

**DECISION OF THE REGISTRAR OF TRADE MARKS IN THE
MATTER OF TRADE MARK OPPOSITION NO. 159/2008 TEVIR IN
CLASS 5 PURSUANT TO THE TRADE MARKS ACT CAP 401 OF
THE LAWS OF ZAMBIA AND REGULATIONS THEREUNDER**

Between

RANBAXY LABORATORIES LTD

APPLICANT

And

GLAXOSMITHKLINE

OPPONENT

Before Mrs. A.M. Banda-Bobo, Registrar of Trade Marks

For the Applicant : Mr. N. Makayi of Christopher Russell Cook & Co.

For the Opponent : Mr L. Kalaluka of Ellis & Co

Cases and Authorities referred to:

Trade Marks Act Cap 401 of the Laws of Zambia

Trade Kings Limited v Unilever & Others (2000) ZLR

Trade Kings Limited v The Attorney General (1999) ZLR

Trade Mark Opposition 137/2006 BULL DIAMOND

Pianotist Company's Application (1906) 23 RPC 774

British Sugar Plc v James Roberson and Sons (1996) RPC 281



This is a matter in which Glaxosmithkline Ltd ('the Opponent'), a United Kingdom based Company, is contesting the registration of trademark 159/2008 TEVIR in class 5 in the name of Ranbaxy Laboratories Ltd (hereinafter called 'the Applicant'), of India. In essence, one ground was advanced in the notice of

opposition, namely that the applicant's TEVIR trademark is identical and in all material respects resembles the opponent's TELZIR trademark registered under 647/2003, also in class 5. It was argued that as the two trademarks relate to similar goods or description of goods, there is likely to be deception, confusion and injury to the opponent's trade and business and that consequently, registration of the mark would be in violation of section 17(1) of the Trade Marks Act. The opponent company claimed that it has used the TELZIR trademark for a long time and has registered it in more than 80 countries and is thus well-known globally.

The applicant's response in a counterstatement of 26th May 2009 was that the marks in contention are neither identical nor in anyway resemble and that the words TEVIR and TELZIR are distinct, pronounced differently and visually and structurally different. The applicant contended that its TEVIR trademark could not deceive nor in any way cause confusion as it is used in relation to a drug that can only be acquired through prescription.

To the contrary, it was further argued, the contested mark is unlikely to injure the opponent's mark or business and does not offend section 17(1) as alleged. The applicant claimed that TEVIR and its related TEVIR-EM mark are registered or in the process of registration in Cambodia, Jamaica, Haiti, Trinidad & Tobago, Ethiopia, Kenya, Nigeria, ARIPO, OAPI countries, China, Myanmar, Thailand, Vietnam and Brazil and that consequently, the opposition should be dismissed and the opponent ordered to pay the cost of and incidental to this opposition.

In reply, Mr. Joanne Green, the 'Authorised Attorney' of the Glaxo Group, deposed in a Statutory Declaration dated 2nd September 2009 that the opponent company is a subsidiary of the Glaxosmithkline Group of Companies, allegedly one of the largest pharmaceutical companies globally. His evidence was that the said Glaxosmithkline Group owned trademark 647/2003 TEVIR in international class 5 in respect of 'pharmaceutical preparations and substances' and has

registered the same in over 75 countries with global annual sales exceeding 58, 767, 000 British Pounds in the year 2009. He further deposed that its preparation for treatment of HIV was first launched in Europe under the TELZIR trademark in 2004. The opponent allegedly owns TELZIR 50mg/ml Suspension (Product license 179/010) and TELZIR 700mg tablets (Product License Number 179/050) in Zambia.

Mr. Green contended that in Zambia, consumers can procure drugs from any place licensed to sale drugs and thus, if the applicant's product was to appear in close proximity with the opponent's product, confusion was likely and that, in any case, both marks merely comprise two syllables with only two letters differing between them. That as both have the same pre-fix and suffix TE – and – IR, confusion is likely more so given the imperfect recollection of both medical experts and consumers. He concluded that if TEVIR was registered, it would deceive the public into believing that it was the opponent's well-known TELZIR trademark and would therefore injure its business. Moreover, he added, the applicant had not advanced any reason, scientifically or otherwise, for insisting on the TEVIR mark which is similar to the opponent's mark.

In response, Mr. Rajbeer S. Sachdeva, the applicant company's Head - Global Legal, deposed in a Statutory Declaration lodged on 7th January, 2010, that the applicant produces numerous products and operates in over 150 countries (A list of countries in which the applicant allegedly operates was annexed as 'A'). He deposed that the two marks were both visually and phonetically dissimilar and unlikely to cause confusion particularly that products bearing both marks are prescribed drugs and have different packaging. His view was that contrary to the opponent's contention, prescribed drugs in Zambia are sold in chemists and pharmacies and that he applicant had no obligation to advance scientific reasons for choosing the TEVIR mark.

Mr. Joanne Green, the Glaxo Group Authorised Attorney, replied in a Statutory Declaration dated 1st March 2010 that majority of the marks referred to in paragraph 5 of the Affidavit in Support of Application and listed in Exhibit 'A' were pending registration. If anything, he argued, registration in other jurisdictions has no relevance to this matter and failure to oppose the applicant's application to register TEVIR-EM was an oversight on the opponent's part. He further denied the contents of paragraph 6 of the Affidavit in Support of Application but admitted that both the applicant's and opponent's marks were prescribed drugs. He nonetheless argued that it was critical to bear in mind that prescriptions are generally handwritten and that it is common for chemists and pharmacists to misread and confuse the drug prescribed.

Mr. Green further contended that the marks were visually similar and, if anything, it was common for a chemist or pharmacists to seek prescriptions on the telephone, in which case, confusion was even more likely. He also disputed paragraph 7 the Affidavit in Support of Application. He deposed that on the contrary, prescribed drugs could be sold in premises licensed to dispense drugs, including licensed shops, groceries, chemists and pharmacies and that no evidence was adduced to counter this. As for paragraph 8, he argued that the appearance of the packaging in respect of which the two marks are used is irrelevant but as argued in the Statutory Declaration of 2nd September, 2009, both marks are visually and phonetically similar.

I heard oral submissions and arguments on 21st July 2010 as required under Regulation 54 of the Trade Marks Regulations. Mr. N. Makayi of Christopher, Russel Cook & Company appeared for the applicant while Mr L. Kalaluka of Ellis & Company represented the opponent. Both counsel essentially reaffirmed the arguments advanced in the affidavits. Mr. Kalaluka submitted that the gist of the opposition was that the mark in issue did not qualify for registration in terms of section 17(1) of the Trade Marks Act as it is incapable of distinguishing goods to

which it applies from other goods on the market. In his view, the trademark in issue is confusingly similar to the opponent's mark.

He argued that the pronunciation of the two marks was similar and both marks only have two syllables with only two letters being the difference between them. Further, he argued, the marks relate to the same product or similar products. He submitted that there were several Supreme Court authorities to the effect that if a mark is such that it would deceive or cause confusion in the ordinary average citizen's mind, such a mark is not distinctive enough for purposes of registration. He concluded by referring me to the case of **Trade Kings Ltd v Unilever and Others, Supreme Court Judgment number 2 of 2000**. He prayed that the application be refused with costs to the Respondent.

Mr. Makayi, in reply, disputed that TEVIR was similar or confusingly similar to TELZIR or indeed any other mark on the market. He argued that the two marks were phonetically distinct and that even an ordinary consumer would not mix them up. He added that the nature of goods in respect of which the marks would be used are pharmaceutical products for medicinal use, specifically dealing with HIV/AIDS. Mr. Makayi thus contended that contrary to the facts deposed in the opponent's affidavit regarding selling or distribution of such goods, the issue of confusion, if any at all, would be put to rest by the fact that the said drug TEVIR and indeed the mark TELZIR, were strictly prescription drugs.

He submitted that one could not simply walk in a supermarket or pharmacy and buy TEVIR over the counter. In his view, the consumer would only access it with a prescription from a doctor. He reinforced this argument by contending that by virtue of their specialty, doctors and pharmacists would not be confused as to the product they intend to prescribe to the consumer. Mr. Makayi also concurred that several Supreme Court authorities, some persuasive, existed which provided guidance on matters relating to marks considered similar. He cited the case of **Trade Kings v Attorney General, 1999 Zambia Law Report at page 53**. He

submitted that in this decision, the Supreme Court quoted with approval from the British case of **Pianotist Companies Application (1906) 23 RPC at page 774: -**

‘.....you must take the words both by their look and 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 circumstances and you must further consider what is likely to happen if each of those trademarks is used in a normal way as a trademark for the goods of the respective owners of the marks...’.

He argued that the above quotation more or less summed up his contention that apart from being phonetically different, regard needs to be had, when determining similarity and likelihood of confusion, to the nature of customers and outlets where the products will be procured from,. He reaffirmed that the products concerned were very strict prescription drugs as opposed to over the counter goods, as such, there was no likelihood of confusion in making the prescription of TELVIR and TELZIR. He also reiterated that the opponent had not opposed registration of the mark TEVIR-EM by the applicant, as such, it had no justification for opposing TEVIR.

Mr. Makayi concluded his submissions by arguing that the same section 17 on which the opponent relies, under sub-section (2) confers authority on the Registrar to register marks concurrently. While emphasizing that he was not in any way conceding that the two marks were similar, he argued that this provision demonstrated that even the law accommodated marks that were similar, depending on the surrounding circumstances. He argued that the provision gives the Registrar power to register such marks subject to certain conditions or limitations, if any. He therefore prayed that the mark be registered and that costs be awarded to the applicant.

Mr. Kalaluka's reply was that the test employed in considering whether the two marks are confusingly similar is not whether doctors or any class of persons would be confused by those marks but rather whether an ordinary citizen would be confused or deceived. This proposition, he contended, had been upheld by various Supreme Court decisions and by this office. He submitted that the two drugs could easily be bought in groceries or over the counter and not exclusively by prescription. In his view, concurrent registration was not possible as no conditions could cure the similarities between the two marks as to avert any confusion or deception among ordinary citizens.

Mr. Makayi responded that it was misleading for counsel to state that the concerned products could be bought in groceries when they were drugs for the treatment of HIV/AIDS. He implored me to take this into account when determining this matter. I am deeply indebted to both counsel for the learned and valuable submissions.

I have carefully considered the submissions, arguments and authorities cited. The issue, in my view, is whether TEVIR is confusingly similar with TELZIR, a registered trademark, and consequently whether its registration as a trademark is likely to result in the consuming public confusing the two marks and should thus be denied registration for being contrary to section 17(1) of the Trade Marks Act Cap. 401 of the Laws of Zambia. A related issue is whether any such likelihood of confusion, if at all it exists, is mitigated by the fact that TEVIR is allegedly a prescription drug.

The applicant seeks registration of trademark 159/2008 TEVIR in class 5 in respect of 'pharmaceutical and medicinal preparations for human and veterinary use'. The opponent, on the other hand, is the proprietor of the trademark TELZIR. Apparently, both are word marks. According to a copy of the certificate of registration issued by this office, TELZIR is a registered trademark in respect

of 'pharmaceutical preparations and substances included in Class 5,' effective 23rd December, 2003.

Registration of the applicant's mark is being challenged on grounds of phonetic and visual similarity and consequently likelihood of confusion contrary to section 17(1) of the Trade Marks Act. The said section 17(1) provides:

'Subject to the provisions of subsection (2), no trade mark shall be registered in respect of any goods or description of goods that is identical with a trade mark belonging to a different proprietor and already on the register in respect of the same goods or description of goods, or that so nearly resembles such a trade mark as to be likely to deceive or cause confusion'.

In **Cowbell AG v Ics Holdings Ltd 2001(3) SA 941 (SCA)**, the Court defined 'likelihood of confusion' as 'reasonable probability'. Similarly, in **Pioneer Hi-Bred Corn Company v Hy-Line Chicks Pty Ltd (1978) 2 NZLR 50 (CA) (New Zealand)**, the Court had the following to say on the question of causing confusion: -

'....Deceived implies the creation of an incorrect belief or mental impression and causing confusion may go no further than perplexing or mixing up the minds of the purchasing public....where the deception or confusion alleged is as to the source of the goods, deceived is equivalent to being misled in not thinking that goods bearing the name of the applicant's mark come from some other source and confused to being to wonder whether that might be the case...'

It is settled that all factors surrounding the purchase of a product should be taken into account when determining likelihood of confusion. Ngulube CJ, as he then

was, in delivering the majority decision in the case of **Trade Kings Ltd vs Unilever and Others**, **SCZ Judgment No. 2 of 2000 ZLR pp 16**, put the test for likelihood of confusion in the following terms:

'Indeed, in considering issues of get-up for example, a good summary is given in Wadlow's "The Law of Passing Off" at paragraph 6.54 at page 433-4 which reads-"A comprehensive summary of the issues involved in cases turning on get-up was given by Bryne J. in Clarke v Sharp (3) – "First, it must always be kept in mind that the actual issue is, not whether or not the judge or members of the jury determining it would, or would not, have personally been deceived, but whether or not, after hearing the evidence, comparing the articles, and having had all the similarities and dissimilarities pointed out, the true conclusion is that the ordinary average customer of the retail dealers is likely to be deceived

.....It is necessary to consider the nature of the article sold, the class of customers who buy, to remember that it is a question of likelihood of deceiving the average customer of the class which buys, neither those too clever, nor fools; neither those over careful, nor those over careless. One must bear in mind the points of resemblance and the points of dissimilarity, attaching fair weight and importance to all, but remembering that the ultimate solution is to be arrived at, not by adding up and comparing the results of such matters, but by judging the general effect of the respective wholes...Another matter of vital importance to be considered is whether there is, or is not, some essential point of difference or resemblance which overcomes or establishes the effect of other points of resemblance....but the ultimate decision must be come to,

having regard to all considerations, as a matter of judgment on a question of fact’.

Jacob J. summarised the factors to be taken into account in **British Sugar Plc v James Roberson and Sons** (1996) RPC 281 as being the uses, users, physical nature of the respective goods, the trade channels through which they are marketed, the respective locations where the goods are sold in the supermarket and whether the products are rivals in the same market. Similarly, as the applicant’s counsel observed, Lord Parker suggested the following approach for determining the similarity of words in trademarks in **Pianotist Company’s Application (1906) 23 RPC 774**:

‘You must take the two words. You must judge of 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 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’.

In the **Pianotists** case, an application to register ‘neola’ for player piano was opposed by the proprietor of the registered trademark ‘pianola’ for musical instruments. The court however held that the two words were not similar. Parker J concluded that having regard to the nature of the customer, the article in question, and the price at which it was likely to be sold and all the surrounding circumstances, no man of ordinary intelligence was likely to be deceived. He added, ‘...if he wants a ‘pianola’, I can not imagine that anybody hearing the word ‘pianola’ if pronounced in the ordinary way in the shop, and knowing the instruments as all shop men do, would be likely to be led to pass that customer a ‘neola’ instead of a ‘pianola’.

Further, in the **Trade Kings v Unilever case**, the Supreme Court held that resolution of the question of similarity and confusion turns largely on issues of fact. Similarly, in **Trade Kings Limited v The Attorney General (1999) ZR p 53**, the High Court held that the test to be employed in determining similarity or dissimilarity between two words or marks is whether the ordinary sensible members of the public would be confused by use of the two marks. This was an appeal against the Registrar of Trade Marks' decision not to register YEBO as a trademark on ground that it was likely to conflict with EBU, an already registered trademark.

As pointed out by the Supreme Court, determination of likelihood of confusion is a question of fact in each case. Each case should be assessed on its own merits but certainly within established principles. What constitutes an 'average consumer' should be determined in relation to the relevant consuming public. The level of consumer sophistication will vary with the product. What, for instance, could be termed an 'average consumer' for advanced engineering products would certainly be more sophisticated than the average consumer for 'maize meal', for instance. Regarding the manner in which a consumer would make a purchase, it is settled that while an average consumer should be reasonably well informed about the product, account should be taken of the fact that he or she has an imperfect recollection, has no time to critically compare the various marks and the fact that he or she may mispronounce a mark thereby probably also confusing the seller.

In **Lloyd Schufabrik Meyer & Co GmbH v Klijsen Handel BV Case C-342/97 (ECJ)**, for instance, the European Court of Justice observed thus:

'For purposes of global appreciation, the average consumer of the category of products is deemed to be reasonably well-informed and reasonably observant and circumspect. However, account should be taken of the fact that the average consumer only rarely has the chance to make a direct comparison between the different marks but must place his trust in the imperfect picture of them that he has in his mind. It should also be born in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question'.

Equally, in **Fisons Plc v Norton Healthcare Ltd (1994) FSR 745 (Ch)**, Aldous J. approved the following observation by Viscount Maugham in **Aristoc Ltd v Rysta Ltd (1945) 62 RPC 65**, thus: -

'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 trademark but also of the shop assistant ministering to that person's wants'.

The fundamental question in the instant case therefore is whether regard being had to the goods concerned, its channels of distribution and sale and its consumers, confusion is likely. It is essential to note, in view of the foregoing, that the product in issue concerns diseases which do not discriminate as to social status. Both literate and illiterates can be victims and therefore consumers of drugs. Thus, contrary to what could be termed 'elitist' products, the product bearing the mark TERVIR would be a 'mass consumed' product. Its average consumer would not therefore be 'sophisticated' but ordinary or average – essentially an average person on the streets of Lusaka. As observed, this is a consumer with an imperfect pronunciation more so that the words 'TEVIR' and 'TELZIR' are not 'indigenous' but rather 'foreign' to Zambia.

The opponent's contention is that both marks only comprise two syllables, have the same pre-fix and suffix TE – and – IR, respectively, and differ only in two letters. The opponent argues that this being the case, coupled with the imperfect recollection of medical personnel and the consuming public, confusion is likely. The opponent company is on firm ground in so far as it argues that the only difference between the two marks are the words 'V' in 'TEVIR' and 'LZ' in 'TELZIR'. Both have the same pre-fix and suffix TE – and – IR.

Given the nature of consumers as above discussed, I cannot rule out the possibility of some consumers mispronouncing 'TELZIR' by, for example, omitting the 'L' and thus making it sound like 'TEZIA' which may confuse with 'TERVIR'. Thus given the nature of consumers, phonetic and possibly visual similarity as I will soon discuss, confusion seems likely. Applying the test in the **Pioneer Hi-Bred Corn Company** case, there seems to be sufficient basis for finding likelihood of confusion as customers are likely, at the very least, to mix-up the two marks. Assuming the print of the marks and their background were immaterial, confusion could also possibly arise from visual similarity.

The Applicant nonetheless argues that such confusion is averted by the fact the products concerned are prescription drugs, that it is in fact an HIV/AIDS drug. Whereas it is true, as discussed above, that all surrounding factors should be taken into account, it is important, to start with, to bear in mind that in so far as trademark law is concerned, TEVIR is not the product - the drug, but the label under which the drug is to be marketed. Further and more importantly, the applicant's specification of goods refers to 'pharmaceutical and medicinal preparations for human and veterinary use'.

Accordingly, the monopoly covers any product that would come under the signification 'pharmaceutical and medicinal preparations for human and veterinary use', which, evidently, could be any drug or indeed a veterinary

product. It does not therefore follow that drugs to be marketed under the TEVIR brand would always be prescription drugs. Nothing would preclude the applicant from using the mark on non-prescription drugs. It can not always be HIV/AIDS drugs as the applicant's counsel suggested. If anything, allegations of TEVIR being an HIV drug were not supported by affidavit evidence. Further, as pointed out by the opponent, not all drugs in Zambia are procured from pharmacies. It is a notorious fact that supermarkets and grocery shops, among others, do stock certain types of medicines, simple pain relievers, for example. In such instances, the potential for confusion cannot be ruled out.

There is also possibility of confusion arising from advertising, via the airwaves, on radio, for instance. Not even medical professionals would be insulated from confusion in such cases. Similarly, as argued by the opponent, there is possibility of prescriptions via the telephone which is susceptible to confusion. In fact, even in ordinary practice, pharmacists may be confused by inaccurate pronunciations, especially for non-prescription drugs. Given, as explained above, that the TEVIR trademark is not restricted to prescription drugs, pharmacists would in certain cases not rely on written prescription but oral requests.

And even where there is a written prescription, given the similarity of the two words, it is possible for a pharmacist to misread one for the other. It would be immaterial therefore even if I agreed that the drug is a prescription drug for HIV/AIDS. If anything, I would not expect HIV infected persons to be always moving with their prescriptions. In my view, in fact, if indeed it is an HIV drug, confusion would even be more catastrophic and thus the need to avoid confusion at all costs. The view I take, therefore, is that at the very least, pharmacist would be under the added burden of having to differentiate between the two marks.

In **Trade Mark Opposition 137/2006 BULL DIAMOND**, we had the following to say on page 9 of that decision on the question of confusion between 'prescription drugs':

'...The Applicant contends, however, that even if the trademarks were phonetically similar, any potential confusion is averted by the fact that Sildenafil is a prescription drug. It is indeed incontrovertible that the product is a prescription drug. I also accept the Applicant's view, which view was also corroborated by Dr. Zuma Munkombwe, a Pharmaceutical Regulator Officer at the Pharmacy Regulatory Authority, that doctors prescribe generic names of drugs as opposed to brand names. Accordingly, a doctor would not prescribe 'BULL DIAMOND' or 'BLUE DIAMOND' as they are mere brands. Instead, the prescription should read Sildenafil.....

.....But be that as it may, there still is, in my judgment, the possibility of even a medical doctor being confused. Depending on how the two brands are marketed or promoted, for instance, it seems possible that a doctor may mistake one product being marketed for another. For example, an advert on the radio can be confused by anybody, including doctors and pharmacists. According to Dr. Zuma, it is common for companies to market, particularly new medicines, to medical practitioners....'

The upshot of the view I take, therefore, is that notwithstanding that some drugs marketed under the TEVIR trademark may be prescription drugs, both consumers and medical experts are in danger of being confused. I take the view that the applicant's mark is not sufficiently distinctive and would thus fail to effectively function as a badge of origin. Over and above this, I consider it not to be consistent with fair competition. Nonetheless, in the light of the view I have taken of this matter, the reputation of the opponent's mark is immaterial save perhaps in so far as it is being suggested that TELZIR was imitated by the applicant. I would nonetheless agree that whereas the Applicant owes no duty to justify use of the mark, the word TEVIR has no scientific relevance.

In sum, the opposition succeeds but I order that each party bears its own cost of and incidental to this application. Leave to appeal is granted to any party dissatisfied with this decision.

DELIVERED THIS 28th DAY OF JULY 2010



A.M. Banda-Bobo (Mrs.)



REGISTRAR