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TRADEMARKS AND THE CONCEPT OF GREATER CARE

The Lanham Trademark Act allows an owner of a trademark, after using the mark in commerce, to register the mark with the Patent Office.¹ Registration is advantageous to an owner because it confers virtually incontestable rights over the mark beginning five years after registration.² Registration, however, is not automatic, and under some circumstances, the Patent Office is empowered to deny an application.³ The proceedings which culminate in a denial of registration may be initiated *ex parte* by the Patent Office,⁴ or *inter partes* by the owner of another, previously registered, mark.⁵ The owner of an existing mark, in addition to opposing registration of the new mark, may seek an injunction prohibiting usage of the new mark in commerce.⁶ In both registration and infringement actions, one test is whether the new mark is confusingly similar to a previously registered mark.⁷ If it is, registration will be denied or usage will be enjoined. .

1. 15 U.S.C. § 1051 (1970).

2. 15 U.S.C. § 1065 (1970). See *Developments in the Law—Trade-Marks and Unfair Competition*, 68 HARV. L. REV. 814, 829 (1955). See also note 51 *infra*.

3. 15 U.S.C. § 1052(d) (1970). "No trade-mark by which the goods of the applicant may be distinguished from the goods of others shall be refused registration on the principal register on account of its nature unless it (d) Consists of or compromises a mark which so resembles a mark registered in the Patent Office or a mark or trade name previously used in the United States by another and not abandoned, as to be likely, when applied to the goods of the applicant, to cause confusion or to cause mistake, or to deceive."

4. 15 U.S.C. § 1058 (1970).

5. 15 U.S.C. §§ 1063-64 (1970).

6. The registration of a trademark is challenged by an opposition proceeding. 15 U.S.C. § 1063 (1970). To challenge the continued use of a trademark, an injunction may be sought in an infringement suit. 15 U.S.C. §§ 1114-17 (1970). An opposition to a registration application is not a charge of infringement, nor is it considered a threat of such proceedings. *Merrick v. Sharp & Dohme, Inc.*, 185 F.2d 713 (7th Cir. 1950), *cert. denied*, 340 U.S. 954 (1951). See also *Carling Brewing Co. v. Philip Morris Inc.*, 297 F. Supp. 1330 (N.D. Ga. 1968).

Section 1052, 15 U.S.C. § 1052 (1958), dealing with registration, referred to any marks "likely to cause confusion or mistake or to deceive." Section 1114, concerned with infringement, added the words "as to the source of origin." These sections were made uniform by dropping the "source of origin" language when the act was amended by Act of Oct. 9, 1962, Pub. L. No. 87-772, § 17, 76 Stat. 773.

7. 15 U.S.C. §§ 1052(d); 1114(1)(a), (b) (1970); see *Stonecutter Mills Corp. v. Universal Overall Co.*, 379 F.2d 979, 982 (C.C.P.A. 1967); *accord, In re Meyer & Wenthe, Inc.*, 267 F.2d 945 (C.C.P.A. 1959); *L. Nachman & Son, Inc. v. E. Lasner, Inc.*, 263 F.2d 342 (C.C.P.A. 1959); *Kraft-Phenix Cheese Corp. v. Consolidated Beverages*, 107 F.2d 1004 (C.C.P.A. 1939). See also Note, *Confusing Similarity in Trademarks: A Suggested Ap-*

Generally, the statutory test of likelihood of confusion is interpreted to mean that the confusion must be probable, not merely possible.⁸ When actual confusion is shown, it is given consideration.⁹ The converse is also true; the absence of actual confusion is entitled to substantial weight. It is important to note, however, that the mere presence or absence of actual confusion is not dispositive of the question whether to grant registration.¹⁰

The factors which may combine to form the requisite finding of a likelihood of confusion are myriad. For example, confusing similarity between two marks may arise from their sound,¹¹ meaning,¹² or appearance,¹³ or from their channels of trade.¹⁴ These variables are also examined from the standpoint of different types of consumers.¹⁵ Con-

proach, 55 CORNELL L. REV. 470, 471 (1970). [Hereinafter cited as Note, 55 CORNELL L. REV.].

8. 3 R. CALLMANN, *THE LAW OF UNFAIR COMPETITION, TRADEMARKS AND MONOPOLIES* § 80 (3d ed. 1969).

9. E. VANDENBURG, *TRADEMARK LAW AND PROCEDURE* § 5.20, at 140 (2d ed. 1968) [hereinafter cited as VANDENBURG]. See also *Harold F. Ritchie, Inc. v. Chesebrough-Pond's Inc.*, 176 F. Supp. 429 (S.D.N.Y. 1959).

10. "The absence of actual confusion is not a controlling factor [because] the statute prohibits the registration of a mark that is 'likely' to cause confusion." *Celanese Corp. v. E.I. Du Pont De Nemours & Co.*, 154 F.2d 146, 147 (C.C.P.A. 1946); accord, *Owens-Illinois Glass Co. v. Clevite Corp.*, 324 F.2d 1010 (C.C.P.A. 1963); *S.C. Johnson & Son, Inc. v. Johnson*, 266 F.2d 129 (6th Cir.), cert. denied, 361 U.S. 820 (1959); *Salem Commodities, Inc. v. Miami Margarine Co.*, 244 F.2d 729 (C.C.P.A. 1957) See also *Carter-Wallace, Inc. v. Procter & Gamble Co.*, 434 F.2d 794 (9th Cir. 1970); *Kelly Girl Service, Inc. v. Roberts*, 243 F. Supp. 225 (E.D. La. 1965); *S.E. Mighton Co. v. La Pryor Milling Co.*, 274 F.2d 676 (C.C.P.A. 1960).

11. *Esso Standard Oil Co. v. Sun Oil Co.*, 229 F.2d 37 (D.C. Cir.), cert. denied, 351 U.S. 973 (1956); *Radiator Specialty Co. v. Ladd*, 218 F. Supp. 827 (D.D.C. 1963); Comment, *The Lanham Act—A Method for the Registration and Protection of a Trade-mark Plus a Statutory Remedy for False Advertisement*, 1966 U. ILL. L.F. 1124 (1966).

12. *Id.*

13. *Id.*

14. *Carter-Wallace, Inc. v. Procter & Gamble Co.*, 434 F.2d 794, 800 (9th Cir. 1970); VANDENBURG, *supra* note 9, § 5.40, at 186; Leeds, *Trademarks—The Rationale of Registerability*, 26 GEO. WASH. L. REV. 653, 659 [hereinafter cited as *Rationale of Registerability*]. The factors presented do not comprise an exhaustive list of the elements the courts consider in determining likelihood of confusion. For another and slightly different group of factors see 1 A. SEIDEL, S. DUBROFF, & E. GONDA, *TRADEMARK LAW AND PRACTICE* § 22.06 (1963) [hereinafter cited as SEIDEL].

15. *Meyer Chemical Co. v. Anahist Co.*, 263 F.2d 344 (C.C.P.A. 1959); *Armour & Co. v. Organon, Inc.*, 245 F.2d 495 (C.C.P.A. 1957); VANDENBURG *supra* note 9, § 5.40, at 186; *Rationale of Registerability*, *supra* note 14, at 659.

"A competitor entering the market is required only to label his product in such manner that purchasers exercising ordinary care to discover whose products they are buying will know the truth and not be mistaken or confused. He is not obliged to

sequently, it has been held that the likelihood of confusing similarity is reduced when the goods are sold by a discriminating class such as physicians or pharmacists,¹⁶ but a discriminating consumer group alone will not always prevent a finding of confusion.¹⁷

Due to the large number of variables, the determination of confusion necessarily is subjective.¹⁸ Whether a particular mark is thought to be confusing with another mark is a matter of judgment, and each court's opinion controls.¹⁹ Accordingly, precedent is of little moment and a "plethora of inconsistent decisions" has resulted.²⁰

protect the negligent or unattentive purchaser from confusion resulting from his own indifference." *Rochelle Asparagus Co. v. Princeville Canning Co.*, 170 F Supp. 809, 813 (S.D. Ill. 1959).

16. Physicians and pharmacists are considered discriminating purchasers. *Warner-Hudnut, Inc. v. Wander Co.*, 280 F.2d 435 (C.C.P.A. 1960); *SEIDEL, supra* note 14, at 567. See also *Glenwood Laboratories, Inc. v. American Home Prod. Corp.*, 455 F.2d 1384, 1389 (C.C.P.A. 1972) (Baldwin, J., dissenting); *Geigy Chem. Corp. v. Atlas Chem. Indus., Inc.*, 438 F.2d 1005, 1008 (C.C.P.A. 1971) (dissenting opinion).

17. *Morgenstern Chem. Co. v. G. D. Searle & Co.*, 253 F.2d 390 (3d Cir.), *cert. denied*, 358 U.S. 816 (1958). The court stated that:

[D]efendant concedes that physicians and pharmacists are not infallible but urges that the members of these professions are carefully trained to detect differences in the characteristics of pharmaceutical products. While this is doubtless true it does not open the door to the adoption by manufacturers of medicines of trade-marks or names which would be confusingly similar to anyone not exercising such great care. For physicians are human and in common with the rest of mankind are subject to human frailties. In the field of medicinal remedies the courts may not speculate as to whether there is a probability of confusion between similar names. If there is any possibility of such confusion in the case of medicines public policy requires that the use of the confusingly similar name be enjoined.

Id. at 393-94.

18. *Geigy Chem. Corp. v. Atlas Chem. Indus., Inc.*, 438 F.2d 1005 (C.C.P.A. 1971). The court stated: "Both sides have, of course, cited many prior decisions on other marks which, as usual, we find of little help. In the end, it is a subjective opinion." *Id.* at 1007-08. Cf. *Lever Bros. Co. v. Babson Bros. Co.*, 197 F.2d 531 (C.C.P.A. 1952); *Lever Bros. Co. v. George A. Hormel & Co.*, 173 F.2d 903 (C.C.P.A. 1949). If there is any doubt as to whether confusion exists, it must be resolved against the newcomer. *Telechron, Inc. v. Telicon Corp.*, 198 F.2d 903 (3d Cir. 1952); *Safeway Stores, Inc. v. Stephens*, 281 F Supp. 517 (W.D. La. 1967). It has been suggested, however, that the inquiry need not be subjective. See note 20, *infra*.

19. *L. Nachman & Son, Inc. v. E. Lasner, Inc.* 263 F.2d 342 (C.C.P.A. 1959); Note, 55 CORNELL L. REV. 470 (1970).

20. Note, 55 CORNELL L. REV. 470 (1970). In *Stonecutter Mills Corp. v. Universal Overall Co.*, 379 F.2d 979, 982 (C.C.P.A. 1967), the court stated: "It has been observed too often to require citation of authority that the question of likelihood of confusion is one which must be determined on the facts of each particular case." The continued use of a subjective test often puts speculation and conjecture in the place of truly representative facts. It was hoped that the Lanham Act would modernize trademark

Throughout the past 25 years, the nascent doctrine of greater care occasionally has been determinative both in registration and in infringement proceedings.²¹ The concept of greater care suggests that when serious consequences would result from the use of one product in mistake for another, the courts use greater care in their determination of the likelihood of confusion.²² Thus, there are two standards of confusion: one

law so the statutes would conform to modern business practices and, more importantly, that it would remedy constructions of the various acts which had obscured and perverted their original purpose. S. Rep. No. 1333, 79th Cong., 2nd Sess. (1946). The Senate committee reporting on the bill stated that these constructions had become so ingrained that the only way to change them was by legislation. *Id.*

Today the courts consistently fail to seek out the only true source of the necessary information, the consumer. Instead, taking up the role of the guardian of the public interest, they reject prior decisions and use a subjective standard. *See Geigy Chem. Corp. v. Atlas Chem. Indus., Inc.* 438 F.2d 1005 (C.C.P.A. 1971) The present judicial approach has been described as follows:

On final analysis, the determination that confusion is probable, likely or remote, lies within the exclusive judgment of the court. In this determination, the court is presented with issues substantially at variance with those that are involved in most other legal contests. The court, on the one hand, applies legal principles and, on the other, abandons its expertise in its attempt to approximate the position of the ordinary purchaser. The determination of whether confusion will or will not arise, far from an exact science, must consider the many variable human reactions to situations that are really incapable of any exactitude in appraisalment.

3 R. CALLMANN, *THE LAW OF UNFAIR COMPETITION, TRADEMARKS AND MONOPOLIES* § 81.1 (3d ed. 1969).

Judicial and administrative applications of "the law" hinge on the fact finding process. In most cases this process is limited to a small number of people. Trademark registration opposition and infringement suits, on the other hand, concern a large number of people—the consuming public. Since the courts must know the status of the public's mind in order to determine the likelihood of confusion, resort should be had to public opinion surveys. *See Note, Consumer Polls as Evidence in Unfair Trade Cases*, 20 GEO. WASH. L. REV. 211 (1951). Surveys are not new in the field of consumer research. The problems associated with them—the techniques employed, the questions asked, the universe selected, and the sample utilized—may be overcome. C. McCORMICK, *HANDBOOK ON THE LAW OF EVIDENCE* 591 n.96 (2d ed. 1972) The role of market research is vital in trademark litigation. There is no other method available to discover confusion than to go to the market place and "systematically observe and inquire whether it actually exists, and identify what form—if any—it takes." Comment, *Trade-Marks—Secondary Meaning—Lack of Uniformity in Determining Secondary Meaning*, 47 IOWA L. REV. 781 (1962).

21. *See Syntax Laboratories, Inc. v. Norwich Pharmacal Co.*, 437 F.2d 566 (2d Cir. 1971); *Morgenstern Chem. Co. v. G. D. Searle & Co.*, 253 F.2d 390 (3d Cir. 1958); *Dietene Co. v. Dietrim Co.*, 225 F.2d 239 (8th Cir. 1955); *Cole Chem. Co. v. Cole Laboratories, Inc.*, 118 F. Supp. 612 (E.D. Mo. 1954); *Glenwood Laboratories, Inc. v. American Home Products Corp.*, 455 F.2d 1384 (C.C.P.A. 1972); *Clifton v. Plough, Inc.*, 341 F.2d 934 (C.C.P.A. 1965); *Merritt Corp. v. Sterling Drug, Inc.*, 277 F.2d 956 (C.C.P.A. 1960); *Campbell Products, Inc. v. John Wyeth & Bro.*, 143 F.2d 977 (C.C.P.A. 1944).

22. Many of the cases invoking the doctrine of greater care have involved the likelihood of confusion of pharmaceutical products.

which is applied in cases that do not involve serious consequences from mistaken use, and another, stricter standard which is used in cases where the consequences of product confusion would be serious.²³ When the doctrine of greater care is applicable, the likelihood of confusion need only be possible, instead of probable. This may be illustrated as follows: Product *A* has a trademark of *XX* and product *B* has a trademark of *XY*. If a consumer who meant to purchase and use product *A* were to purchase product *B*, and if the mistaken purchase raised a possibility of harm, then the courts would be more inclined to find a likelihood of confusion between the marks than if no adverse consequences could be foreseen.

Although greater care is of considerable importance, much uncertainty surrounds the concept. For example, the circumstances which will suffice to activate the doctrine and its concomitant stricter standard have not been analyzed thoroughly. This Comment will define the doctrine, examine the circumstances in which it is invoked, evaluate its applicability to registration and infringement proceedings, and suggest guidelines for its expansion.

GREATER CARE DEFINED

The Cases

Before a definition of the doctrine can be suggested, it is necessary to examine briefly several cases in which it has been utilized.²⁴ In analyzing the following cases two factors should be considered in formulating a definition. These factors are: (1) the degree of harm, if any, which might result from product confusion, and, (2) the type of product involved—primarily prescriptive pharmaceuticals. These two elements often appear to be determinative in deciding whether to invoke the doctrine of greater care.

23. Historically, "confusion" has meant "source of origin" confusion among purchasers. See generally, *Developments in the Law—Trade-Marks and Unfair Competition*, 68 HARV. L. REV. 814 (1955). For example, if a consumer bought Brand "*A-1*" thinking that it was Brand "*A*," the owner of the latter product would lose business and possibly the goodwill of his regular customers. The intent of the Lanham Act, as stated in 15 U.S.C. § 1127 (1970), "to protect registered marks to prevent fraud and deception

by the use of reproductions, copies, counterfeits, or colorable imitations of registered marks," was aimed at eliminating the type of confusion which damages private entrepreneurial interests. On the other hand, there is a different kind of "confusion" in the greater care cases. Where pharmaceutical trademarks are the subject of dispute, the courts are concerned with the possibility that confusion between the marks could result in physical harm to members of the public. "Source of origin" is no longer paramount, since the danger is in confusing the products themselves, and the interest protected is public rather than private.

24. Only a few cases have applied this concept. See cases cited in note 21 *supra*.

The first case to consider the concept, *Campbell Products, Inc. v. John Wyeth & Bro., Inc.*,²⁵ involved an applicant who sought to register the trademark "Alutropin." The owner of another mark, "Alulotion," opposed the registration. Alutropin, an orally administered non-poisonous medicine, and Alulotion, a poisonous lotion applied externally, were available only by prescription.

Reversing the decision of the Examiner of Trade-Mark Interferences, the Court of Customs and Patent Appeals denied registration, stating: "It is obvious that the marks are quite similar in sound and appearance. Moreover, where ethical goods are sold and careless use is dangerous, greater care should be taken in the use and registration of trade-marks to assure that no harmful confusion results."²⁶

The *Campbell* court held merely that the marks were confusingly similar and used the concept of greater care only to bolster its conclusion. Thus the case is not solid authority for the use of the doctrine in registration proceedings. Nevertheless, it has been cited as authority for such a proposition, and as such, it merits further consideration.²⁷ To activate the doctrine, the *Campbell* court required the concurrence of two factors: The goods must be ethical, and careless use of the goods through trademark confusion must be dangerous. The danger to a consumer who mistakenly purchased and used Alulotion instead of Alutropin would have involved death or great bodily injury. As an examination of the subsequent cases will suggest, activation of the concept of greater care and its stricter standard requires some degree of harm. However, the other element of the court's standard, that the goods must be ethical, is not a logical prerequisite. The manner in which the goods are marketed should be unimportant if confusion would result in harm. However, if the prescriptive nature of the goods must be considered, it should militate against a finding of confusion, since prescriptions are dispensed by pharmacists—a group taught to distinguish accurately between labels which may appear similar to laymen. Nevertheless, some courts have accepted the proposition that the greater care doctrine

25. 143 F.2d 977 (C.C.P.A. 1944).

26. *Id.* at 979. An ethical preparation is defined as a term "applied to drugs dispensed upon the prescription of a dentist or a physician as distinguished from drugs purchased over the counter and sold without prescription." 31 C.J.S. *Ethical* at 798 (1964).

27. See, e.g., *Glenwood Laboratories, Inc. v. American Home Products Corp.*, 455 F.2d 1384 (C.C.P.A. 1972).

should be applied automatically whenever prescriptive goods are involved.²⁸

In the case of *Dietene Co. v. Dietrim Co.*,²⁹ the plaintiff sought injunctive relief prohibiting the commercial use of the trademark "Dietrim." The products represented by both marks were designed to supplement low calorie diets. Reversing the lower court decision, the Court of Appeals for the Eighth Circuit held the marks confusingly similar and enjoined the continued use of Dietrim. The court, without mentioning the doctrine of greater care, stated that: "[W]ith respect to products which may affect human health . . ., the avoidance of confusing similarity of trademarks is vitally important."³⁰

Dietene has been cited as supporting the concept of greater care even though the doctrine was not considered explicitly.³¹ Assuming that the doctrine was applied implicitly, the most significant aspect of the decision is its suggestion that greater care be used whenever the products "may affect human health." The degree of harm required by this test appears to be minimal.

The third case to be considered is *Morgenstern Chemical Co., Inc. v. G. D. Searle & Co.*³² In deciding whether the marks "Mictine" and "Micturin" were confusingly similar, the court noted "that great care [must] be taken to prevent any possibility of confusion in the use of trade-marks."³³ While enjoining the continued usage of the infringing mark, the court did not discuss what harm would result from confusion of the two products, both of which were medicines. Since the products were available only by a physician's prescription, the court apparently believed that some bodily harm could ensue from mistaken usage. Consequently, the *Morgenstern* court, at least in the case of prescriptive medicines, would presume the requisite amount of harm and would activate the doctrine accordingly.

The case of *Syntex Laboratories, Inc. v. Norwich Pharmacal Co.*³⁴ supports the proposition that greater care must be given to the question of confusion in an infringement action whenever the trademarks represent pharmaceutical products. In *Syntex*, however, the degree of harm

28. See, e.g., *Morgenstern Chem. Co. v. G. D. Searle & Co.*, 253 F.2d 390 (3d Cir. 1958). Cf. *Clifton v. Plough, Inc.*, 341 F.2d 934 (C.C.P.A. 1965).

29. 225 F.2d 239 (8th Cir. 1955).

30. *Id.* at 243.

31. *Merritt Corp. v. Sterling Drug, Inc.*, 277 F.2d 956 (C.C.P.A. 1960).

32. 253 F.2d 390 (3d Cir. 1958).

33. *Id.* at 393.

34. 437 F.2d 566 (2d Cir. 1971).

was considered. The court noted a significant potential for harm with regard to each product, such that "*product* confusion could have dire effects on public health."³⁵ Furthermore, in considering whether a stricter standard of confusion was applicable, the court contrasted another case³⁶ which involved non-prescription pharmaceutical products that would not have entailed physical harm to consumers even if the products were confused. Such a distinction indicates that the court in *Syntex* was more concerned with a showing of harm than with the prescriptive nature of the products. Thus, the *Syntex* court seems to require severe physical injury as a prerequisite to activating the doctrine of greater care.

The last case to be considered is *Glenwood Laboratories, Inc. v. American Home Products Corp.*,³⁷ where the owner of the registered mark "Mysoline" successfully opposed the registration of "Myocholine." The products were contraindicated for one another; serious bodily harm could have resulted from confusion in the purchase and use of the products. Evidently, the *Glenwood* court, rather than presuming harm, required a showing of serious consequences in order to apply the stricter standard of confusion.

In summary, the courts apparently have taken three approaches in applying a stricter test. Some courts, such as *Glenwood*, have required a showing of harm. Other courts, such as *Morgenstern*, have appeared to presume that the necessary degree of harm was inherent in particular types of products such as prescriptive medicines. Lastly, in some decisions, such as *Dietme*, it is not clear what was required for the employment of a stricter standard.

A Definition

On the basis of the foregoing cases, the emerging doctrine of greater care can be defined: Courts exercise greater care in their finding of a likelihood of confusion whenever confusion of the trademarks would entail serious consequences. The harmful consequences must be physical, or perhaps psychological, but no court activates the doctrine solely

35. *Id.* at 568.

36. *Upjohn Co. v. Schwartz*, 246 F.2d 254 (2d Cir. 1957). The Upjohn Company, a manufacturer and distributor of pharmaceuticals, brought an action for trademark infringement and unfair competition against David Schwartz, another drug manufacturer. The court held that the trade name "Syrocol", for cough medicine, was not so similar to the registered trademark "Cheracol" as to infringe upon it but that an injunction would issue based on defendant's unfair competition with plaintiff.

37. 455 F.2d 1384 (C.C.P.A. 1972).

upon a showing of economic injury. The requisite harm may result from a failure to receive the sought-after product, even though usage of the mistakenly purchased product is not dangerous.³⁸ Thus, if a consumer who needs medicinal product *A* with a trademark of *XX*, purchases nutritional product *B* with a mark of *XY*, the requisite harm may be found in the failure to receive the needed medicine, even though the use of the nutrient would be salutary.

Although *Dietene* suggests that the requisite amount of harm is satisfied upon a showing that human health may be affected, the degree of harm necessary to trigger the doctrine in fact appears to be more substantial. The consequences must entail some severe physical ailment or death. Mere physical discomfort of a short duration probably would not activate the doctrine. Accordingly, *Dietene* should be considered an aberration.

The necessary degree of harm apparently may be presumed in certain types of products, such as prescription pharmaceuticals or medicines, without an actual showing that harm would result from confusion. The *Morgenstern* court adopted this approach.³⁹ However, it should be noted that the presumption, if applied, should be rebuttable, since harmful consequences do not necessarily result from the mistaken usage of medicinal products. If the presumption is applied *conclusively*, the stricter test of confusion could be applied even where its *raison d'être*—the prevention of harm to consumers—does not exist.

REGISTRATION AND GREATER CARE

The foregoing cases illustrate that greater care has been applied in both registration proceedings and infringement actions. Although its applicability in the infringement area is unquestioned, very few cases have used it as the basis for denying registration.⁴⁰ Several arguments may be made against its use in registration proceedings.

38. See *Syntex Laboratories, Inc. v. Norwich Pharmaceutical Co.*, 437 F.2d 566 (2d Cir. 1971).

39. Cf. *Clifton v. Plough, Inc.*, 341 F.2d 934 (C.C.P.A. 1965). Both products involved were medicinal and neither required a prescription, but they were administered differently and treated different conditions. In refusing registration, the court held that "both being medicinal, confusion in application could produce harmful effects." The court stated further that "it is necessary, for obvious reasons, to avoid confusion in the dispensing of pharmaceuticals." *Id.* at 936.

40. The doctrine has been utilized in registration proceedings on two occasions. See *Glenwood Laboratories, Inc. v. American Home Products Corp.*, 455 F.2d 1384 (C.C.P.A. 1972); *Campbell Products, Inc. v. John Wyeth & Bros.*, 143 F.2d 977 (C.C.P.A. 1944).

A good example of how the courts distinguish between the right to register and the

Commercial Protection of the Act

Initially it might be suggested that the Lanham Act is concerned with the protection of commercial interests rather than consumer protection.⁴¹ The Act enables a businessman to select, register, and advertise a trademark without fear that an analogous mark will be registered and used in such a manner as to attract his customers and take advantage of the goodwill associated with his mark. In order to protect the trademark owner, courts should apply only a "confusion of source"⁴² standard to registration proceedings; if a consumer would not be confused as to who manufactured the marked product, then the Act is satisfied and registration should be granted. Thus, it could be argued that trademark protection is designed to stimulate commerce and that the Act safeguards the public only to the limited extent to which it protects trademarks. This argument is bolstered by noting that the Act does not refer to the doctrine of greater care or to its concomitant standard of confusion. Consequently, a doctrine which is based on the public policy of consumer protection is inapplicable to registration proceedings.

The chief shortcoming of this analysis, however, is that the Lanham Act is not designed merely to protect commercial interests; it also protects the consuming public. An eminent trademark authority has stated that although the Lanham Trademark Act of 1946 enlarges the owner's commercial rights, it also "safeguard[s] the public interest.."⁴³ Fur-

right to use is *Tuvache, Inc. v. Emilio Pucci Perfumes Int'l.*, 263 F Supp. 104 (S.D.N.Y. 1967). The court stated: "Regardless [of] which party were to prevail in the pending Patent Office proceedings, we may expect further litigation in the federal courts, either by prosecution of the present case or by appeal from the Trademark Trial and Appeal Board to a federal district court. . . . In either event the court would be required to review the same evidence, and make its own determinations of the issues." *Id.* at 106. Professor Derenberg, on the other hand, has stated that in "the view of most trademark experts . . . this distinction [is deemphasized] whenever possible." Derenberg, *The Twenty-fifth Year of Administration of the Lanham Trademark Act of 1946*, 62 TRADEMARK REP. 393, 456 (1972). See also Note, *The Lanham Act and the Right to Use vs. The Right to Register*, 39 GEO. L.J. 294 (1951).

41. "[T]he encouragement of signs of identity, whatever form they may take, stimulates completion by making possible free choice between competing merchants." Rogers, *The Lanham Act and the Social Function of Trademarks*, 14 LAW & CONTEMP. PROB. 173, 176 (1949).

42. *Avon Shoe Co. v. David Crystal, Inc.*, 279 F.2d 607, 609 (2d Cir.), cert. denied, 346 U.S. 909 (1960); *Brown & Bigelow v. Eugene Dietzgen Co.*, 203 F.2d 764 (C.C.P.A. 1953); see also note 23 *supra*.

43. Derenberg, *The Patent Office as Guardian of the Public Interest in Trade-Mark Registration Proceedings*, 14 LAW & CONTEMP. PROB. 288, 289 (1949) [hereinafter cited as Derenberg].

The idea that the Patent Office must consider the public interest in a registration de-

thermore, the 1962 amendments to the Act manifest a legislative intent that the test of confusion be applicable to marks which are likely to mislead a purchaser in any way⁴⁴ Consequently, the argument that the Act is designed only to enhance commercial interests is not tenable.

Overlapping Jurisdiction of the FDA

A stronger argument against the use of greater care in registration proceedings may be based on Food and Drug Administration regulations. The FDA, which is responsible for preventing the marketing of drugs with confusingly similar labels, does not apply the greater care standard.⁴⁵ Since FDA standards successfully prevent confusion, there is no need for greater care in registration proceedings. Moreover, the Patent Office is not sufficiently staffed or financed to provide the necessary expertise, particularly in *ex parte* proceedings, to determine whether the requisite amount of harm is present.

These arguments are mitigated by two circumstances. First, the FDA regulations apply only to food and drugs and do not concern other products which may cause harm to consumers. Also, since one of the purposes of the Act is to protect the public, the concurrent activities of

termination is not new. Although most commentators agree that "public interests" must be protected, there is disagreement as to the extent to which such considerations should govern the course of registration proceedings. It has been said that "[t]he courts have apparently been more concerned with protecting the more materialistic interests of the general public" and they "have acted principally in the interests of the litigants." 1 R. CALLMAN, *THE LAW OF UNFAIR COMPETITION, TRADEMARKS AND MONOPOLIES* § 3.4, at 91-92, 97 (3d ed. 1967). It has also been observed that the balancing of public and private interests is a matter for the legislature exclusively. See *International News Serv. v. Associated Press*, 248 U.S. 215, 262-63 (1918) (Brandeis, J., dissenting). Still another author has suggested that the Patent Office should not consider public interests until standards which define the specific interests to be protected are promulgated. Note, *supra* note 2, at 890-96. Professor Derenberg's thesis is that the Patent Office places public interests ahead of private interests. However, his concept of "public interest" is not as broad as the court's in *Glenwood Laboratories*. In regard to registration proceedings, Professor Derenberg states:

It seems that for the purpose of registration proceedings [ex parte] the private interests of the previous registrant are primarily involved and that the public interest in such situations is not sufficiently predominant to compel the Patent Office to reject the application in its capacity as guardian of the public interest and irrespective of the previous registrant's own attitude.

Derenberg, *supra* note 43, at 305.

44. 3 R. CALLMAN, *THE LAW OF UNFAIR COMPETITION, TRADEMARKS AND MONOPOLIES* § 80 (3d ed. 1969)

45. See Seligman, *Drugs, Trademarks, and the FDA*, 26 *FOOD DRUG COSM. L.J.* 215, 218 (1971).

the FDA should not reduce the Patent Office's statutory responsibility. Secondly, although the Patent Office in *ex parte* hearings may be incapable of providing sufficient expertise, in *inter partes* proceedings the opposing party could be required to show the requisite amount of harm. Also, the presumption of harm could be applied to certain products such as prescription drugs.

The Distributing Class

A related argument focuses upon the nature of the distributing class. In the case of prescriptive products, the goods are dispensed only by physicians or pharmacists who are taught to appreciate the severe consequences of a mistake and who are trained to distinguish accurately between similar trademarks. In addition, such products are labeled with generic names along with trade names, and often are packaged differently.⁴⁶ Thus, the likelihood of confusion is reduced, and the need for a standard of greater care is diminished.

This analysis is not widely accepted by the courts for three reasons. First, the trade name of a drug which is prescribed by telephone can be mistaken by a druggist; thus the generic name or the particular shape or color of the drug's package is of no help in preventing a mistake.⁴⁷ Secondly, when the prescription is by written message, a pharmacist may misread the physician's handwriting.⁴⁸ Again, the generic name or the distinctive package is of no value. Lastly, even if the argument were sound, its validity is limited to prescriptive products. Dangerous consequences may ensue from other products which are not dispensed by a discriminating class, and when this occurs the need for greater care is equally compelling.

The Effect of Denying Registration

The major argument against applying the doctrine of greater care to registration proceedings is that a denial of registration does not prevent usage of the mark or harm to the consumer. The Patent Office is not empowered to enjoin the commercial usage of a trademark which has been denied registration.⁴⁹ Accordingly, it is argued that since the

46. See, e.g., *Geigy Chem. Corp. v. Atlas Chem. Indus. Inc.*, 438 F.2d 1005, 1008 (C.C.P.A. 1971) (dissenting opinion).

47. *Morgenstern Chem. Co. v. G. D. Searle & Co.*, 253 F.2d 390, 393 (3d Cir. 1958); *R. J. Strassenburg Co. v. Kenwood Laboratories, Inc.*, 106 U.S.P.Q. 379 (Comr., 1955).

48. See cases cited in note 47 *supra*.

49. *Carling Brewing Co. v. Philip Morris, Inc.*, 297 F Supp. 1330, 1337 (N.D. Ga. 1968).

stricter standard is designed to protect consumers from confusing trademarks, and since a denial of registration will not halt usage of the mark, the doctrine should not be applied in registration actions.⁵⁰ Furthermore, absent consumer protection, the doctrine would work baneful results because a trademark owner may be denied registration and deprived of the accompanying valuable incidents of registration⁵¹ which he may have gained if the normal standard of confusion were applied. Thus, the stricter standard would cause detriment to the owner without any counterbalancing benefit to the public.

A necessary assumption in the argument that a denial of registration will not prevent usage of the mark or harm to the consumer is that the Patent Office's determination in a registration proceeding is not binding on a district court in an infringement action, where an injunction prohibiting usage may be issued. If it were binding, then a denial of registration would curtail indirectly the commercial usage of the trademark; a litigant would only have to bring an infringement suit and introduce the denial of registration in order to obtain an injunction. Since the assumption that a denial is not binding is crucial to the argument, further inquiry into the effect of a denial of registration on infringement actions is warranted.

50. Judge Rich, in his dissenting opinion to *Glenwood Laboratories, Inc. v. American Home Prod. Corp.*, 455 F.2d 1384 (C.C.P.A. 1972), stated:

To talk of avoiding confusion in this court by denying registration is nonsense because denying registration has little if any effect on use. The same is true of decisions in the Patent Office. I therefore cannot agree with the reasoning of the board, approved by the majority, wherein it supported its decision sustaining the opposition by saying, "it is necessary, for obvious reasons, to *avoid confusion or mistake* in the dispensing of the pharmaceuticals." (my emphasis.) Though it cited two of our opinions in support, the board was erroneously importing into a registration proceeding considerations relevant only to an injunction suit. It has no power to "avoid confusion or mistake." Denial of a registration does not have that effect. Nothing short of an injunction does.

455 F.2d at 1389.

51. The rights conferred upon a registrant by the Lanham Act include: [A]ccess to the federal courts without having to satisfy the ordinary jurisdictional grounds; constructive notice of the registrant's claim of ownership; presumption of validity of the registration; ownership of the mark and exclusive rights to its use in commerce on the identical goods and services; a "statute of limitations" with respect to grounds for cancellation and invalidity; and a means of excluding importation of goods having marks which copy or simulate the registered marks.

REPORT OF PUBLIC ADVISORY COMMITTEE FOR TRADEMARK AFFAIRS, TRADEMARK OPERATIONS OF THE UNITED STATES PATENT OFFICE, 61 TRADEMARK REP. 151, 155 (1971).

Although "[t]he courts have consistently held that determinations between the same parties on the right to register in the Patent Office and [the] Court of Customs and Patent Appeals are not binding in infringement suits,"⁵² many courts give some consideration to the Patent Office's finding. In subsequent infringement actions, various federal courts have held that previous Patent Office determinations are entitled to "weight,"⁵³ "substantial weight,"⁵⁴ "respectful consideration,"⁵⁵ and the equivalent of no weight.⁵⁶ Since the courts are not bound by the Patent Office finding and are divided as to its effect, it is speculative to predict whether the Examiner's determination will be followed in a federal court.⁵⁷ Furthermore, in an *ex parte* hearing, the Patent Office might not be inclined to pursue the matter in a district court. Likewise,

52. *Developments*, *supra* note 2, at 842.

53. *Mishawaka Rubber & Woolen Mfg. Co. v. Panther-Panco Rubber Co.*, 153 F.2d 662 (1st Cir.), *cert. denied*, 329 U.S. 722 (1946); *Consolidated Cosmetics v. Neilson Chem. Co.*, 109 F Supp. 300 (E.D. Mich. 1952).

54. *Perry Knitting Co. v. Meyers*, 120 F Supp. 880 (S.D.N.Y. 1954).

55. *Carling Brewing Co. v. Philip Morris, Inc.*, 297 F Supp. 1330 (N.D. Ga. 1968).

56. *John Morrell & Co. v. Doyle*, 97 F.2d 232 (7th Cir.), *cert. denied*, 305 U.S. 643 (1938); *Tuvache, Inc. v. Emilio Pucci Perfumes Int'l*, 263 F Supp. 104 (S.D.N.Y. 1967).

Although the courts are divided over the weight to be given Patent Office decisions, the Patent Office normally will follow a federal court's decision in an infringement action. A good statement of the reasoning exercised by the Patent Office is contained in *Squirrel Brand Co. v. Barnard Nut Co.*, 101 U.S.P.Q. 340 (1954), where it was stated:

Rights in trade marks grow out of their use. Use is a prerequisite to ownership, and use in commerce by the owner is a prerequisite to registration. Although the ultimate finding of the tribunals of the Patent Office in proceedings such as these is the right of an applicant to register, nevertheless there must be a finding of the right to use in commerce before the ultimate finding can be made. The court, in the civil action, will necessarily determine this preliminary question of the right to use, and that determination will form the basis of the ultimate finding of the office.

The Patent Office should respect the decisions of federal courts on the right to use. If the federal courts have held that the use of a product is so confusingly similar as to constitute an infringement, what can be accomplished by a Patent Office finding that the product is not so confusingly similar as to deny registration? There is little value in registering a mark that cannot be used in commerce. This inconsistency was recognized in *Westgate-Sun Harbor Co. v. Watson*, 206 F.2d 458 (D.C. Cir. 1953), where the court stated: "We realize that these decisions create a somewhat anomalous situation, in that Westgate's mark is available for use but not for registration. But Congress provided for final adjudication of each of these issues by a different administrative and judicial process . . ." *Id.* at 460. See also *W. E. Bassett Co. v. Revlon, Inc.*, 435 F.2d 656, 662 (2d Cir. 1970); Note, *supra* note 2, at 842.

57. "The two reasons given for refusal to consider the determinations are that the patent tribunals are administrative bodies and that the questions presented, right to use and right to register, are distinct." *Developments*, *supra* note 2, at 842.

in an *inter partes* proceeding, the successful opposer may not bring an infringement action because it might cause him more economic harm than good. For example, if the goods were non-competing, courts normally will not award an accounting for damages⁵⁸ or attorney's fees.⁵⁹ Thus, the owner of a registered mark may not desire to undertake expensive litigation to enjoin the use of a non-competing, but confusingly similar trademark.

It has been suggested that a denial of registration inhibits trademark usage because its practical effect is to deny an applicant the rights created by the Lanham Act.⁶⁰ On the other hand, since an owner is required by the Act to use the mark in commerce before seeking registration, continued usage of the mark after a denial may be in the owner's best interest because he probably would have incurred substantial advertising expenses, and the mark may have gained a commercial following. That is to say, an owner who has expended large sums of money for advertising and who has created a market for the marked product may be very reluctant to halt the usage of the mark because such action would inhibit sales of the product. Consequently, it would appear that the Patent Office's determination is neither binding on a court in an infringement action nor determinative as to continued usage of a trademark.⁶¹ Thus, the doctrine of greater care should not be applied in registration proceedings because a denial of registration will not protect the public, but may have the effect of inhibiting commerce.

CONCLUSION

Although the use of the greater care doctrine in registration proceed-

58. *Borg-Warner Corp. v. York-Shupley, Inc.*, 293 F.2d 88, 95 (7th Cir. 1961); *Morgenstern Chem. Co. v. G. D. Searle & Co.*, 253 F.2d 390, 394 (3rd Cir. 1958); Note, *Trademark Infringement: Accounting of Defendant's Profits in Absence of Direct Competition with Plaintiff*, 66 COLUM. L. REV. 983 (1966). An accounting is an equitable remedy and normally will not be awarded for noncompeting goods, because no damage can be shown.

59. ABA COMM. ON PATENT, TRADEMARK, AND COPYRIGHT LAW § 201 (1972).

60. In *Dunhill of London, Inc. v. Dunhill Tailored Clothes, Inc.*, 293 F.2d 685 (C.C.P.A. 1961), Judge Martin reasoned that: "Although [the Patent Office] cannot prohibit the use of a mark, [it] can prohibit registration and all the rights and privileges that go with it. Whatever protection this affords the public, it is our duty to give under these circumstances." *Id.* at 696.

61. A denial of registration will have some inhibiting effect, even if it is not sufficient to halt usage. For example, denial followed by usage may constitute an intentional infringement, which sometimes entails larger damages. Also, continued usage after registration is denied on grounds of greater care may constitute an intentional tort where a consumer is injured as a result of product confusion.

ings is of questionable value, it clearly is applicable in infringement actions. It is an emerging, viable judicial instrument with which consumers may be protected from the adverse physical consequences of product confusion due to similar trade names. When the doctrine is activated, its effect is to require a closer scrutiny of the likelihood of confusion between two trade names. A finding of any possibility of confusion, as opposed to the normal test of probability, is sufficient to enjoin continued usage of the mark.

The greatest uncertainty surrounding the doctrine concerns the circumstances which serve to trigger it. Courts have applied greater care when the products are ethical or when serious physical harm would ensue from product confusion. The test should require substantial physical injury before the strict standard of confusion is invoked. If greater care is applied to all prescriptive goods, it should be treated as a rebuttable presumption, thus enabling a trademark owner to avoid commercial loss in instances where there is no possibility of injury to consumers.

When formulating the minimal amount of harm required to apply the doctrine, courts should balance the potential harm to the consumer against the commercial loss to the owner. For example, if the possible injury is slight, such as a mild upset stomach of short duration, and the commercial loss of advertising and good will would be great, then courts should not activate the doctrine. Instead, the normal standard of confusion should be applied.

Most of the cases have applied the doctrine only when the products are medicines or drugs. However, the public policy supporting the concept does not require that it be so limited. All products which could cause serious harm through trademark confusion should be within the purview of the doctrine. By focusing upon the element of harm instead of the nature of the product, the doctrine may be expanded and applied to other products. Such an expansion will bring the doctrine to its natural fruition and will serve to protect the public more fully