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UNITED STATES PATENT AND TRADEMARK OFFICE

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Trademark Trial and Appeal Board

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In re Orphan Medical, Inc.

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Serial No. 75781056

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Stephen R. Baird and Michael T. Olsen of Winthrop & Weinstine for applicant.

Brian D. Brown, Trademark Examining Attorney, Law Office 105 (Thomas G. Howell, Managing Attorney).

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Before Seeherman, Quinn and Bottorff, Administrative Trademark Judges.

Opinion by Quinn, Administrative Trademark Judge:

An application was filed to register the mark ORPHAN MEDICAL for a "housemark for pharmaceutical preparations for the prevention, treatment, and aiding in the treatment of human and animal conditions, illnesses and diseases."[1]

The trademark examining attorney refused registration under Section 2(e)(1) of the Trademark Act on the ground

[1] Application Serial No. 75781056, filed August 20, 1999, alleging a date of first use anywhere and a date of first use in commerce of 1995. Although applicant earlier disclaimed the word "Medical," the disclaimer subsequently was withdrawn.

that applicant's mark, when applied to applicant's goods, is merely descriptive.

Applicant, while maintaining that the mark is inherently distinctive, asserted, in the alternative, a claim under the provisions of Section 2(f) that its mark has acquired distinctiveness for its goods in commerce.[2] The examining attorney contends that if the mark ORPHAN MEDICAL is found to be merely descriptive, then the evidence of acquired distinctiveness is insufficient to permit registration on the Principal Register.

When the refusal was made final, applicant appealed. Applicant and the examining attorney submitted briefs. Applicant requested an oral hearing, but applicant subsequently withdrew the request.

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[2] Applicant, in its appeal brief, refers to its claim as an "alternative" request for registration under Section 2(f). A review of the specific amendment to claim Section 2(f) in applicant's response filed April 27, 2001 reveals that the claim originally was not made in the alternative. Applicant stated, in the response (p. 2), that it was amending the application to claim acquired distinctiveness in order to place the application in condition for publication. When the examining attorney indicated that applicant's Section 2(f) evidence was insufficient, applicant, in its next response, submitted additional evidence, and stated that its proposed mark was suggestive, not merely descriptive, and that "in the alternative" the mark had become distinctive. Thus, we will treat applicant's claim as an alternative one, and not consider the claim as a concession of mere descriptiveness. See In re Capital Formation Counselors, Inc., 219 USPQ 916, 918 (TTAB 1983); and TMEP § 1212.02(c) (3d ed. rev. May 2003).

The examining attorney maintains that the terms "orphan" and "medical" are each descriptive when applied to applicant's goods, and that each term retains its descriptive significance when combined so that the composite mark is itself descriptive. According to the examining attorney, the term "orphan" refers to pharmaceuticals used to treat certain rare diseases or medical conditions. Although the examining attorney concedes that there is no dictionary listing for "orphan medical," he asserts that the term "orphan drug" is a commonly understood term in the pharmaceutical field. The examining attorney views the mark as highly descriptive and, thus, he finds that the Section 2(f) evidence falls short of establishing acquired distinctiveness. In particular, the examining attorney finds that applicant's prior registrations do not mandate the issuance of the registration sought herein. In support of the refusal, the examining attorney introduced dictionary definitions; excerpts of articles retrieved from the NEXIS database; excerpts of web sites (including applicant's) taken from the Internet; and copies of third-party registrations.

Applicant contends that the mark sought to be registered is only suggestive, and that the examining attorney has failed to establish that the mark is merely

descriptive when applied to applicant's goods. Applicant contends that the examining attorney has improperly equated applicant's mark ORPHAN MEDICAL with designations such as "Orphan Drugs," "Orphan Drug Company" or "Orphan Drug, Inc." Applicant states that the term "orphan," when used in connection with pharmaceuticals, plays on the generally understood meaning of the term ("a parentless child"). Although applicant acknowledges that "a segment of the scientific community" has adopted the term "orphan" to refer to drugs for treating rare, uncommon or overlooked diseases, the term is "witty and clever" when used in connection with drugs. (Response filed January 21, 2003, p. 5). Applicant also contends that the term "medical" is vague, and is not generally connected with pharmaceuticals. Applicant also points to its ownership of two incontestable registrations of ORPHAN MEDICAL marks that issued without resort to Section 2(f). Applicant argues that the registrations cover services related to the goods involved herein, and that the examining attorney's refusal to accord probative value to them in determining the registrability issue in the present case constitutes a collateral attack on these registrations. Applicant owns Registration No. 1843925 for the mark ORPHAN MEDICAL ("MEDICAL" disclaimed), in typed form, for "mail order services for distribution of

prescription drugs, medical products and authoritative educational materials to individuals with chronic health conditions; mail order services for the distribution of authoritative educational materials to health professionals."[3] Applicant also owns Registration No. 1906107 for the mark shown below ("MEDICAL" disclaimed)

for "research and development of prescription and over the counter drugs for others."[4] Even if the mark is considered to be merely descriptive, applicant claims, in the alternative, that the mark has acquired distinctiveness. In support of its arguments, applicant submitted copies of its registrations; the declaration of John Bullion, applicant's chairman of the board and chief executive officer, accompanied by related exhibits, including product packaging, and advertising and informational materials; excerpts of articles retrieved from the NEXIS database; excerpts of a search of the Internet using GOOGLE;

[3] Issued July 5, 1994; renewed.
[4] Issued July 18, 1995; Section 8 affidavit accepted, Section 15 affidavit acknowledged.

declarations of three individuals knowledgeable about the pharmaceutical field; and a dictionary excerpt.[5]

Mere Descriptiveness

A term is deemed to be merely descriptive of goods or services, within the meaning of Trademark Act Section 2(e)(1), if it forthwith conveys an immediate idea of an ingredient, quality, characteristic, feature, function, purpose or use of the goods or services. See, e.g., In re Gyulay, 820 F.2d 1216, 3 USPQ2d 1009 (Fed. Cir. 1987); and In re Abcor Development Corp., 588 F.2d 811, 200 USPQ 215, 217-18 (CCPA 1978). A term need not immediately convey an idea of each and every specific feature of the applicant's goods or services in order to be considered merely descriptive; it is enough that the term describes one significant attribute, function or property of the goods or services. See In re H.U.D.D.L.E., 216 USPQ 358 (TTAB 1982); and In re MBAssociates, 180 USPQ 338 (TTAB 1973).

Whether a term is merely descriptive is determined not in the abstract, but in relation to the goods or services

[5] The dictionary evidence accompanied the appeal brief. Although the record generally should be complete prior to appeal, the Board may take judicial notice of dictionary evidence. University of Notre Dame du Lac v. J.C. Gourmet Food Imports Co., 213 USPQ 594 (TTAB 1982), aff'd, 703 F.2d 1372, 217 USPQ 505 (Fed. Cir. 1983); and TBMP § 704.12(a) (2d ed. rev. 2004). Thus, the examining attorney's objection is overruled and, pursuant to applicant's request, we take judicial notice of this evidence.

for which registration is sought, the context in which it is being used or is intended to be used on or in connection with those goods or services, and the possible significance that the term would have to the average purchaser of the goods or services because of the manner of its use or intended use. That a term may have other meanings in different contexts is not controlling. In re Bright-Crest, Ltd., 204 USPQ 591, 593 (TTAB 1979). It is settled that "[t]he question is not whether someone presented with only the mark could guess what the goods or services are. Rather, the question is whether someone who knows what the goods and services are will understand the mark to convey information about them." In re Tower Tech Inc., 64 USPQ2d 1314, 1316-17 (TTAB 2002); see also In re Patent & Trademark Services Inc., 49 USPQ2d 1537, 1539 (TTAB 1998); In re Home Builders Association of Greenville, 18 USPQ2d 1313 (TTAB 1990); and In re American Greetings Corporation, 226 USPQ 365 (TTAB 1985).

When two or more descriptive terms are combined, the determination of whether the composite mark also has a descriptive significance turns on the question of whether the combination of terms evokes a new and unique commercial impression. If each component retains its descriptive significance in relation to the goods or services, the

combination results in a composite that is itself descriptive. See, e.g., In re Tower Tech, Inc., supra [SMARTTOWER merely descriptive of commercial and industrial cooling towers]; In re Sun Microsystems Inc., 59 USPQ2d 1084 (TTAB 2001) [AGENTBEANS merely descriptive of computer programs for use in development and deployment of application programs]; In re Putnam Publishing Co., 39 USPQ2d 2021 (TTAB 1996) [FOOD & BEVERAGE ONLINE merely descriptive of news information services for the food processing industry]; and In re Copytele Inc., 31 USPQ2d 1540 (TTAB 1994) [SCREEN FAX PHONE merely descriptive of facsimile terminals employing electrophoretic displays].

The term "orphan drug" is defined as follows: "a drug used to treat a rare disease and for which the manufacturer receives special tax credits and marketing rights as an incentive to develop the drug." (www.logophilia.com). Another dictionary listing defines "orphan drug" as "a pharmaceutical that has been abandoned or neglected during its development because it is seen as having only a limited potential for profit. Often a drug which only has a limited target population or which treats a rare disease, thus limiting its financial potential." (*On-line Medical Dictionary*).

The Food and Drug Administration of the U.S. Federal Government (“FDA”) has an Office of Orphan Products Development that administers a clinical research grants program, whereby researchers compete for funding to conduct clinical trials to support the approval of drugs for rare diseases. At the FDA’s web site (www.fda.gov), the following information is set forth under the heading “Orphan Drugs”:

> The term “orphan drug” refers to a product that treats a rare disease affecting fewer than 200,000 Americans. The Orphan Drug Act was signed into law on January 4, 1983. Since the Orphan Drug Act passed, over 100 orphan drugs and biological products have been brought to market.
>
> The intent of the Orphan Drug Act is to stimulate the research, development, and approval of products that treat rare diseases. This mission is accomplished through several mechanisms:
>
> -Sponsors are granted seven years of marketing exclusivity after approval of the orphan drug product.
> -Sponsors also are granted tax incentives for clinical research they have undertaken.
> -FDA’s Office of Orphan Development coordinates research study design assistance for sponsors of drugs for rare diseases.
> -The Office of Orphan Products Development also encourages sponsors to conduct open protocols, allowing patients to be added to ongoing studies.

> -Grant funding is available to defray costs of qualified clinical testing expenses incurred in connection with the development of orphan products.

The examining attorney also introduced articles retrieved from the NEXIS database that shed light on the nature of orphan drugs in the medical field:

> In the last 20 years, 238 orphan drugs have been approved to treat a population of more than 11 million rare-disease patients, Marlene Haffner, director of the US Food and Drug Administration's Office of Orphan Products Development, told the 46th annual Food & Drug Law Institute education meeting in Washington, DC. Incentives involved for developing orphan drugs, which are defined as treatments for conditions affecting fewer than 200,000 persons or which will not be profitable within seven years of FDA approval, include....
> (*Pharma Marketletter*, April 11, 2003)

> In November 2002, Demegen was awarded Orphan Drug designation for the P113D compound for treatment of cystic fibrosis.
> (*Drug Week*, April 18, 2003)

> Still, with plans to continue aggressively acquiring so-called orphan drugs--drugs original developers no longer want--ESP and Thoma Cressey saw a good fit....
> (*Daily Deal*, April 17, 2003)

Excerpts from applicant's web site (www.orphan.com) show use of the designation "Dedicated to Patients with Uncommon Diseases." Applicant describes itself as

"dedicated to patients with inadequately treated or uncommon diseases" and states, in a press release, that it "acquires, develops, and markets pharmaceuticals of high medical value for inadequately treated and uncommon diseases."

Also of record is evidence bearing on the descriptiveness of the term "medical." It is noted, at the outset, that applicant, in its two prior registrations, disclaimed "Medical" apart from each mark. Moreover, applicant initially disclaimed the term "medical" in the present application; when applicant pursued its claim of acquired distinctiveness, however, applicant withdrew the disclaimer. In addition, the examining attorney submitted two third-party registrations of marks including the term "MEDICAL" as a feature thereof, both covering pharmaceuticals. In each instance, the term "medical" is disclaimed. Further, the examining attorney submitted third-party registrations wherein the term "medical" appears in the identifications of goods, as for example, "pharmaceuticals and medical preparations." The examining attorney also introduced NEXIS articles showing uses such as "medical drugs."

The above evidence convinces us that each of the words "ORPHAN" and "MEDICAL" is highly descriptive when used in

connection with applicant's pharmaceuticals. As evidenced by applicant's web site and mission statement, it specializes in what the pharmaceutical industry refers to as "orphan" drugs. The term "orphan" is commonly used and has a readily understood meaning in the pharmaceutical field as describing a particular type of drug used to treat uncommon diseases. Further, the term "medical" is clearly descriptive when used in connection with pharmaceuticals used to treat medical conditions. The uses in the pharmaceutical field of terms such as "medical drugs" and "medical preparations" show that the term "medical" is highly descriptive for applicant's goods.[6]

Thus, the question now becomes whether these individual words somehow lose this descriptiveness in the combination ORPHAN MEDICAL that is sought to be registered. While a combination of words may be registrable if it creates a unitary mark with a unique, nondescriptive or incongruous meaning, in this case each component of applicant's mark ORPHAN MEDICAL retains its highly descriptive significance when used in the combination, and

[6] Contrary to applicant's contention, this situation is different from the one confronted by the Federal Circuit regarding the term "technology." See In re Hutchinson Technology, 852 F.2d 552, 7 USPQ2d 1490 (Fed. Cir. 1988). Notwithstanding the Court's finding in that case, the Court still required applicant to submit a disclaimer of "technology."

the combination is also highly descriptive of applicant's pharmaceuticals. That is, ORPHAN MEDICAL immediately describes the nature of applicant's products which are orphan medical drugs. When the mark ORPHAN MEDICAL is considered as a whole, as applied to applicant's goods, there is absolutely nothing in the mark that is incongruous or ambiguous, nor is there anything which would require the exercise of imagination, cogitation or mental processing or necessitate the gathering of further information in order for the highly descriptive significance of the mark to be readily apparent to purchasers of applicant's pharmaceuticals.

In finding that ORPHAN MEDICAL is highly descriptive when used in connection with applicant's pharmaceuticals, we recognize, of course, applicant's ownership of its two prior registrations. Contrary to applicant's argument, we do not view this holding of mere descriptiveness as a collateral attack or as otherwise inconsistent with the rights of registration afforded under Sections 7(b) and 15 of the Trademark Act. Applicant's argument has merit only in the case where both the marks and the goods and services are identical. Here, the involved goods obviously are different from the services listed in the two prior registrations and, in the case of the logo registration,

the marks obviously are different. Ownership of an incontestable registration does not give the applicant a right to register the same mark for different goods or services, even if they are closely related to the goods or services in the incontestable registration. See In re Save Venice New York Inc., 259 F.3d 1346, 59 USPQ2d 1778, 1782 (Fed. Cir. 2001) ["[a] registered mark is incontestable only in the form registered and for the goods or services claimed."]; In re Merrill Lynch, Pierce, Fenner & Smith Inc., 828 F.2d 1567, 4 USPQ2d 1141 (Fed. Cir. 1987); In re Loew's Theatres, Inc., 769 F.2d 764, 226 USPQ 865 (Fed. Cir. 1985); and In re BankAmerica Corp., 231 USPQ 873 (TTAB 1986). See also TMEP § 1216.02 (3d ed. rev. May 2003) and cases cited therein.

The refusal to register under Section 2(e)(1) on the ground of mere descriptiveness is affirmed.

Acquired Distinctiveness

In view of our finding that applicant's mark is merely descriptive, we turn to applicant's alternative claim of acquired distinctiveness under Section 2(f). On the Section 2(f) issue, applicant has the burden of proving that its designation has acquired distinctiveness. In re Hollywood Brands, Inc., 214 F.2d 139, 102 USPQ 294, 295 (CCPA 1954)("[T]here is no doubt that Congress intended

that the burden of proof [under Section 2(f)] should rest upon the applicant"). "[L]ogically that standard becomes more difficult as the mark's descriptiveness increases." Yamaha International Corp., supra at 1008. In this case that standard is difficult to meet in view of the highly descriptive nature of applicant's mark.

As noted above, applicant submitted the declaration of its chief executive officer. Mr. Bullion, in his declaration, states that applicant is a publicly held corporation (with a market capitalization of around $111.3 million) that acquires, develops and markets specialty pharmaceuticals for inadequately treated and uncommon diseases. Since January 1993, applicant has made continuous and substantially exclusive use of the mark ORPHAN MEDICAL in connection with its pharmaceuticals, educational materials, and related services. According to Mr. Bullion, applicant uses ORPHAN MEDICAL as a house mark and, as such, every product package, label and informational insert for its seven pharmaceuticals bear, in prominent fashion, the ORPHAN MEDICAL housemark. In this connection, Mr. Bullion asserts that the prominent display and emphasis of its housemark is part of applicant's conscious effort to associate in the minds of consumers the ORPHAN MEDICAL mark with applicant's pharmaceuticals.

During the period 1996 to mid-2001, applicant's sales of pharmaceuticals bearing the mark exceeded $28 million; advertising expenditures during the same time period totaled more than $16 million. It is Mr. Bullion's belief that consumers associate the mark ORPHAN MEDICAL with pharmaceuticals emanating from applicant.

Also of record are three identical declarations of the following individuals: William Watson, pharmacist, professor at the University of Texas Health Science Center at San Antonio, and managing director of the South Texas Poison Center; Keith Burkhart, associate professor of medicine and pharmacology at Pennsylvania State University College of Medicine, and vice president of the American College of Medical Toxicology; and Jeffrey Brent, toxicologist and clinical professor at the University of Colorado Health Sciences Center. Each declaration reads as follows:

> When I encounter the words "ORPHAN MEDICAL on or in connection with pharmaceutical preparations, I view the words as an indication of source and associate the words solely with Orphan Medical. I am not aware of any other pharmaceutical company using the "ORPHAN MEDICAL" mark on or in connection with pharmaceutical preparations. I am also not aware of any pharmaceutical company using the word combination "ORPHAN MEDICAL" to describe the pharmaceutical

> preparations offered by the company. In my opinion, the "ORPHAN MEDICAL" mark distinguishes Orphan Medical's pharmaceutical preparations from the pharmaceutical preparations offered by other companies.

As part of its claim of acquired distinctiveness, applicant also relies upon its ownership of its two previously issued and incontestable registrations.

Given that the mark ORPHAN MEDICAL is so highly descriptive, we find that the totality of the Section 2(f) evidence is insufficient to establish acquired distinctiveness.

Applicant's total revenues of $28 million over six years suggests that it has enjoyed some modest degree of business success. However, it is difficult to more accurately gauge the level of this success in the pharmaceutical field in the absence of additional information such as applicant's market share or how it ranks in terms of sales in the industry. Standing alone, the sales figures would appear to be less than impressive in the large pharmaceutical industry. In any event, the sales figures show only the popularity (to the extent that such even exists) of applicant's products, not that relevant customers of such products have come to view ORPHAN MEDICAL as applicant's source-identifying mark. In

re Bongrain International Corp., 894 F.2d 1316, 13 USPQ2d 1727 (Fed. Cir. 1990); and In re Recorded Books Inc., 42 USPQ2d 1275 (TTAB 1997). The news articles about applicant and its products, and the fact that a GOOGLE search of "orphan medical" shows that the first fifty articles retrieved refer solely to applicant, likewise are of little significance in showing that ORPHAN MEDICAL is perceived as a source indicator for applicant's goods. The issue here is the achievement of distinctiveness, and the evidence falls short of establishing this.

Likewise, the total advertising expenditures of $16 million do not appear to be out of the ordinary. Moreover, this figure only suggests the efforts made to acquire distinctiveness, and do not demonstrate that the efforts have been successful. In re Pennzoil Products Co., 20 USPQ2d 1753 (TTAB 1991).

The declarations of three individuals knowledgeable in the field are not persuasive of a different result. Firstly, the pharmaceutical industry is very large, yet the record contains evidence of only three individuals who associate ORPHAN MEDICAL with applicant. Secondly, given the professional standing of these individuals in their fields, it is likely that they are more knowledgeable about applicant than are most of the customers for applicant's

pharmaceuticals, namely physicians and pharmacists. We find that this fact diminishes the probative weight of the declarations.

As for applicant's ownership of its two prior registrations, Trademark Rule 2.41(b) provides that the examining attorney may accept evidence of acquired distinctiveness on the basis of applicant's ownership of one or more prior registrations of the "same mark" on the Principal Register. Thus, the fact that there are clear differences between applicant's logo mark and the typed mark involved herein, hinders reliance on Registration No. 1906107. In addition, it would appear that the services listed in Registration No. 1906107 (research and development for pharmaceuticals) are directed to different classes of purchasers than are the pharmaceuticals themselves (that is, the goods involved herein). Thus, the value of this registration to applicant's Section 2(f) claim is questionable.

In the case of applicant's prior registration of the mark ORPHAN MEDICAL in typed form, the marks are identical. The pharmaceuticals listed in the present application are related to the mail order services for distributing the pharmaceuticals listed in Registration No. 1843925; in this case, the services and the goods would be marketed to the

same classes of purchasers. Although this registration evidence adds to the weight of applicant's claim of acquired distinctiveness, it hardly is enough given the highly descriptive nature of ORPHAN MEDICAL. See TMEP § 1212.04 (3d ed. rev. May 2003).

Further, as is often stated, each case must be decided on its own facts. We are not privy to the records in the files of applicant's prior registrations and, moreover, the determination of registrability of particular marks by the Trademark Examining Groups cannot control the result in another case involving a different mark for different goods and/or services. See In re Nett Designs Inc., 236 F.3d 1339, 57 USPQ2d 1564, 1566 (Fed. Cir. 2001).

We conclude that the totality of evidence is insufficient to support registration of applicant's highly descriptive mark on the Principal Register pursuant to the provisions of Section 2(f). Given the highly descriptive nature of ORPHAN MEDICAL for applicant's pharmaceuticals, much more evidence (especially in the form of direct evidence from customers) than what applicant has submitted would be necessary to show that the mark has become distinctive of applicant's goods. That is to say, the greater the degree of descriptiveness, the greater the evidentiary burden on the applicant to establish acquired

distinctiveness. Yamaha International Corp. v. Hoshino Gakki Co., supra; and In re Merrill Lynch, Pierce, Fenner & Smith, Inc., supra.

Decision: The refusal to register on the ground of mere descriptiveness is affirmed. The examining attorney's finding that applicant failed to establish acquired distinctiveness is affirmed.