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UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

Novartis International Pharmaceutical, Ltd.

v.

Genetic Immunity, LLC

Opposition No. 91124457
to application Serial No. 78052908
filed on March 13, 2001

Peter S. Sloane of Ostrolenk, Faber, Gerb & Soffen, LLP for Novartis International Pharmaceutical, Ltd.

Valerie E. Looper of The Law Office of Valerie E. Looper for Genetic Immunity, LLC.

Before Seeherman, Walters and Bucher, Administrative Trademark Judges.

Opinion by Seeherman, Administrative Trademark Judge:

Novartis International Pharmaceutical, Ltd. has opposed the application of Genetic Immunity, LLC to register DERMAVIR as a trademark for "vaccines and vaccine

adjuvants."[1] As grounds for opposition, opposer has alleged that it manufactures and sells a wide variety of pharmaceutical products; that it has used the trademark DENAVIR for an antiviral to treat cold sores and related skin disorders since as early as 1996, and prior to the March 13, 2001 filing date of applicant's intent-to-use application; that it owns a number of registrations for DENAVIR and DENAVIR and design marks for "pharmaceutical preparations, namely antivirals" and for "pharmaceutical preparations, namely anti-viral preparations and preparations for treatment of cold sores and related skin disorders; and that applicant's use of DERMAVIR for vaccines and vaccine adjuvants is likely to case confusion, mistake and/or deception.

In its answer, applicant has admitted that it is aware that opposer is a large international pharmaceutical company that sells a number of pharmaceutical and other products; that it is aware that opposer uses the mark DENAVIR for penciclovir cream 1%, which is marketed and sold as a topical treatment for cold sores; that it is aware that opposer uses the trademark DENAVIR on labeling, packaging, materials, product literature and advertisements for penciclovir cream 1%, which is marketed and sold as a

[1] Application Serial No. 78052908, filed March 13, 2001 and asserting a bona fide intention to use the mark in commerce.

topical treatment for cold sores; and has denied the remaining salient allegations in the notice of opposition.

The record includes the pleadings; the file of the opposed application; the testimony, with exhibits, of opposer's witness, Jennifer Stuart; various documents made of record by opposer pursuant to a notice of reliance; and materials made of record by applicant under a notice of reliance.

Only opposer filed a brief; an oral hearing was not requested.[2]

The opposition is sustained.

The record needs further discussion. First, it is noted that both opposer and applicant have submitted with their notices of reliance material taken from certain Internet websites. Generally material which is available only on a website does not qualify as a printed publication under Trademark Rule 2.122(e). See Raccioppi v. Apogee Inc., 47 USPQ2d 1368 (TTAB 1998). However, because both parties have treated such material as though it may be made

[2] It is noted that, although opposer timely filed its brief on the case on March 31, 2003 (with a certificate of mailing dated March 28, 2003), it was not initially associated with the file, and therefore, on May 27, 2003, the Board issued an order to show cause because opposer had presumably not filed its brief. The brief was subsequently associated with the file, and on June 25, 2003, the Board set aside the order to show cause. Applicant's brief was due by April 28, 2003, prior to the Board's order to show cause. Therefore, it is clear that no confusion was caused to applicant by the Board's show cause order, and that applicant simply chose not to file a brief on the case.

of record in this manner, we deem the parties to have stipulated to the admission of these documents, and have considered them.

With its notice of reliance, applicant submitted its request for production of documents and opposer's written responses thereto, although it did not submit the actual documents that were produced. Trademark Rule 2.120(j)(3)(ii) provides that documents obtained under Rule 34 of the Federal Rules of Civil Procedure may not be made of record by notice of reliance. In this case, because applicant has not actually submitted any documents, and because opposer has treated applicant's entire notice of reliance of record, we have considered the responses to be of record for whatever probative value they may have.

Applicant also filed a "motion for estoppel sanction and objection to notice of reliance," which motion was deferred by the interlocutory motions attorney until final hearing. Thus, we now take up this motion for consideration. Applicant contends that certain exhibits to the testimony of Jennifer Stuart, and testimony related thereto, as well as two exhibits submitted under opposer's notice of reliance,[3] should not be considered by the Board

[3] The specific evidence to which applicant objects are Exhibits 2, 3, 5, 8-31 and 33-35 to the testimony deposition of Jennifer Stuart (and the testimony relating thereto), and Exhibits C and D submitted with the notice of reliance.

because opposer had not made these materials available in response to applicant's discovery requests.

Applicant has asserted that case law precludes opposer from introducing evidence that it previously refused to furnish during discovery. That is certainly the general rule. In this case, opposer objected to many of applicant's discovery requests, generally on the basis that the particular request was vague or overbroad or would require the disclosure of confidential commercial information. There is no indication that, upon receiving the responses and objections, applicant made any effort to confer with opposer in order to have its discovery requests satisfied.

The Board frowns on such actions. Discovery is designed to be a cooperative process, and if applicant believed that its discovery requests were appropriate, it should have contacted opposer to make a good faith effort to resolve any discovery disputes and, with respect to its need for confidential material, to arrange for a protective order. Applicant has provided no explanation as to why, after receiving the responses, it did not make such attempts. For all we know, applicant may have done so in a strategic ploy to limit opposer's evidence to the discovery documents which were provided. Whatever applicant's motives, because applicant did not contact opposer in order to make clear that it still sought particular information

through discovery, and thereby seemingly acceded to opposer's objections, we consider applicant to have waived its rights for more complete responses. See Time Warner Entertainment Co. v. Jones, 65 USPQ2d 1650 (TTAB 2002) (despite applicant's apparent dissatisfaction with opposer’s interrogatory responses, applicant never filed a motion to compel further responses from opposer; applicant will not now be heard to complain that opposer’s discovery responses were inadequate).

In support of its motion, applicant relies on Weiner King, Inc. v. The Weiner King Corporation, 615 F.2d 512, 204 USPQ 820, 828 (CCPA 1980). However, the facts of that case are distinguishable from the case at hand. Weiner King had served interrogatories upon WKNC, seeking to discover facts upon which WKNC would rely to establish the chronology and geographical extent of its use of its marks. WKNC objected to and refused to answer interrogatories on the ground that the requested information was irrelevant and immaterial. Later, during its testimony period, WKNC attempted to introduce into evidence facts bearing on those very issues. The Court stated that where a party seeks to discover facts which it expects the other party to introduce into evidence and the other party represents that all of those facts are already of record, the first party has a right to expect reliance by the other party on only those facts which were

of record. Further, the Court found that WKNC's objection to the interrogatories amounted to a representation that this information would not be the subject of testimony. As a result, it would have been absurd for Weiner King to have made a motion to test the sincerity of this representation.

In the present case, however, opposer's objections were to the form of the interrogatories and document production requests. This is not a situation in which opposer claimed, in response to the discovery requests, that the information sought was irrelevant, and then took an inconsistent position during testimony, submitting such evidence and claiming that it was relevant to its position. This case, thus, is more akin to Linville v. Rivard, 41 USPQ2d 1731 (TTAB 1996), aff'd on other grounds, Rivard v. Linville, 133 F.3d 1446, 45 USPQ2d 1374 (Fed. Cir. 1998), in which respondent objected to interrogatory and production requests as "vague and ambiguous, and overly burdensome." The Board held that these objections were not of a nature which would have led petitioner to believe that no such documents existed. As a result, and because petitioner did not file a motion to compel, petitioner's complaint that the documents were not identified and produced was not given any consideration.

For similar reasons, we find that opposer is not precluded from making of record evidence which it had

stated, in response to applicant's discovery requests, was confidential. Opposer did not refuse to make such information available to applicant; on the contrary, opposer's responses to applicant's first set of discovery requests to opposer stated only that "opposer will not disclose [the confidential information] unless appropriate confidentiality safeguards are in place." Definition No. 2. It reiterated this offer in responses to specific interrogatories, including its response to Interrogatory No. 12, which requested annual sales revenues for the DENAVIR products, and Interrogatory No. 13, which requested the annual cost of advertising the products sold under the DENAVIR mark: "Opposer will provide this information once a confidentiality agreement is in place." Applicant never made any attempt to pursue such an agreement. Nor did opposer take an inconsistent position with respect to the confidential nature of its materials by asserting during discovery that the discovery requests called for confidential information, and then, during its testimony period, treating such information as not confidential. Rather, opposer moved the Board to put a protective order in place so that it could make such evidence of record during its testimony period. Compare, Super Valu Stores Inc. v. Exxon Corp., 11 USPQ2d 1539 (TTAB 1989); Visual Information

Institute, Inc. v. Vicon Industries Inc., 209 USPQ 179 (TTAB 1980).

In addition to applicant's overall position that documents and information not provided during discovery may not be made of record by the responding party during its testimony period, applicant has discussed the particular exhibits and why they should have been furnished in response to specific discovery requests. The objections to the exhibits, and the number of exhibits, are extensive, and we will not further burden this opinion with an exhaustive discussion of them. Applicant's motion is not a motion to compel, and we will not treat it as such. More importantly, even if we were not to consider the objected-to exhibits and related testimony, we would still find that opposer has met its burden of proof, and that the opposition should be sustained. Therefore, because we have not discussed the objected-to evidence in our rendering out decision, we will not discuss the particular objections to such evidence. We will say only that, for the most part, we do not agree with applicant's claim that particular exhibits should have been provided by opposer in response to the specific discovery requests listed by applicant in its motion for estoppel sanction.

This brings us to the substantive issue in this proceeding, priority and likelihood of confusion.

The record shows that opposer, through its sister company Novartis Consumer Health, uses the mark DENAVIR in the United States on a prescription antiviral medication for the treatment of cold sores. The DENAVIR mark has been used in the United States since December 1996. It was originally used by SmithKline Beecham p.l.c. The product is sold in the form of a cream, and its active ingredient, penciclovir, penetrates the skin to target the infected cells and attack the herpes simplex type 1 virus, and also blocks the virus from replicating.

Approximately 40 million Americans suffer from cold sores each year; the consumers for opposer's product are both men and women, age 18 and above. In its website (www.denavir.com) and other advertising and promotional materials, opposer advises sufferers of cold sores to see their doctor or dentist for a diagnosis, since the DENAVIR product is sold only by prescription. The medical personnel who prescribe DENAVIR medication are primarily OB/GYN's, dermatologists, primary care physicians and dentists.

Until September 10, 2002, DENAVIR medication was the only FDA-approved prescription drug to treat cold sores; as a result, opposer had 100% of the market share of FDA-approved prescription medications to treat this problem.

Opposer sells its DENAVIR product primarily to drug wholesalers, who then sell to retail pharmacies. It also

sells its product through hospitals, long-term care facilities, and mail order and Internet pharmacies.

Opposer has operated the DENAVIR Internet website since 1999. It is directed to consumers who have cold sores and those who prescribe DENAVIR for cold sores. In addition, opposer advertises its DENAVIR medication through direct-to-consumer advertising such as mass media, television and print. These advertisements encourage potential consumers to talk to their doctors or dentists about the benefits of using the DENAVIR product to treat their cold sores. Opposer also does medical promotions, using over 1,000 company sales reps and 40 contract sales reps to educate prescribers about the benefits of the DENAVIR product. Opposer's reps contact approximately 40% of primary care physicians. Doctors and dentists are often given single-use samples to give to their patients, with approximately 1.5 million samples having been given to physicians in both 2001 and 2002. Opposer also planned to launch patient education brochures through direct mail in 2003.

Applicant filed its application based on an intention to use the mark, and has not filed an amendment to allege use. However, its responses to discovery requests state that is now using the mark DERMAVIR in the United States in connection with its research and development activities relating to its vaccine for HIV infection. Applicant

expects that its vaccine will be available only through physicians, and the ultimate customers will be people infected with HIV. Applicant's market research indicates that customers might pay $8,000-$10,000 per year for treatment.

Priority is not in issue, in that opposer has made of record status and title copies of its pleaded registrations for DENAVIR. King Candy Company v. Eunice King’s Kitchen, Inc., 496 F.2d 1400, 182 USPQ 108 (CCPA 1974). See, for example, Registration No. 2,139,789, issued February 24, 1998 for "preparations for the treatment of cold sores and related skin disorders"; Registration No. 2,139,703, issued February 24, 1998 for "pharmaceutical preparations, namely, antivirals."

Our determination of the issue of likelihood of confusion is based on an analysis of all of the probative facts in evidence that are relevant to the factors set forth in In re E. I. du Pont de Nemours & Co., 476 F.2d 1357, 177 USPQ 563 (CCPA 1973). See also, In re Majestic Distilling Company, Inc., 315 F.3d 1311, 65 USPQ2d 1201 (Fed. Cir. 2003).

Opposer's mark is DENAVIR; applicant's mark is DERMAVIR. The similarities in appearance are obvious. Both begin with the letters "DE" and end with the letters "AVIR." The only differences in the mark, the letter "N" in

opposer's mark and the letters "RM" in applicant's mark, are buried in the center of the marks. And even the letters which are different look similar, at least in terms of the "N" and "M."

The pronunciation of the marks is also similar. Although there is no correct pronunciation of an invented term, as these marks appear to be, they are likely to be pronounced in a similar manner, both having three syllables with an accent on the first syllable. Both also begin with the "DE" sound, and end with the "AVIR" sound. The similarities in pronunciation between "M" and "N" are obvious. Although there is no "R" sound in opposer's mark, this letter conveys a "soft" sound which is not emphasized when applicant's mark is spoken.

With respect to the connotation of the marks, the evidence shows that "VIR," with which both marks end, indicates an antiviral substance. See USP Dictionary, 2002 (Exhibit J to opposer's notice of reliance)). The third-party registrations submitted by applicant for various "VIR" marks reinforce that "VIR" has such a meaning. See, for example, COMBIVIR for “anti-viral pharmaceutical preparations and substances” (Reg. No. 2,158,546); DOCOSAVIR for "jojoba plant extract used to help alleviate symptoms associated with envelope virus infections" (Reg. 2,586,423); and EPIVIR for "pharmaceutical preparations, namely anti-

infectives, antibiotics and anti-bacterials."[4] Third-party registrations are probative to the extent that they serve to suggest that the "VIR" portion of the various marks, including opposer's and applicant's, convey their dictionary meaning. See Tektronix, Inc. V. Daktronics, Inc., 187 USPQ 588 (TTAB 1975).

The presence of this element in both marks would not, alone, be sufficient to find a likelihood of confusion; however, the overall similarities in appearance and sound between the marks is far greater than the fact that both include "VIR." In this connection, we note that the only third-party registrations submitted by applicant for a "VIR" mark that begins with the letter "D" are DOCOSAVIR, mentioned above, and DOXOVIR (Reg. No. 2771047).[5] Moreover, opposer's witness testified that she was unaware of any other trademarks for pharmaceuticals that begin with the letter "D" and end with the letters "VIR."

Although we take judicial notice that "DERMA," which forms the beginning of applicant's mark, may have the meaning of "a layer of skin,"[6] there is nothing in the

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[4] In addition to the third-party registrations, applicant also submitted a significant number of third-party applications. Such applications have limited probative value, showing only that the applications were filed.

[5] This mark was the subject of an application at the time applicant filed its notice of reliance, but has since been registered.

[6] The American Heritage Dictionary of the English Language, © 1970).

record to indicate that this would be the connotation accorded to applicant's mark because of the goods on which it is used. Thus, with the exception of the "VIR" suffix, we must assume that both opposer's mark and applicant's mark have arbitrary connotations.

We therefore find that the factor of the similarity of the marks favors opposer. We further find that there is no evidence of use of similar marks on similar goods, the mere fact that other marks include the element "VIR" not being sufficient to show that such third-party marks are similar.[7] Thus, this factor, too, favors opposer.

Turning to the goods, opposer's registrations for DENAVIR include goods identified simply as "pharmaceutical preparations, namely antivirals." These registrations do not limit opposer's goods to antivirals used for any particular purposes. Similarly, applicant's application is not limited to vaccines for the prevention of any particular ailment; the identification is simply for "vaccines and vaccine adjuvants."[8] Thus, any distinctions between the

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[7] The third-party registrations submitted by applicant are not evidence that the marks shown therein are in use. However, in its responses to applicant's requests for admissions, opposer has admitted third-party use of, inter alia, IMMUVIR for a herbal and nutritional supplement, NORVIR for an inhibitor of HIV protease, RETROVIR for a pyrimidine nucleoside analogue active against HIV, EIPIVIR, a synthetic nucleoside analogue with activity against HIB and hepatitis B virus; COMBIVIR for synthetic nucleoside analogues with activity against HIV, and TRIZIVIR for synthetic nucleoside analogues.

[8] Adjuvants are chemicals which enhance the antigenicity of other biochemicals, and therefore the inclusion of adjuvants in

actual uses to which opposer puts its antiviral preparations and applicant puts its vaccines is of no moment. It is well established that the question of likelihood of confusion must be determined based on an analysis of the mark as applied to the goods and/or services recited in applicant's application vis-à-vis the goods and/or services recited in an opposer's registration, rather than what the evidence shows the goods and/or services to be. Canadian Imperial Bank of Commerce v. Wells Fargo Bank, N.A., 811 F.2d 1490, 1 USPQ2d 1813 (Fed. Cir. 1987).

Opposer has shown that there is a clear connection between antiviral preparations and vaccines. First, vaccines are generally made of viruses which have been weakened or killed. See Exhibit I to opposer's notice of reliance. Second, antivirals and vaccines are both used in the fight against viral diseases. For example, an article in the September 18, 2002 issue of "Vaccine Weekly" discusses the costs and benefits of flu vaccination and treatment of patients with antiviral medication. An article in the June 12, 2002 issue of the same publication speculates about a vaccine-antiviral combination which could be used to break immune tolerance in humans infected with hepatitis B virus. Third, companies are engaged in

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vaccines greatly increases the effectiveness of the vaccine. See Atlas, Microbiology, © 1984, Exhibit I to opposer's notice of reliance.

developing and manufacturing both antivirals and vaccines. A July 31, 2002 article from PR Newswire reports on Panacos Pharmaceuticals, "a privately held antiviral drug and vaccine development company." In addition, an August 6, 2002 article from PR Newswire reports on the biopharmaceutical company, Novavax, Inc., stating that its products "include certain hormone, anti-bacterial, and anti-viral products and vaccine adjuvants."

It is not necessary that the goods of the parties be similar or competitive, or even that they move in the same channels of trade to support a holding of likelihood of confusion. It is sufficient that the respective goods of the parties are related in some manner, and/or that the conditions and activities surrounding the marketing of the goods are such that they would or could be encountered by the same persons under circumstances that could, because of the similarity of the marks, give rise to the mistaken belief that they originate from the same producer. In re International Telephone & Telegraph Corp., 197 USPQ 910, 911 (TTAB 1978). In this case, because of the close relationship between antivirals and vaccines, their use in fighting the same illnesses, including their possible combined effect in such treatment, and their development by the same companies, we find that the parties' goods are related. Accordingly, this factor favors opposer.

In terms of classes of customers, both opposer's antivirals and applicant's vaccines may be sold to physicians and to hospitals for dispensing to those patients requiring such medications. These sophisticated customers would be aware of the connections between antivirals and vaccines discussed above, and are likely to believe that both products would emanate from a single source if they were sold under such similar marks as DENAVIR and DERMAVIR. Moreover, such goods may also be sold to the ultimate users as prescription drugs. That is, in fact, the way in which opposer's goods are sold. We also note applicant's admissions that its product is intended to be made available by the prescription of a medical professional, and that vaccines may be “admitted” [sic, should be “administered”] orally. Given these admissions, we must assume that applicant's vaccines can be prescribed for and used by the ultimate consumer. Such consumers, although careful about the medications that they use, may very well confuse the source of an antiviral sold under the mark DENAVIR and a vaccine sold under the mark DERMAVIR, or may even misrecall the marks, since they are unfamiliar terms. Consumers do not necessarily have the luxury of making side-by-side comparisons between marks, and must rely upon their imperfect recollections. Dassler KG v. Roller Derby Skate Corporation, 206 USPQ 255 (TTAB 1980). A consumer to whom

applicant's DERMAVIR product has been proscribed may well believe that the trademark is the same as that of the DENAVIR product that he has seen advertised.

Moreover, as opposer has pointed out, there is a concern that a pharmacist, getting a prescription over the phone, would have trouble distinguishing between the marks DENAVIR and DERMAVIR, or may have trouble deciphering the marks in a handwritten prescription. Thus, although the opposer's and applicant's products would not be purchased on impulse, we find that this duPont factor favors opposer.

There is no evidence of actual confusion, but given that there is no real information on the extent of applicant's use of its mark, which appears to still be in a development stage, we find that this factor is neutral.

As stated previously, we have elected not to discuss opposer's evidence to which applicant has objected, but we point out that if we did consider it, it would support opposer on the factor of the strength and fame of its mark.

Finally, we note the well-established principle that, if there are any doubts on the issue of likelihood of confusion, they must be resolved against the newcomer and in favor of the prior user. See San Fernando Electric Mfg. Co. v. JFD Electronics Components Corporation, 565 F.2d 683,196 USPQ 1 (CCPA 1977); Fricks' Foods, Inc. v. The Mar-Gold Corporation, 163 USPQ 619 (CCPA 1969). Following that

principle is all the more important where the products in question are pharmaceuticals, where it is imperative that even a slight possibility of confusion should be avoided. In re Merck & Co., Inc., 189 USPQ 355 (TTAB 1975).

In view of the foregoing, we find that opposer has established that if applicant were to use DERMAVIR on vaccines and vaccine adjuvants, it would be likely to cause confusion with opposer's mark DENAVIR for antivirals.

Decision: The opposition is sustained.