFI considered that OHIM had been right to require evidence that the mark had been renewed by the time of filing the evidence on the opposition, in accordance with the Implementing Regulation 2868/95. The decision appears to have turned upon the specific provisions of the Implementing Regulation (which have since been amended) and upon OHIM's Opposition Guidelines, as to when in the proceedings evidence of renewal was needed. In the circumstances, I do not consider that it helps me in deciding whether the Hearing Officer erred in this case in his construction of section 47.”

9) Again, the contextual context of *T-Mobile* is quite different from the proceedings here, but for the reasons given by Ms Michaels above I take no real significance from the judgement of the GC in terms of applicability to the question before me. It seems to me that Ltd's argument has parallels with a "devoid of purpose" argument that was referred to in the GC's judgement in *Stella*. Ms Michaels also dealt with this issue in paragraph 33 of her decision and I concur with that view. There is nothing implicit in the language of the GC in *Stella* that sets out a principle that a revoked mark is not capable of being relied upon. Whilst it is true, as Ltd submitted at the hearing, that the earlier marks are no longer earlier marks according to the definition set out in section 6(1) of the Act, the fact remains that the marks were earlier marks at the relevant date when a likelihood of confusion is required to be established. It is not considered appropriate in all these circumstances to prevent the opponent from relying upon the earlier marks. This is despite Ltd's submissions regarding the prejudice to either party, Ltd highlighting the prejudice to it of losing its filing date and potentially having to re-file (it indicated that another application may have already been filed). Whilst this is noted, this is no good reason for denying the opponent its capacity to rely on its marks which constituted valid earlier marks at the relevant date. Furthermore, it seems to me that to do otherwise would be to undermine the proof of use provisions and so, retrospectively, make vulnerable an earlier mark which was not subject to the proof of use regulations in the normal course of events. **The earlier marks may be relied upon.**

DECISION

The law

10) Section 5(2)(b) of the Act reads:

"5.-(2) A trade mark shall not be registered if because –

(a)

(b) it is similar to an earlier trade mark and is to 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 with the earlier trade mark."

11) In reaching my decision I have taken into account the guidance provided by the Court of Justice of the European Union ("CJEU") in a number of judgments: *Sabel BV v. Puma AG* [1998] R.P.C. 199, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* [1999] R.P.C. 117, *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* [2000] F.S.R. 77, *Marca Mode CV v. Adidas AG + Adidas Benelux BV* [2000] E.T.M.R. 723, *Medion AG V Thomson multimedia Sales*

Germany & Austria GmbH (Case C-120/04) and *Shaker di L. Laudato & Co. Sas* (C-334/05).

12) The existence of a likelihood of confusion must be appreciated globally, taking into account all relevant factors (*Sabel BV v Puma AG*). As well as assessing whether the respective marks and the respective goods/services are similar, other factors are relevant including:

The nature of the average consumer of the goods/services in question and the nature of his or her purchasing act. This is relevant because it is through such a person's eyes that matters must be judged (*Sabel BV v Puma AG*);

That the average consumer rarely has the chance to make direct comparisons between trade marks and must, instead, rely upon the imperfect picture of them he or she has kept in mind (*Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel B.V.*) This is often referred to as the concept of "imperfect recollection";

That the degree of distinctiveness of the earlier trade mark (due either to its inherent qualities or through the use made of it) is an important factor because confusion is more likely the more distinctive the earlier trade mark is (*Sabel BV v Puma AG*);

That there is interdependency between the various factors, for example, a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the respective goods/services, and vice versa (*Canon Kabushiki Kaisha v Metro- Goldwyn-Mayer Inc*).

The average consumer

13) The case-law informs me that the average consumer is reasonably observant and circumspect (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* paragraph 27). The degree of care and attention the average consumer uses when selecting goods or service providers can, however, vary depending on what is involved (see, for example, the judgment of the GC in *Inter-Ikea Systems BV v OHIM* (Case T-112/06)).

14) The goods in question are various products for the care of animals and pets. In terms of medicated products the goods are likely to be purchased by either the owner of the animal or by a veterinary professional. In both cases the purchasing process is likely to be more considered than the norm given the nature of the products concerned. In terms of other products, such as, for example, grooming products, a less considered approach will be displayed as these are likely to be more casual purchases. The purchasing process will not fall as low as a grab and go purchase as some consideration to the function and other characteristics of

the products will still be applied – a normal (neither above or below the norm) degree of care and attention will be displayed.

15) In terms of the retailing services, I consider the degree of care and attention to be no higher or lower than the norm. Whilst the goods sold may be important (depending on which goods they are) the consumer will focus more upon the product than the retailer, although some care and consideration as to the service provider will no doubt be displayed.

16) In terms of the veterinary and dispensing services, the average consumer will be the owner of an animal. It is likely that a higher degree of care, attention and consideration will be used when selecting such a service provider given that the care of an animal is being entrusted.

Comparison of the goods and services

17) When making the comparison, all relevant factors relating to the goods and services in the respective specifications should be taken into account in determining this issue. In *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* the CJEU stated at paragraph 23 of its judgment:

“In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, *inter alia*, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary.”

18) Guidance on this issue has also come from Jacob J In *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281 where the following factors were highlighted as being relevant when making the comparison:

- “(a) The respective uses of the respective goods or services;
- (a) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;
- (d) The respective trade channels through which the goods or services reach the market;
- (e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;

(f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.”

19) In terms of being complementary (one of the factors referred to in *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer*), this relates to close connections or relationships that are important or indispensable for the use of the other. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs)* (OHIM) Case T- 325/06 it was stated:

“It is true that goods are complementary if there is a close connection between them, in the *sense that one is indispensable or important for the use of the other in such a way that* customers may think that the responsibility for those goods lies with the same undertaking (see, to that effect, Case T-169/03 *Sergio Rossi v OHIM – Sissi Rossi (SISSI ROSSI)* [2005] ECR II-685, paragraph 60, upheld on appeal in Case C-214/05 *P Rossi v OHIM* [2006] ECR I-7057; Case T-364/05 *Saint-Gobain Pam v OHIM – Propamsa (PAM PLUVIAL)* [2007] ECR II-757, paragraph 94; and Case T-443/05 *El Corte Inglés v OHIM – Bolaños Sabri (PiraÑAM diseño original Juan Bolaños)* [2007] ECR I-0000, paragraph 48).”

20) In relation to understanding what terms used in specifications mean/cover, the case-law informs me that “in construing a word used in a trade mark specification, one is concerned with how the product/service is, as a practical matter, regarded for the purposes of the trade”² and that I must also bear in mind that words should be given their natural meaning within the context in which they are used; they cannot be given an unnaturally narrow meaning³. However, I must also be conscious not to give a listed service too broad an interpretation; in *Avnet Incorporated v Isoact Limited* [1998] F.S.R. 16 (“*Avnet*”) Jacob J stated:

“In my view, specifications for services should be scrutinised carefully and they should not be given a wide construction covering a vast range of activities. They should be confined to the substance, as it were, the core of the possible meanings attributable to the rather general phrase.”

21) Finally, when comparing the respective goods/services, if a term clearly falls within the ambit of a term in the competing specification then identical

² See *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281

³ See *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another* [2000] FSR 267

goods/services must be considered to be in play⁴ even if there may be other goods/services within the broader term that are not identical.

22) At the relevant date both earlier marks were registered in respect of:

Class 05: Prescription and non prescription pet medications.

Class 31: Pet health and nutritional supplements for animals for purposes other than medical use.

23) I will firstly consider the opposed goods in class 5 of Ltd's application which consist of:

Class 05: Sanitary preparations; plasters, materials for dressings; disinfectants; animal washes and grooming preparations; preparations and substances for animal hygiene.

24) The goods are all, to some extent, for the care of an animal. This is so even though not all of the goods are limited to that effect - they nevertheless all have the capacity to be used for the care of animals. The exact purposes vary depending on the particular goods. The goods of the earlier mark, considering primarily the pet medications, are also for the care of an animal (a pet animal). Whilst the goods of the applied for mark are not necessarily medications, there must be a degree of similarity given that all of the goods are, potentially, for the care of pet animals, are all likely to be sold through similar channels of trade and are all likely to be used by the same end consumer (pet owners). Ltd submitted at the hearing that this constituted a too generalistic approach – whilst I see the point, and whilst some pet care products are more similar to medications than others, the goods are clearly similar to some degree having regard to the factors assessed. Looking more specifically at the goods in question, I regard “*plasters, materials for dressings*” to be reasonably similar to pet medications as such goods have a direct link to the treatment of an animal for an ailment or injury, as do pet medications. The channels of trade are going to be similar. With regard to *animal washes and grooming preparations*, I again consider there to be a reasonable degree of similarity as medications would include those for treating fleas and animal washes and other grooming preparations may serve a similar purpose even though they may not be medicated. With regard to *preparations and substances for animal hygiene and disinfectants*, such goods are for hygienic purposes as opposed to treating an ailment, however, whilst the link is not as strong there is still in my view a moderate degree of similarity – hygienic goods are used for the direct care of an animal often applied directly to it to improve its well-being - medications, although performing a different function, are also administered directly to an animal to improve its medical well-being; hygienic

⁴ See *Gérard Meric v Office for Harmonization in the Internal Market (Trade Marks and Designs)(OHIM) Case T-133/05 (“Gérard Meric”)*.

goods are concerned with health and well-being, as are medications. With regard to *sanitary preparations*, it is possible that such goods could simply be for sanitising an animal and, as such, fall in the category of moderately similar. To the extent that such goods could be traditional sanitary preparations such as sanitary towels and pads, and to the extent that these could be for animals, then the nature and purpose lead to no closer finding than a moderate degree of similarity.

25) Looking next at class 35 of the applied for mark, this covers:

“Retail services, mail order retail services, electronic retail services, online retail services, all connected with the sale of goods for animals, animal care and animal healthcare.”

26) Retail of specific goods is very close to the goods themselves, on account of the complementary relationship between them, as per the GC’s judgment in *Oakley, Inc v OHIM*, Case T-116/06:

“54 Clearly, in the present case, the relationship between the retail services and the goods covered by the earlier trade mark is close in the sense that the goods are indispensable to or at the very least, important for the provision of those services, which are specifically provided when those goods are sold. As the Court held in paragraph 34 of *Praktiker Bau- und Heimwerkermärkte*, paragraph 17 above, the objective of retail trade is the sale of goods to consumers, the Court having also pointed out that that trade includes, in addition to the legal sales transaction, all activity carried out by the trader for the purpose of encouraging the conclusion of such a transaction. Such services, which are provided with the aim of selling certain specific goods, would make no sense without the goods.”

27) The retailing specified is in relation to goods for animals, animal care and animal healthcare. Such terms are broad and cover within their ambit pet medications (class 5 of the earlier mark) and animal supplements (class 31 of the earlier mark). No fall-back specification has been filed. The goods being retailed may be considered as the goods of the earlier mark. I see no reason why the complementary relationship described in the *Oakley* case does not hold good here. I consider there to be a reasonable degree of similarity between the applied for services in class 35 and the goods of the earlier mark.

28) Finally, I turn to consider the class 44 services of the applied for mark which read:

“Veterinary services; dispensing of pharmaceutical preparations for animals, veterinary preparations and substances, veterinary medicines and veterinary products; all of the aforesaid including services offered online; information, advisory and consultancy services in relation to all of the aforesaid.”

29) Ltd argued at the hearing that the above services were not similar to the goods of the earlier mark because a medical care provider would not ordinarily supply goods. It relied on a decision of Mr Landau (for the registrar) in BL O-388-03 where he concluded that:

“In the absence of any evidence of a link in trade as a norm, I consider that the best that can be said is that there is a low degree of similarity between the *medical clinics and surgeries* and the goods of Pharmacia.”

Mr Landau went on to find that there was no likelihood of confusion in respect of the marks in question in relation to the above goods/service conflict. Mr Landau’s decision, however, was subject to appeal (BL O-244-04) from which I note the comments of Mr David Kitchin QC (sitting as the Appointed Person):

“22. The position in relation to the Class 42 services, namely medical clinics and surgeries is, however, rather different. These are services which are much more closely related to the core pharmaceuticals business carried on by Pharmacia. The providers of such services are likely to be in close contact with pharmaceutical companies and the consumers using such services are likely to be given or prescribed pharmaceutical products during the course of treatment. Further, these are not services which have hitherto been provided by Farmacia. Accordingly there is no track record from which it can be inferred that no confusion is likely. In all the circumstances I have come to the conclusion that the use of the Registered Mark in relation to medical clinics and surgeries as of March 2000 would have been likely to lead members of the public and the medical profession to conclude that such services were the services of or at least connected with Pharmacia.”

30) All of the above is noted, however, I am dealing with veterinary services (and dispensing of veterinary products) as opposed to human medical services. In terms of veterinary services and goods, there is no break in the chain. A pet owner can go to a vet for advice/treatment, medications can be prescribed or suggested (suggested if, for example, the medications are non-prescription), the same veterinary practice will then dispense the medication, the owner will then take home that medication. There are clear points of difference in terms of nature and methods of use, but the overall purpose is the same in terms of being concerned with the health and well-being of an animal. As can be seen, the channels of trade overlap. There is complementary relationship. Ltd argued that vets and dispensing services are not going to produce their own veterinary products. Whilst they may not manufacture them, I see no reason why certain medications would not be the subject of own-branding as often happens in the human world with certain types of medication, albeit by chemists rather than medical professional such as doctors. The points made by Mr Kitchin QC are also noted. I consider there to be a reasonable degree of similarity between these services and the goods (particularly the class 5 goods) of the earlier mark.

Comparison of the marks

31) It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. It would be wrong, therefore, to artificially dissect the trade marks, although, it is necessary to take into account any distinctive and dominant components.

32) One of the applied for marks is in colour, however, such colouring is not relevant for the purposes of my comparison: see *Mary Quant Cosmetics Japan Ltd v. Able C&C Co Ltd*, O-246-08, a decision of Mr Geoffrey Hobbs QC, sitting as the appointed person, and the judgment of Mr Justice Mann in *Specsavers International Healthcare Limited & Others v Asda Stores Limited* [2010] EWHC 2035 (Ch). I will therefore make the comparison on the basis of the non-coloured version of the applied for mark as the coloured version must be drained of colour. In terms of the earlier marks, I will make the comparison on the basis of the O-800 PETMEDS mark – the other mark puts Inc in no stronger position. The marks under comparison are:



and



33) In its counterstatement Ltd stated that PETMEDS is a descriptive term. It is important to deal with this issue because an element of a mark cannot constitute a dominant and distinctive element if it is not distinctive. In Case T-10/09, *Formula One Licensing BV v OHIM* (“F1”) the GC court stated:

“45 In those circumstances, it should be noted that, according to settled case-law, the public will not generally consider a descriptive element forming part of a compound mark as the distinctive and dominant element of the overall impression conveyed by that mark (see the judgment of 27 November 2007 in Case T-434/05 *Gateway v OHIM – Fujitsu Siemens Computers (ACTIVY Media Gateway)*, not published in the ECR, paragraph 47 and the case-law cited).

.....
48 The fact nevertheless remains that OHIM had a duty to verify the way in which the relevant public perceived the 'F1' element in the mark applied for.

49 In the light of those considerations and of the evidence submitted, it must be held that the relevant public will not perceive the 'F1' element in the mark applied for as a distinctive element, but as an element with a descriptive function.
.....

51 The case that led to the judgment in *Medion*, paragraph 33 above – relied upon by the applicant at the hearing – is not relevant to the present case. In the present case, it must be held that the sign 'F1' does not play a distinctive independent role within the mark applied for, since, as has already been stated above, the relevant public will perceive the 'F1' element as a descriptive element of that mark.”

34) It is necessary to consider what the average consumer will perceive when they encounter the petmeds/PetMeds element in the respective marks. Inc argued that PETMEDS is not a dictionary word and that there was enough unusualness in the combination of elements to result in the word having some distinctive character even if it was not a particularly high degree of distinctiveness. It was argued that PETMEDS would not be seen simply as a descriptor. Ltd, after giving the matter some thought, stuck by its counterstatement claim that PETMEDS was a simple descriptive term, MED/MEDS being an abbreviation for medicine/s or medications/s.

35) Ltd has filed no evidence showing that PETMEDS is a descriptive term. Nevertheless, I must still assess the matter based on the inherent properties of the word. I think it clear that the average consumer will perceive the mark as a combination of the words PET and the word MEDS. The word PET needs no explanation in the context of the goods and services. In terms of the word MEDS, it is noted that the first two definitions in Collins English Dictionary are that such a word is a shortened form of the words “medical” and “medicine”. I have no doubt that this is how the average consumer will see it. Looking firstly at the earlier mark, 0-800-PetMeds, used in relation to pet medications and pet supplements, it is my view that the average consumer will perceive the PetMeds element to simply be a descriptive one, namely that the goods are medicines (or indeed medications) for pet animals. The words provide a clear and direct explanation. The presentation as one word (although the capitalisation creates a separation of sorts) does nothing to alleviate this. The fact that the goods in class 31 are not medicated does not mean that the average consumer will regard the element as a distinctive one. The goods are so closely related that the consumer will still simply see a meaningful word. The use of PetMeds will not be taken as anything

other than a non-distinctive word. In terms of the applied for mark, I come to exactly the same conclusions for exactly the same reasons (including the reasoning as to why, even on goods/services that are not medicines per se, the average consumer will still perceive the word as non-distinctive).

36) Having come to the view that the PETMEDS element in the respective marks will be perceived by the average consumer merely as a descriptive/non-distinctive element, it follows that this element is not a dominant and distinctive element in either of the marks. In terms of the earlier mark, I do not regard the 0-800 element as distinctive either as it will be seen simply as a reference to a free phone telephone number. As such, to the degree that the mark is distinctive, then it must only be distinctive on account of the combination of elements and that none of the elements constitutes a dominant and distinctive element alone. In terms of the applied for mark similar considerations apply in that distinctiveness is more likely to be seen in the combination of elements, although, I think it fair to say that whilst the heart and heart beat device are not highly distinctive, the presentation is such to give it some level of distinctiveness, albeit a weak one.

37) In terms of the comparison, the word PETMEDS appearing in both marks creates an inevitable degree of similarity on a visual, aural and conceptual level. However, as the point of similarity is not a dominant and distinctive element in its own right, and on an account of the visual differences (which are reasonably significant) and the phonetic difference, together with a difference between the overall concept between a domain name and an alpha-numeric telephone number, means that I do not consider there to be a high degree of similarity.

The distinctiveness of the earlier mark

38) The degree of distinctiveness of the earlier mark must be assessed. This is because the more distinctive the earlier mark(s) (based either on inherent qualities or because of use made), the greater the likelihood of confusion (see *Sabel BV v. Puma AG*, paragraph 24). No use of the earlier marks has been provided so I have only the inherent qualities of them to consider. I have already commented on both the O-800 and the PetMeds elements. In terms of the combination as a whole the mark is, in my view, at best a mark of a weak degree of inherent distinctive character. It may even possess no distinctive character at all bearing in mind the judgment in the *1-800-FLOWERS* case ([2001]EWCA Civ 721).

Conclusions under section 5(2)(b)

39) It is clear that the factors assessed have a degree of interdependency (*Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17) and that a global assessment of them must be made when determining whether there exists a likelihood of confusion (*Sabel BV v. Puma AG*, paragraph 22). However, there is no scientific formula to apply. It is a matter of considering the relevant factors

from the viewpoint of the average consumer and determining whether they are likely to be confused.

40) I referred earlier to the judgment of the GC in *F1*. In that case the GC's findings on likelihood of confusion read as follows:

“57 It must be held that – as the Board of Appeal found – since consumers will not connect the ‘F1’ element in the mark applied for with the applicant, because the only sign that they have learned to associate with the applicant is the F1 Formula 1 logotype, and not the sign F1 in standard typeset, and since consumers will regard ‘F1’ in ordinary typeset as an abbreviation of ‘Formula 1’ – that is to say, as a description – there is no likelihood of confusion between the marks at issue.

.....

61 In that connection, it should be noted that the fact that the public attributes a generic meaning to the sign F1 means that it will understand that the mark applied for concerns Formula 1, but, because of its totally different layout, the public will not make a connection between that mark and the activities of the applicant”.

41) I have found that some of the goods and services in question are reasonably similar, others only moderately so. I have found that the marks have some similarity but such similarity is based on an element which will be perceived by the average consumer as being descriptive or otherwise non-distinctive. I have found the earlier mark as a whole to be of only a weak degree of distinctive character. The average consumer will display either an average degree of care and consideration or an above average degree of care and consideration. It is considered that the use of the descriptive/non-distinctive term PETMEDS, which constitutes the sole point of similarity, will be put down by the average consumer as a co-incidental and not surprising use of a meaningful term. The average consumer will be able to distinguish between the marks an account of this and on account of the differences between the marks. The average consumer will not, for these reasons, consider that the goods/services provided under the respective marks are the responsibility of the same or an economically linked undertaking. There is no likelihood of confusion. The opposition fails.

Costs

42) Ltd has been successful and is entitled to a contribution towards its costs. I hereby order PetMed Express, Inc to pay Petmeds Ltd the sum of £850. This sum is calculated as follows:

Preparing a statement and considering the other side's statement
£250

Considering Inc's evidence
£100 (a low amount is awarded given the small amount of factual evidence that needed to be considered)

Attending the hearing
£500

43) The above sum should be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful

Dated this 19th day of July 2011

**Oliver Morris
For the Registrar,
The Comptroller-General**