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## Trade Marks Registration in Respect of Therapeutic Goods in Australia

The importance of selecting trade marks for therapeutic goods [\[1\]](#) that are not likely to cause deception or confusion is illustrated by a number of recent Federal Court decisions. The Court in considering the issue of deception and confusion have looked at the reputation of the marks, any visual or oral similarity between the marks, and the risk of deception and confusion at the point of obtaining the drug, having regard to the pharmacist or the doctor misprescribing or misadministering the drug.

Pharmaceutical/biotech companies can avoid the considerable expenses associated with rebranding if they choose trade marks and logos which cannot be challenged on the basis of likelihood of deception and confusion.

This update provides a review of recent decisions and an overview of the factors and pre-filing procedures which should be considered and followed to minimize the risk of the application for registration being challenged or claims for trade mark infringement.

### 1. Recent Decisions

#### *Viagra v. Herbagra*

In a decision of the Australian Trade Marks Office, [\[2\]](#) Pfizer Products Inc ("Pfizer"), owner of the trade mark VIAGRA, failed to establish its grounds for opposition against the registration of HERBAGRA (and similar variants) for goods in class 5, being "herbal medicines used to aid health, vitality and sexuality". In particular, having considered the prefixes and suffixes used in the two marks, the Hearing Officer was not satisfied that the two marks were deceptively similar or that the use of HERBAGRA would amount to misleading or deceptive conduct as claimed by Pfizer. Pfizer appealed against this decision to the Federal Court of Australia. The Court eventually allowed the appeal under old section 60 of the *Trade Marks Act 1995* (Cth) ("the **Trade Marks Act**") and ordered that the application to register HERBAGRA should be refused. [\[3\]](#) The Court found that HERBAGRA was deceptively similar to the VIAGRA mark which had acquired a reputation in Australia prior to the priority date of the respondent's trade mark application for HERBAGRA, and that because of the reputation of the VIAGRA mark, the use of HARBAGRA would be likely to deceive or cause confusion. The Court also found that the reputation of the VIAGRA mark increased the chance of confusion and deception. In this case, the reputation in the VIAGRA mark was critical to Pfizer's success in its appeal. As pointed out by the Court, if the reputation of the VIAGRA mark were not taken into account, then the two marks in question would not be deceptively similar because it was common to have pharmaceutical goods sold in chemist shops with common prefixes or suffixes.

#### *SCABIGARD, SCABORF, SCABIVAC T.C. v. SCABINE*

In another recent decision of the Australian Trade Marks Office, [\[4\]](#) it was again found that Pfizer, owner of the *SCABIGARD, SCABORF, SCABIVAC T.C* marks in respect of goods in class 5, was not successful in its opposition against the registration of SCABINE for goods in class 5, being "veterinary preparations, including veterinary vaccines for use in livestock".

In making the decision, the Hearing Officer considered the essential features of Pfizer's trade marks and concluded that Pfizer's trade marks were quite obviously compounded out of two distinct elements, namely, the element of SCABI or SCAB and the element of VAC, ORF or GARD, both of which elements had some obvious capacity to be readily understood as having some oblique reference to the nature of the goods of interest. On the other hand, the opposed SCABINE mark was not compounded in the same way. The element of SCAB was present, but the 'suffix' -INE was apparently meaningless. As such, the SCABINE mark, considered as a whole, conveyed a different 'idea' and lacked the meanings which might be perceived in Pfizer's trade marks. [5]

Given the above, the Hearing Officer was not satisfied that Pfizer's trade marks were either individually or collectively deceptively similar to the opposed trade mark.

If this case goes to appeal, it will be interesting to see how the Court adjudicates on this matter.

## ***LIVALO v. LIVIAL***

In *Kowa Coporation Ltd v NV Organon*, [6] Lander J of the Federal Court found, on appeal from the decision of the Trade Marks Office, that Kowa's LIVALO mark and Organon's registered trade mark LIVIAL were not substantially identical as they were visually and aurally different. Neither was LIVALO deceptively similar to LIVIAL because it was not likely to deceive or cause confusion. Both marks were used as brand names for prescription pharmaceuticals.

In the course of his judgment, Lander J noted that "*it is not uncommon in the pharmaceutical industry in Australia for drugs to bear similar sounding and looking names. It is not usual for those dealing with those drugs to assume that because drugs have similar sounding names they are either manufactured or distributed by the one company. Because drugs do have similar sounding names, special care must be taken by those who have the responsibility for prescribing and, indeed, dispensing drugs to ensure that the right drug is addressed.*" [7]

Lander J also emphasized that in the context of pharmaceuticals prescription, in considering the likelihood of deception or confusion at the point of obtaining the drug, regard must be had to the risk of the doctor misprescribing one pharmaceutical for the other. [8] In this case, there is no evidence that pharmacists or a medical practitioner were likely to confuse LIVIAL with LIVALO as they were used for dissimilar medical conditions.

The outcome of this case may have been different if Organon were able to provide evidence that there was actual or likely occurrence of misprescribing or misadministering of one pharmaceutical for the other.

## **2. Overview of factors and pre-filing procedures in Trade Mark Application**

### **2.1 Selection of effective trade mark**

Prior to filing an application for registration of trade mark for therapeutic goods, care must be taken in selecting a trade mark so as to avoid:

- (a) infringement of any pre-existing registered trade marks under the Trade Marks Act; or
- (b) contravention of sections 52 and 53 of the *Trade Practices Act 1974* (Cth) for misleading or deceptive conduct or representation; or

(c) claims under the common law of passing off;

In order to minimize these risks, pharmaceutical/biotech companies should ensure that a chosen mark is distinctive and is NOT:

(a) descriptive of the therapeutic goods to which the mark is applied;

(b) identical or similar to a registered trade mark for similar products;

(c) similar to a well known trade mark which has acquired a reputation in Australia; and

(d) a geographic name or common name of persons;

(e) substantially identical to a notified International Non-Proprietary Name (INN) or identical to a notified INN stem (generic stem); [\[9\]](#)

In addition, requirements under the *Therapeutic Goods Act 1989* (Cth) ("**the TGA Act**") in respect of selection of trade/brand names for therapeutic goods have to be met. These requirements are set out in the later part of this newsletter.

## 2.2 Pre- Registration Search

Careful selection of a trade mark is particularly important where pharmaceutical/biotech companies plan to invest significantly in marketing their products or services under that trade mark. As part of the branding strategy of therapeutic goods, searches need to be undertaken in the markets where the therapeutic goods and medical device are to be distributed.

In Australia, the searches include the following:

(a) trade mark search using the Australian Trade Mark Online Search System maintained by IP Australia;

(b) search of the database of International Non-Proprietary Names (INN) in order to avoid the use of a notified INN or INN stems as part of the proposed trade mark;

(c) registered business name and company name search at the database maintained by Australian Securities and Investments Commission;

(d) domain name search at appropriate website (eg. Melbourne IT at <http://www.melbourneit.com.au/>);

(e) search of the Australian Register of Therapeutic Goods ("**ARTG**") maintained by Australia Government Therapeutic Goods Administration ("**TGA**") for medicines or device with similar names;

(f) general Internet (Google) search for other products and services with the same or similar names;

(g) searches of directories, advertising publications and journals identifying any unregistered common law trade marks.

If an Australian pharmaceutical/biotech company contemplates marketing their products outside Australia, it is necessary to conduct similar searches in the target countries where registration of a trade mark is required.

## **2.3 The TGA Requirement for Approval of Trade/Brand name**

Therapeutic goods may not be marketed, sold or distributed in Australia unless it is listed or registered on the ARTG under the TGA Act .

As part of the process for registering or listing therapeutic goods on the ARTG, the TGA will closely examine the trade/brand name of the therapeutic goods in order to ensure that the name, once registered or listed, will not mislead or confuse the public. In determining whether to grant approval for register or listing, the TGA considers the following:

### ***(i) Requirements under section 3(5) of the TGA Act***

Section 3(5) of the TGA Act provides that " *the presentation of therapeutic goods is unacceptable if it is capable of being misleading or confusing as to the content or proper use or identification of the goods and, without limiting the previous words in this subsection, the presentation of therapeutic goods is unacceptable:*

- (a) if it states or suggests that the goods have ingredients, components or characteristics that they do not have; or*
- (b) if a name applied to the goods is the same as the name applied to other therapeutic goods that are supplied in Australia where those other goods contain additional or different therapeutically active ingredients; or*
- (c) if the label of the goods does not declare the presence of a therapeutically active ingredient; or*
- (d) if a form of presentation of the goods may lead to unsafe use of the goods or suggests a purpose that is not in accordance with conditions applicable to the supply of the goods in Australia; or*
- (e) in prescribed cases. "*

In order to be registered or listed on the ARTG, therapeutic goods must meet the requirements under section 3(5) of the TGA Act.

### ***(ii) Requirements under the Australian Regulatory Guidelines for Prescription Medicines***

In respect of prescription medicines, the *Australian Regulatory Guidelines for Prescription Medicines* ("ARGPM") set out the factors which need to be taken into account when assessing a proposed trade/brand name for prescription medicines. [\[10\]](#) According to paragraph 4.1.3.1 of the ARGPM, a proposed trade/brand name for prescription medicines should not:

- be able to be confused with another trade/brand name of an existing product either when spoken or written down;
- imply that the prescription medicine is superior to other products in the same class; or
- imply a therapeutic use for the prescription medicine.

If the proposed trade/brand name for the prescription medicine is not acceptable, the sponsor will be requested to change the trade/brand name for the said medicine.

In addition, the ARGPM also provides that the trade/brand name for prescription medicines should not be used only to present positive information in the product labelling, nor should the generic name only be used to present negative information associated with the prescription medicine. The trade/brand name should only be used when the information only applies to the characteristics of the branded prescription medicine, such as the description, form of presentation, strength, method of use, and dosage. [\[11\]](#)

## Conclusion

To successfully market pharmaceutical products in Australia, it is important that the pharmaceutical companies effectively manage the branding of their products through proper selection of pharmaceutical trade marks, labels, marketing slogan, company name, company logo and company image. A well-chosen pharmaceutical trade mark will provide the owner with a valuable proprietary right to use, and prevent others from using its trade mark.

**Stephens Lawyers & Consultants' intellectual property lawyers have extensive experience and represent leading pharmaceutical and biotech companies in both commercial and litigious matters.** For further information contact:

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[1] For the purpose of this update, the term *therapeutic goods* is used to refer to pharmaceuticals/drugs and medical devices in accordance with the *Therapeutic Goods Act 1989* (Cth).

[2] *Pfizer Products Inc v Joseph Karam* [2005] ATMO 60 (31 October 2005);

[3] *Pfizer Products Inc v Karam* [2006] FCA 1663 (1 December 2006)

[4] *Pfizer Inc v Schering-Plough Animal Health Corporation* [2006] ATMO 92 (4 December 2006)

[5] *Ibid*, at [22] to [23]

[6] *Kowa Coporation Ltd v NV Organon* [2005] FCA 1282

[7] *Ibid* at [187]

[8] *Ibid* at [172]

[9] INNs are generic names indicating the pharmaceutical substances or active pharmaceutical ingredients which are identified by the World Health Organization. Generally, INNs or INN stems are not available for trade mark registration for pharmaceutical goods.

[10] *Australian Regulatory Guidelines for Prescription Medicines*, June 2004 (Australian Government, Department of Health and Aging Therapeutic Goods Administration) ( <http://www.tga.gov.au/pmeds/argpm.htm>)

[11] *Ibid* at para 4.1.3.1