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General Court overturns on phonetic similarity

In April 2008 the opposition division of OHIM dismissed an opposition based on German marks Pan-Ophthal and Kan-Ophthal against Bañoftal, all marks registered for pharmaceuticals in class 5. Denying likelihood of confusion OHIM held that the respective signs were sufficiently dissimilar, holding that word part Ophthal is of a highly descriptive nature as it derives from the Greek word Ophthalmos, making reference to pharmaceutical products related to the eye. In view of this low distinctive character, the visual differences between Ophthal and Oftal were to be taken into consideration despite their phonetic identity. As to the word beginnings, OHIM equally denied that any relevant similarities in the Spanish letters Bañ would be recognised by the German-speaking public, and so would not be deceived by the marks.

The Board of Appeal of OHIM rejected an appeal confirming the reasoning of the opposition division. The opponent then filed an action with the General Court in September 2009 seeking nullification of the Board of Appeal's decision. In July 2012 the General Court nullified the Board of Appeal's decision, holding that the marks are at least phonetically sufficiently similar since the German public will pronounce Bañ according to German pronunciation rules and the word parts Oftal/Ophthal are at least of a weak distinctive nature and phonetically identical. The General Court also stated that the attacked marks do not only cover ophthalmics but pharmaceutical products in general.

Interestingly, the General Court did not make a specific finding on the likelihood of confusion itself but simply annulled the contested decision in order for OHIM to then assess likelihood of confusion in consideration of the General Court's decision; this approach was also taken in an earlier decision by the General Court, Bahianas Las Originales.

In consequence, on January 30 2013 the Board of Appeal annulled the first round decision of the opposition divi-

sion, allowing the opposition and rejecting the CTM for likelihood of confusion in view of the phonetical similarities ruled by the General Court.

It may be noted that the General Court had discretion to determine likelihood of confusion directly when rendering its decision, in which case OHIM would have had to immediately reject the CTM application without the need to annul the first round decision. In addition, this new Board of Appeal decision may be subject to a further action with the General Court, which would of course rule again in favour of confusion.