

Berggren Group

Seeing stars: landmark decision on well-known pharmaceutical house marks

A landmark decision illustrates that the similarity of goods plays a decisive role when assessing whether the relevant public will associate the marks with each other

The Supreme Administrative Court of Finland has issued a groundbreaking decision regarding the protection of well-known house marks in the pharmaceuticals industry. The decision in question concerned a trademark registration dispute between Finnish pharmaceuticals company Orion Oyj (parallel trade name Orion Corporation) and Orion Corporation, a South Korean confectionery company.

Background

South Korean Orion Corporation filed a trademark application to register its device mark RION CHOCOPIE for various confectioneries in Class 30 in Finland. Finnish pharmaceuticals company Orion Oyj filed an opposition against the registration based on its prior ORION (both word and device), ORION PHARMA and ORION PHARMACEUTICA trademark registrations, mainly covering goods in Class 5, and its company name Orion Oyj. Orion Oyj claimed that its ORION trademark and company name were well known in the pharmaceuticals field in Finland. In Orion Oyj's opinion, use of the applied-for device mark would be detrimental to the distinctive character and reputation of its well-known ORION logo.

Well-known trademarks are acknowledged in Finnish trademark legislation. The Trademarks Act provides that, even if goods are not identical or similar, likelihood of confusion may be found in favour of a well-known trademark in Finland where the use of another's mark without due cause would constitute unfair exploitation of, or action detrimental to, the distinctive character or fame of the earlier trademark. The Trademarks Act is to be interpreted according to EU trademark regulations and European Court of Justice (ECJ) case law. Thus, based on ECJ case law

(C-252/07, *Intel Corporation*), the above-mentioned damage is the consequence of a certain degree of similarity between a well-known earlier mark and a later mark, by virtue of which the relevant section of the public makes a connection (ie, establishes a link) between such marks, regardless of whether it confuses them. However, if such a link does not exist, use of the later mark is unlikely to take unfair advantage of, or be detrimental to, the distinctive character or reputation of the earlier mark.

Lower-instance decisions

The lower courts both ruled in favour of the applicant, Orion Corporation. The Trademark Unit of the National Board of Patents and Registration dismissed the opposition and the Board of Appeal rejected the appeal filed by Orion Oyj.

First, according to the decisions, it was undisputed that the marks in question covered different goods. The first decision was based on the premise that the marks differed from each other visually, aurally and conceptually. Therefore, as the goods were also different, there was no likelihood of confusion between the marks. The first-instance decision also stated that the fact that ORION was considered to be well known in the pharmaceuticals field had no relevance to this particular matter; therefore, the Trademark Unit issued no opinion on whether ORION was considered to have a reputation in Finland.

The Board of Appeal stated that the company name Orion Oyj and the auxiliary trade name Orion Pharma were proven to have a reputation in Finland in relation to a pharmaceuticals company. However, a company name and auxiliary trade name are not necessarily used to distinguish the goods of one entity from those of others, but only to individualise different

entrepreneurs. Therefore, as Orion Oyj used neither its company name nor its auxiliary trade name as the actual trademark for its products, but instead had numerous trademarks by which to distinguish its products from those of others, which were known to consumers, the Board of Appeal concluded that Orion Oyj was unable to show that its trademarks had become well known for any of the goods in Class 5, or that the company name Orion Oyj had become a well-known trademark for any of the company's goods.

Therefore, the lower instances did not consider whether use of the applied-for trademark would take unfair advantage or be detrimental to the distinctive character and reputation of the ORION mark and company name.

Supreme Administrative Court decision

On appeal, Orion Oyj focused on showing both that its trademarks and company name were well known in Finland and that the sign applied for by Orion Corporation was to be considered similar to its well-known trademarks and company name.

According to Orion Oyj, it is common practice in the pharmaceuticals industry for a business name to appear on the packaging alongside the drug product name itself; thus, the business name constitutes a house mark. Orion Oyj had followed this practice for years.

Furthermore, Orion Oyj claimed that public perception of the contested mark led to a reading of 'Orion'; according to Orion Oyj, the average consumer would understand the black, round figure in front of the word 'Rion' to be a stylised letter O. In Orion Oyj's opinion, this alleged perception was further reinforced by the fact that, taken together with the depicted stars, the figure as a whole resembled a stellar constellation, of which Orion is considerably well known.

Orion Corporation responded that its trademark did not include the word 'Orion' and the word 'Rion' or 'Rion ChocoPie' was not an independent or recognisable part of the word 'Orion'. The applicant argued that the trademarks were, in their entirety, visually, aurally and conceptually different, and thus consumers would make no connection between the marks.

First, the Supreme Administrative Court affirmed that the marks in question did not cover identical or similar goods.

Second, the court agreed with Orion Oyj's claim that its mark and company name were well known. This was based on market studies showing that 80% of respondents spontaneously knew of Orion Pharma. The court commented that although the studies concerned the reputation of Orion Oyj as a pharmaceuticals company, it was evident that ORION was well known as the trademark of the pharmaceuticals produced by Orion Oyj, since ORION was the dominant part of the registered trademarks and company name which appeared on packaging alongside the product name.

Third, turning to the connection between the marks, the court stated that the contested mark consisted of the words 'Rion' and 'ChocoPie', as well as the device element. Considering the list of goods in Class 30, it was evident that the word 'ChocoPie' was descriptive and thus lacked distinctiveness as such. The word 'Rion' had no descriptive meaning or any other conceptual meaning, and thus there was no confusing similarity or even association between 'Rion' and 'Orion'.

Regarding the device element, the court stated that it could be perceived either as the Earth surrounded by stars or as the letter O, as expressed by Orion Oyj. However, the court was of the opinion that Orion Oyj's claims regarding the fact that the applicant's name was Orion Corporation, and this would cause consumers to perceive the device as the letter O, could not be taken into account, as the question at hand was about the acceptability of the contested mark in the form in which it was registered. For this same reason, the court did not take into account Orion Oyj's claim that Orion Corporation would be using the mark in the form ORION CHOCOPIE.

The court also considered that as the goods of the contested mark were everyday consumer goods, it was unlikely that consumers would analyse the trademarks so thoroughly to the point that the stars in



Jenni Ihalainen
Partner
jenni.ihalainen@berggren.fi

Jenni Ihalainen specialises in IP rights, especially matters related to trademarks, copyright, counterfeits and agreements. She has worked at the Berggren Group since 2006.

the device element could bring the Orion constellation to their minds, which in turn could strengthen the association with the ORION marks, as was Orion Oyj's assertion.

When analysing the trademark as a whole, the court concluded that the word 'Orion' in the trademark RION CHOCOPIE (device), when also taking into account the device element, did not stand out in such a manner that consumers could confuse or make a connection between the contested mark and the well-known pharmaceuticals mark ORION.

Finally, the court ruled that use of the device mark RION CHOCOPIE could not be considered to constitute unfair exploitation of, or an action detrimental to, the distinctive character and reputation of the ORION marks under Section 6(2) of the Trademarks Act.

Conclusion

In the case at hand, the most decisive factor was that, after an overall analysis, the trademarks were considered to be sufficiently different to prevent the average consumer from making any connection between the well-known pharmaceuticals house mark and the mark used for confectionery. Moreover, although the differences between the goods were not emphasised strongly in the decision, it would seem that this factor also played an important role in the court's conclusion that there was no link between the marks.

If this case is compared to another recent Supreme Administrative Court decision, which considered the question of Valio Oy's well-known trademark VOIMARIINI, used for edible fats, against a registration sought for the trademark INGMARIINI by Arla Ingman Oy Ab for identical goods, it is clear that the similarity of goods plays a decisive role when assessing whether the relevant public will associate the marks with each other. In that case it was concluded that, in considering the reputation and well-known status of the VOIMARIINI mark, there was a sufficient link between the trademarks to the point that the court found that the INGMARIINI trademark took unfair advantage of the reputation and goodwill of Valio's earlier mark.

List of well-known trademarks

For six years the National Board of Patents and Registrations has kept a separate list to which well-known trademarks in Finland can be added on application. The purpose of the list is to increase awareness of well-known marks and prevent trademark disputes. During the trademark application process, the party which filed the trademark application and the owner of the earlier well-known trademark are both informed if the marks are found to be confusingly similar, regardless of the class(es) in which the mark is sought to be registered. It is then up to the owner of the earlier well-known mark to decide whether to file an opposition against the later registered trademark. Although the list is an additional information service and has no legal effect as such, it is likely that inclusion on the list will also be beneficial in infringement matters.

Presently, the only pharmaceutical brand included on the list is the device mark YA, the trademark of Finnish pharmacy chain Yliopiston Apteekki. An application for the trademark MERCK in the name of Merck KGaA is pending. [WTR](#)