Federal Court  Cour fédérale

Date: 20150420

Docket: T-733-13

Citation: 2015 FC 493

Ottawa, Ontario, April 20, 2015

PRESENT: The Honourable Mr. Justice Russell

BETWEEN:

PFIZER PRODUCTS INC.

Applicant

and

CANADIAN GENERIC PHARMACEUTICAL ASSOCIATION

Respondent

JUDGMENT AND REASONS

I. INTRODUCTION

[1] This is an appeal under s. 56(1) of the *Trade-marks Act*, RSC 1985, c T-13 [Act] of the Trade-marks Opposition Board's [Board] decision, dated January 23, 2013 [Decision], which refused Pfizer Products Inc.'s [Pfizer or Applicant] trade-mark application, No. 1, 244, 118, pursuant to s. 38(8) of the Act.

II. BACKGROUND

[2] The Applicant applied to register the trade-mark, Viagra Tablet Design, on January 19, 2005. The registration was based on the Applicant's use of the trade-mark in Canada since at least as early as March 1999 in association with a pharmaceutical product used for the treatment of sexual dysfunction.

[3] An official action was issued on April 29, 2005. The Examiner requested that the Applicant amend the drawing to show the tablet in a dotted outline and remove the statement "colour is claimed as a feature of the trade-mark." The Applicant complied with the request. The amended trade-mark, Miscellaneous Three Dimensional Design [Mark], was advertised for opposition purposes in the *Trade-marks Journal* of October 5, 2005. An erratum was published on May 17, 2006.

[4] The Canadian Generic Pharmaceutical Association [CGPA or Respondent] filed a statement of opposition to the application on March 6, 2006. The parties filed written submissions, and an oral hearing was held in May 2012.

III. DECISION UNDER REVIEW

[5] On January 23, 2013, the Board refused the Applicant's trade-mark pursuant to s. 38(8) of the Act. The Board concluded that it was not satisfied, on a balance of probabilities, that the Mark was distinctive in accordance with s. 38(2)(d) of the Act. Before reaching its conclusion, the Board rejected each of the other grounds of opposition. Only the issues raised by the parties

will be discussed; these issues include the Board's findings regarding the compliance of the application and the distinctiveness of the Mark.

A. *Compliance of the Application*

[6] At the opposition hearing, CGPA argued that the application did not comply with s. 30(h) of the Act because the drawing did not include the markings on the tablets, and it was impossible to tell whether the Mark was two or three dimensional and what variety of shapes, sizes and colours the Mark included.

[7] The Board said that there was no requirement that the markings of a tablet be included in the drawing: *Novopharm Ltd v Eli Lilly and Co* (2004), 45 CPR (4th) 254 at 282, [2004] TMOB no 173 (QL)(TMOB). Notwithstanding the lack of requirement, the Board found that the markings were only lightly scored on the tablets and were minor in nature.

[8] The Board also said that it was not fatal to an application to have a drawing which includes both dotted and solid lines: *Novopharm Ltd v Pfizer Products Inc*, [2009] TMOB no 181 (QL) at para 27. The Board found that there was no ambiguity in the drawing: "the drawing and description clearly show that the claimed colour will be applied to the six sides of a three dimensional diamond shaped tablet with width, height and depth as opposed to a two dimensional figure lacking depth" (Decision at para 54). The Board also noted that the application was in compliance with the Canadian Intellectual Property Office, Practice Notice: "Three-dimensional Marks" (December 6, 2000) because the description indicated that the Mark was to apply to the "whole of the visible surface of the tablet shown in the attached drawings"

(Decision at para 54). Further, the Board said that the Applicant was not required to attach a disclaimer to the drawing because "disclaimers often give rise to ambiguity" (Decision at para 56, citing *Novopharm Ltd v Pfizer Products Inc*, above, at para 30).

[9] The Board concluded that the drawing and description complied with s. 30(h) of the Act because the limits of the Mark were clearly defined.

B. *Distinctiveness of the Mark*

[10] The Board said that the material date for assessing the distinctiveness of the Mark was March 6, 2006, the date that the statement of opposition was filed.

[11] At the opposition hearing, CGPA argued that the colour and shape of the Mark did not distinguish the wares. The Board found that CGPA had met its initial evidentiary burden because the evidence showed that there was a high number of blue and/or multi-sided pills in the marketplace in 2005 and 2006. The Board found that this led to the conclusion that at least some of those pills had been actively marketed in Canada at the material date. As a result, the Applicant had the legal onus to establish, on a balance of probabilities, that the Mark distinguished the Applicant's wares from the wares of others.

[12] The Board said that three conditions must be satisfied to establish that a mark distinguishes wares (*Philip Morris Inc v Imperial Tobacco Ltd* (1985), 7 CPR (3d) 254 at 270, [1985] FCJ no 1231 (QL)(FCTD) [*Philip Morris*], aff'd (1987) 17 CPR (3d) 289 (FCA): "(1) that a mark and a product (or ware) be associated; (2) that the 'owner' uses this association

between the mark and his product and is manufacturing and selling his product; and, (3) that this association enables the owner of the mark to distinguish his product from that of others." To be distinctive, consumers must relate or associate the trade-mark with the source of the wares: *Glaxo Group Limited v Apotex Inc*, 2010 FCA 313 at para 7 [*Apotex* FCA]. The Board said that this test required that the Applicant show that physicians, pharmacists and patients recognize the Mark as a trade-mark and not just as an ornamental or functional element of the product: *Novopharm Ltd v Bayer Inc*, [2000] 2 FC 553 at para 73, 179 FTR 260 [*Novopharm*], aff'd (2000) 264 NR 384, 9 CPR (4th) 304 (FCA) [*Novopharm* FCA]; *Novopharm Ltd v Astra Aktiebolag* (2000), 6 CPR (4th) 101 at 112, [2000] TMOB no 35 (QL).

(1) Applicant's Use of the Mark

[13] At the opposition hearing, CGPA argued that there was no evidence to support the conclusion that use of the Mark by Pfizer Canada Inc. enured to the Applicant. The Board said that it was satisfied by the evidence that there was both a 1986 and a 2006 licensing agreement in place such that the use of the Mark enured to the Applicant under s. 50 of the Act. The Board did not draw an adverse inference from the fact that the 2006 licensing agreement had not been produced because there is no requirement that a licensing agreement be in writing. The Board also noted that CGPA could have confirmed further details about the licensing agreement on cross-examination if it believed that issues remained outstanding.

[14] The Board also accepted the evidence that the total sales of Viagra in Canada had exceeded $470 million in 2006, with over 850,000 prescriptions for Viagra having been filled in both 2005 and 2006. The Board cautioned, though, that "impressive sales figures alone do not

satisfy the burden on an applicant for a trade-mark of proving distinctiveness" (Decision at para 85, quoting *Novopharm Ltd v Astra Aktiebolag* (2000), 187 FTR 119, 6 CPR (4th) 16 at 25 [*Astra*], aff'd 2001 FCA 296 [*Astra* FCA]). The Board was satisfied that the Applicant had used the Mark to create an association with its product.

(2) Distinctiveness among Patients

[15] The Board said that while not determinative of use, advertising and reputation could result in a finding of distinctiveness: *Bojangles' International LLC v Bojangles Café Ltd*, 2006 FC 657 at para 29. The Board noted that the only direct evidence from a patient who had taken Viagra came from Viagra's brand manager, Marc Charbonneau. The Board said that Mr. Charbonneau's evidence could not be representative of patients generally due to his position.

[16] The Board considered the evidence regarding the marketing and sales of Viagra, as well as the evidence from physicians and pharmacists regarding patients' perceptions of the Mark. The Board said that the evidence supported a finding that many patients had been exposed to Viagra advertising and that some patients referred to Viagra as a "little blue pill." This led the Board to conclude that the Mark had a reputation among at least some consumers. The Board concluded that the Mark was distinctive among patients because the evidence showed that patients associate the Mark with the wares.

(3) Distinctiveness among Pharmacists

[17] The Board said that the Applicant was required to establish that the colour and shape were the "primary characteristics" by which pharmacists distinguished the wares from others: *Apotex Inc v Registrar of Trade Marks*, 2010 FC 291 at para 34 [*Apotex*], aff'd *Apotex* FCA, above. The Board accepted the fact that no pharmacist would identify a medication solely by reference to colour, shape and size, but said that this was not fatal to the application: *Novopharm*, above, at para 79. The Board said that while three of the pharmacists who provided evidence said that they were familiar with the appearance of Viagra and knew that it was manufactured by a single source, a unique and recognizable design is not sufficient for distinctiveness: *Apotex*, above, at para 13. The Federal Court and Federal Court of Appeal's jurisprudence has established that pharmacists must relate the trade-mark to their dispensing decisions: *Apotex* FCA, above, at para 7. The Board found that pharmacists used various characteristics to distinguish the wares including: Drug Identification Numbers; the name of the drug and the dosage; and, the Universal Product Code found on the packaging.

[18] Earlier in its Decision, the Board addressed the admissibility of the expert evidence of Dr. Ruth Corbin. Dr. Corbin is a survey expert who conducted a survey relating to pharmacists' recognition of the Mark in 2002.

[19] The Board considered the four criteria for the admissibility of expert evidence in *R v Mohan*, [1994] 2 SCR 9: relevance; necessity in assisting the trier of fact; absence of any exclusionary rule; and, from a properly qualified expert. The Board concluded that Dr. Corbin's

evidence was not relevant to the assessment of the distinctiveness of the design on March 6, 2006. The Board acknowledged that, on cross-examination, Dr. Corbin said that the 2002 results were relevant to 2006 because the awareness of a well-marketed product increases as the product becomes entrenched. Dr. Corbin said that even if another blue diamond-shaped pill had been introduced between 2002 and 2006, the distinctiveness of the Mark would be the same or increased. However, the Board found that Dr. Corbin's answers were inconsistent with the Board's own understanding of the survey. The Board concluded that Dr. Corbin's evidence was not relevant to the issue of distinctiveness and declined to address CGPA's other objections to Dr. Corbin's evidence.

[20] The Board said that had it admitted Dr. Corbin's survey, it would have supported the fact that pharmacists associated the Mark with Viagra tablets manufactured by one company. However, the Board concluded that it was not satisfied that the evidence showed that pharmacists primarily rely on colour and shape in making dispensing decisions. In fact, the evidence led to a finding that pharmacists primarily use other means to distinguish the wares. The Board concluded that it was not satisfied that the Mark was distinctive among pharmacists.

(4) Distinctiveness among Physicians

[21] The Board considered the evidence of three doctors in relation to the distinctiveness of the Mark among physicians. The Board found that Dr. Weiss' evidence was not applicable to physicians generally given his role in developing and giving presentations funded by Pfizer. The Board also found that Dr. Perlin's evidence was not applicable to physicians generally given her evidence that she does not watch television, does not look at advertising in medical journals, and

has never seen a Viagra advertisement in a newspaper or magazine. Dr. Schiffman's evidence was that he was aware of the appearance of Viagra and that Viagra is manufactured by Pfizer. However, his evidence was that he does not associate the Mark with a single source because he said that he would not identify a blue-diamond tablet as Viagra because "[i]t could be anything" (Decision at para 98). The Board concluded that it was not satisfied that the evidence established that the Mark was distinctive among physicians.

(5) Conclusion on Distinctiveness

[22] The Board concluded that the Applicant had not established, on a balance of probabilities, that the Mark was distinctive among physicians and pharmacists as of March 6, 2006. The Board said that the Applicant had failed to establish that "a significant number of physicians and pharmacists relate the Mark to prescribing and dispensing of the Wares" (Decision at para 100). The opposition succeeded because the Applicant had failed to establish distinctiveness in relation to patients *and* physicians *and* pharmacists.

IV. ISSUES

[23] The Applicant raises two issues in this proceeding:

1. Whether the new evidence on appeal would have had a material effect on the Board's Decision; and
2. Whether the Mark should have been held to be distinctive under s. 38(2)(d) of the Act.

V. STANDARD OF REVIEW

[24] The Supreme Court of Canada in *Dunsmuir v New Brunswick*, 2008 SCC 9 [*Dunsmuir*] held that a standard of review analysis need not be conducted in every instance. Instead, where the standard of review applicable to a particular question before the court is settled in a satisfactory manner by past jurisprudence, the reviewing court may adopt that standard of review. Only where this search proves fruitless, or where the relevant precedents appear to be inconsistent with new developments in the common law principles of judicial review, must the reviewing court undertake a consideration of the four factors comprising the standard of review analysis: *Agraira v Canada (Public Safety and Emergency Preparedness)*, 2013 SCC 36 at para 48.

[25] The Applicant submits that the Court is required to assess the new evidence to determine whether it would have materially affected the Decision. The Applicant says that material evidence is that which is "substantial and significant" when evaluated on the basis of quality and not quantity. The Decision is entitled to deference if the new evidence: adds nothing of probative significance; is merely repetitive of existing evidence; is irrelevant; makes assumptions without specific support; or, was filed only to support the Board's Decision: *JTI-Macdonald TM Corp v Imperial Tobacco Products Limited*, 2013 FC 608 at paras 23-24; *Scott Paper Limited v Georgia-Pacific Consumer Products LP*, 2010 FC 478 at paras 41-49 [*Scott Paper*]; *Vivat Holdings Ltd v Levi Strauss & Co*, 2005 FC 707 at para 27 [*Vivat Holdings*]. The Applicant also submits that where the Board has noted an absence of information or a deficiency, new evidence that responds to the cited deficiency may be considered and may result in a review of the

correctness of the decision: *Mövenpick Holding AG v Exxon Mobil Corporation*, 2011 FC 1397 at para 54; *Advance Magazine Publishers Inc v Farleyco Marketing Inc*, 2009 FC 153 at paras 93-95, 98.

[26] The Applicant submits that the standard of review for questions of law is correctness, no matter the materiality of new evidence: *Engineers Canada v Rem Chemicals, Inc*, 2014 FC 644 at paras 27, 58 [*Engineers Canada*].

[27] The Respondent submits that the Decision regarding distinctiveness should be reviewed on a standard of reasonableness: *Mattel, Inc v 3894207 Canada Inc*, 2006 SCC 22 at para 10 [*Mattel*]; *John Labatt Ltd v Molson Companies Ltd* (1990), 36 FTR 70, 30 CPR (3d) 293, aff'd (1992), 144 NR 318, 42 CPR (3d) 495 (FCA). The Respondent submits that if the parties have submitted new, material evidence, the Court is required to consider the entire record and decide for itself whether the Applicant has demonstrated an entitlement to the registration: see *Astrazeneca AB v Novopharm Ltd*, 2003 FCA 57 [*Astrazeneca*]; *Mattel*, above, at para 40; *Novopharm* FCA, above, at paras 4-6.

[28] I will address the applicable standard of review in my analysis of the issues.

VI. STATUTORY PROVISIONS

[29] The following provisions of the Act are applicable in this proceeding:

Definitions	**Définitions**
2. In this Act,	2. Les définitions qui suivent

	s'appliquent à la présente loi.
[…]	[…]
"distinctive"	**« distinctive »**
"distinctive", in relation to a trade-mark, means a trade-mark that actually distinguishes the wares or services in association with which it is used by its owner from the wares or services of others or is adapted so to distinguish them;	« distinctive » Relativement à une marque de commerce, celle qui distingue véritablement les marchandises ou services en liaison avec lesquels elle est employée par son propriétaire, des marchandises ou services d'autres propriétaires, ou qui est adaptée à les distinguer ainsi.
[…]	[…]
"trade-mark"	**« marque de commerce »**
"trade-mark" means	« marque de commerce » Selon le cas :
(a) a mark that is used by a person for the purpose of distinguishing or so as to distinguish wares or services manufactured, sold, leased, hired or performed by him from those manufactured, sold, leased, hired or performed by others,	a) marque employée par une personne pour distinguer, ou de façon à distinguer, les marchandises fabriquées, vendues, données à bail ou louées ou les services loués ou exécutés, par elle, des marchandises fabriquées, vendues, données à bail ou louées ou des services loués ou exécutés, par d'autres;
[…]	[…]
"use"	**« emploi » ou « usage »**
"use", in relation to a trade-mark, means any use that by section 4 is deemed to be a use in association with wares or services;	« emploi » ou « usage » À l'égard d'une marque de commerce, tout emploi qui, selon l'article 4, est réputé un emploi en liaison avec des marchandises ou services.

[…]

Statement of opposition

38. (1) Within two months after the advertisement of an application for the registration of a trade-mark, any person may, on payment of the prescribed fee, file a statement of opposition with the Registrar.

Grounds

(2) A statement of opposition may be based on any of the following grounds:

(a) that the application does not conform to the requirements of section 30;

(b) that the trade-mark is not registrable;

(c) that the applicant is not the person entitled to registration of the trade-mark; or

(d) that the trade-mark is not distinctive.

[…]

Decision

(8) After considering the evidence and representations of the opponent and the applicant, the Registrar shall refuse the application or reject the opposition and notify the parties of the decision and the reasons for the decision.

[…]

Déclaration d'opposition

38. (1) Toute personne peut, dans le délai de deux mois à compter de l'annonce de la demande, et sur paiement du droit prescrit, produire au bureau du registraire une déclaration d'opposition.

Motifs

(2) Cette opposition peut être fondée sur l'un des motifs suivants :

a) la demande ne satisfait pas aux exigences de l'article 30;

b) la marque de commerce n'est pas enregistrable;

c) le requérant n'est pas la personne ayant droit à l'enregistrement;

d) la marque de commerce n'est pas distinctive.

[…]

Décision

(8) Après avoir examiné la preuve et les observations des parties, le registraire repousse la demande ou rejette l'opposition et notifie aux parties sa décision ainsi que ses motifs.

Appeal	**Appel**
56. (1) An appeal lies to the Federal Court from any decision of the Registrar under this Act within two months from the date on which notice of the decision was dispatched by the Registrar or within such further time as the Court may allow, either before or after the expiration of the two months.	56. (1) Appel de toute décision rendue par le registraire, sous le régime de la présente loi, peut être interjeté à la Cour fédérale dans les deux mois qui suivent la date où le registraire a expédié l'avis de la décision ou dans tel délai supplémentaire accordé par le tribunal, soit avant, soit après l'expiration des deux mois.
[…]	[…]
Additional evidence	**Preuve additionnelle**
(5) On an appeal under subsection (1), evidence in addition to that adduced before the Registrar may be adduced and the Federal Court may exercise any discretion vested in the Registrar.	(5) Lors de l'appel, il peut être apporté une preuve en plus de celle qui a été fournie devant le registraire, et le tribunal peut exercer toute discrétion dont le registraire est investi.

VII. ARGUMENT

A. *Applicant*

(1) Proper Issues before the Court

[30] As a preliminary issue, the Applicant argues that the only issue properly before the Court is the Board's finding regarding the distinctiveness of the Mark. The Applicant says that if the Respondent wanted to argue that the Decision should be set aside on other grounds, it was obligated to raise these issues in its notice of appearance or by commencing its own application:

Minister of National Revenue v Larsson (1997), 216 NR 315 at paras 27-28 (FCA); *Autodata Ltd v Autodata Solutions Co*, 2004 FC 1361 at paras 23-27 [*Autodata*].

[31] The Applicant says that the following issues are inappropriately raised in the Respondent's evidence: the Board's decision regarding a motion for the recusal of the hearing officer; the merits of the Corbin survey; and the impact of Pfizer's post-2006 advertising. The Applicant says that it is unable to respond to the evidence and the issues it raises without knowing how the Respondent intends to address the issues.

(2) Distinctiveness

[32] The Applicant says that the Board erred in its application of the test for distinctiveness by requiring that distinctiveness be established among patients, physicians, and pharmacists. The Applicant says that establishing distinctiveness among patients should be sufficient. The Board also erred in its application of the "consumer use" requirement in dealing with physicians and pharmacists. Further, the new evidence establishes distinctiveness among physicians and pharmacists.

[33] The Applicant submits that the test for distinctiveness is "whether a clear message has been given to the public that the wares with which the trade-mark is associated and used are the wares of the trade-mark owner and not those of another party" (Applicant's Record at 12868). The legal test for distinctiveness is not unique to the pharmaceutical context and is the same test that is used in all other industries: *Ciba-Geigy Canada Ltd v Apotex Inc*, [1992] 3 SCR 120 at 152 [*Ciba-Geigy*]; *Astrazeneca*, above, at paras 18-20; *Smith Kline & French Canada Ltd v*

Canada (Registrar of Trade Marks), [1987] 2 FC 633 at 635-636, 9 FTR 129; *Novopharm*, above, at para 77, aff'd *Novopharm* FCA, above. Three conditions must be met to establish distinctiveness: (i) the mark and the ware must be associated; (ii) the owner of the mark must use the association between the mark and its product; and (iii) the association must enable the owner to distinguish its product from that of others: *Oxford Pendaflex Canada Ltd v Korr Marketing Ltd*, [1982] 1 SCR 494 at 502 [*Oxford Pendaflex*]; *Philip Morris*, above, at 270; *Havana House Cigar & Tobacco Merchants Ltd v Skyway Cigar Store* (1998), 147 FTR 54, 81 CPR (3d) 203 at 222-223 [*Havana House Cigar*]; Act, s. 2. Distinctiveness does not require evidence of exclusive use: *Molson Breweries v John Labatt Ltd*, [2000] 3 FC 145, 252 NR 91 at para 48 (CA) [*Molson Breweries*].

[34] The Applicant acknowledges that it had the burden of establishing that consumers associated the appearance of the drug with the manufacturer, or a single source of manufacture or supply, on a balance of probabilities, on March 6, 2006, the date the opposition was filed: *Novopharm*, above, at para 72. The Applicant says it must show that the Mark is distinctive among pharmaceuticals used to treat erectile dysfunction despite the fact that CGPA displaced its evidentiary burden in relation to the relevant marketplace of all pharmaceutical products. The Applicant submits that the new evidence shows that the Mark is distinctive even if the marketplace includes all pharmaceuticals because there is no other blue, diamond-shaped tablet.

[35] The Applicant submits that the new evidence would not have materially affected the Board's Decision regarding distinctiveness among patients. The Respondent's evidence is repetitive of the evidence that was before the Board. As the new evidence merely confirms the

previous findings, the Board's findings regarding the distinctiveness among patients either should be entitled to deference and upheld as reasonable, or confirmed as correct.

[36] The Applicant submits that a finding of distinctiveness among patients should have been sufficient to establish that the Mark is distinctive. The Board erred in law in requiring the Applicant to show that the Mark was distinctive among patients, physicians, *and* pharmacists. The legal test requires that a trade-mark be distinctive among ordinary consumers of the wares. In the context of pharmaceutical products, these consumers may include patients, pharmacists or physicians. The Applicant also says that courts have phrased the distinctiveness test as requiring distinctiveness among patients, physicians, *or* pharmacists: *Astra* FCA, above, at paras 45-46; *Novopharm Ltd v Ciba-Geigy Canada Ltd,* [2000] FCJ No 508 (QL) at para 13 (TD).

[37] The Applicant says that the Board's reliance on *Novopharm*, above, is misplaced. In *Novopharm*, the Court not only found that there was insufficient evidence to show distinctiveness in *any* of the three categories of consumers but also suggested that distinctiveness may have been established had there been strong enough evidence of distinctiveness among pharmacists alone.

[38] Requiring that distinctiveness be established among every group in the supply chain of a pharmaceutical product is inconsistent with the application of the distinctiveness test in other contexts: *Cross-Canada Auto Body Supply (Windsor) Limited v Hyundai Motor America*, 2007 FC 580 at para 31, aff'd 2008 FCA 98. A finding of distinctiveness among patients should be sufficient to establish distinctiveness because the Act seeks to protect end consumers.

[39] The Applicant submits that if the Court finds that distinctiveness must be established among all three categories of consumers, then the new evidence on this appeal would have materially affected the Board's Decision. As a result, the Court must review the Board's findings on distinctiveness among physicians and pharmacists on a standard of correctness. The direct evidence from physicians and pharmacists shows that they associated the blue, diamond-shaped tablet with Viagra and knew that it came from one source.

[40] The Applicant also says that Dr. Corbin's survey should have been admitted to demonstrate the Mark's distinctiveness among pharmacists. The Board said that had the Corbin survey been admissible, it would have supported a finding that pharmacists recognized the Mark as being associated with Viagra and one manufacturing company. Even if the Board was not prepared to accept that the survey showed distinctiveness in 2006, the survey should still have been admitted as evidence of distinctiveness in 2002. The Respondent's new evidence regarding the merits of the survey is speculative and does not establish why the survey is inapplicable to market conditions in 2006.

[41] The Applicant further submits that the Board erred in applying a "consumer use" requirement in its analysis of whether the Mark was distinctive among physicians and pharmacists. This test required the Applicant to establish that physicians use the Mark in making prescription decisions and that pharmacists use the Mark in making dispensing decisions. The Act only requires that an owner use its Mark to distinguish its wares. There is no requirement that a consumer also use the Mark. This test creates an impossible burden in the pharmaceutical context because the decisions of physicians and pharmacists are heavily regulated.

[42] The "consumer use" requirement comes from a misinterpretation and misapplication of previous case law. In a number of cases at the Federal Court in 2000, Justice Rouleau relied on *Novopharm*, above, as the foundation for the requirement that consumers must "use" the shape and colour of a pharmaceutical product in making decisions: *Apotex Inc v Monsanto Canada Inc* (2000), 187 FTR 136 at para 14, 6 CPR (4th) 26; *Novopharm Ltd v Ciba-Geigy Canada Ltd* (2000), 6 CPR (4th) 224 at 232 (FCTD); *Astra*, above, at para 13; *Apotex Inc v Ciba-Geigy Canada Ltd*, above, at para 13. The Applicant says that this is a misreading of *Novopharm*, above, in which the Court applied the usual distinctiveness test which only requires that ordinary consumers associate the mark with a single source.

[43] The Applicant acknowledges that the Federal Court of Appeal has upheld cases where the consumer use requirement is mentioned, but it says that the Federal Court of Appeal has never expressly endorsed the consumer use requirement. Rather, in upholding the cases, the Federal Court of Appeal has articulated the same distinctiveness test: whether "relevant consumers…distinguish the source's product from the wares of others, based on the source's trade-mark": *Apotex* FCA, above, at para 7.

[44] The Applicant says that the evidence establishes that physicians and pharmacists use the Mark to the fullest extent possible within the limits of their professional obligations. There is evidence that physicians understood references to patients' requests for the "little blue pill" as references to Viagra, which could lead to prescribing decisions. There is also evidence that pharmacists sometimes use the Mark as part of their check that the proper medication is being dispensed.

B. *Respondent*

(1) Issues before the Court

[45] The Respondent submits that it was not required to file a cross-appeal of the Decision or to provide its grounds for challenging the Decision in its notice of appearance. The Respondent says that the appeal is of the Decision, not the reasons for the Decision: Act, ss. 38(8), 56; *Federal Courts Rules*, SOR/98-106, r. 301; *Ratiopharm Inc v Pfizer Canada Inc*, 2007 FCA 261 at para 6. Further, the *Federal Court Rules* do not require a listing of grounds in a notice of appearance: see Form 38A. The Respondent says that it is entitled to file evidence to address any issue that was before the Board: *Société anonyme des bains de mer et du cercle des étrangers à Monaco, société anonyme v Monte Carlo Holdings Corp*, 2012 FC 1528 at para 14; *Autodata*, above, at paras 24-27; *Perka v The Queen*, [1984] 2 SCR 232 at 240.

(2) Compliance with the Act

[46] The Respondent submits that Pfizer's trade-mark application was not compliant with s. 30(h) of the Act. The new evidence establishes that the markings on the Viagra tablets are not minor. The evidence of physicians and pharmacists confirmed that the markings are used to identify Viagra when prescribing, dispensing, and educating patients.

[47] The Respondent also submits that the Board erred in its determination of the sufficiency of the drawing. The drawing must be precise enough to allow the public to accurately assess its limits: *Astra*, above, aff'd *Astra* FCA, above; *Novopharm Ltd v Ciba-Geigy Canada Ltd*, above,

aff'd *Astra* FCA, above. The drawing in Pfizer's trade-mark application is ambiguous because it shows both dotted and solid lines. It is also not clear if the shape is part of the Mark. The Respondent submits that the Board erred by relying on decisions in which the drawings were determined not to be ambiguous because, in those cases, the applications contained disclaimers which resolved the ambiguity: *Novopharm Ltd v Pfizer Products Inc*, above; *Astra*, above.

(3) Distinctiveness

[48] The Respondent submits that the test for distinctiveness is whether the appearance conveys to the consumer, in the ordinary course of trade, that the product emanates from one particular source. Distinctiveness is not established if the consumer perceives the appearance to convey either the identity of the drug or erectile dysfunction medication generally.

[49] The test for distinctiveness requires that the Applicant demonstrate that a significant proportion of "physicians, pharmacists and patients understand the appearance of the drug to indicate the source of the drug when they select the brand of drug they are prescribing, dispensing or consuming": see *Eli Lilly and Company v Novopharm Ltd*, 2006 FC 843 at paras 92-94; *Apotex*, above, at paras 5, 8-13, aff'd *Apotex* FCA, above; *Novopharm*, above, at paras 72-73; *Eli Lilly and Co v Novopharm Ltd* (2000), [2001] 2 FC 502 at para 31, 195 DLR (4th) 547 (CA) [*Eli Lilly* FCA]; *Ciba-Geigy*, above, at 157. The Applicant has failed to establish distinctiveness among a significant proportion of patients, physicians and pharmacists because none of the physicians and pharmacists who provided evidence was speaking for anyone other than him or herself.

[50] The Respondent also submits that the relevant marketplace is all pharmaceutical products in Canada: see *Novopharm*, above, at para 78; *Astra*, above, at para 14; *Novopharm Ltd v AstraZeneca AB*, 2003 FC 1212 at paras 8(4), 17, 20. Novelty does not establish distinctiveness and the Applicant was required to show more than that the tablet's appearance is different from other drugs on the market: *Royal Doulton Tableware Limited v Cassidy's Ltd* (1984), [1986] 1 FC 357, 1 CPR (3d) 214 at 224-226 (TD) [*Royal Doulton*]; *Eli Lilly & Co v Novopharm Ltd* (1997), 130 FTR 1, 147 DLR (4th) 673 [*Eli Lilly*], aff'd *Eli Lilly* FCA, above; *Novopharm*, above. Distinctiveness is not established by showing that a drug has been widely promoted and has appeared in advertising: *Eli Lilly*, above. Showing that physicians, pharmacists and patients recognize, or can describe the appearance of the drug, does not establish that these consumers associate source significance to that appearance. Distinctiveness is also not established by showing that customers associate the shape with the trade-name of the product.

[51] The Respondent also says that the Applicant's arguments regarding the "consumer use" requirement have already been rejected by the Federal Court and the Federal Court of Appeal: *Apotex*, above, at paras 8-13, aff'd *Apotex* FCA, above, at paras 2-3, 6-7. The Mark must inform the consumer of the source of the product in order to function as a distinctive trade-mark. A consumer "uses" the appearance to identify the source of a product by associating the appearance with a single source.

[52] The Respondent submits that the new evidence makes clear that the Applicant has not established that use by Pfizer Canada Inc. enured to the Applicant. The new evidence establishes that the Applicant's evidence regarding the licensing agreement before the Board was

inadmissible hearsay and not supported by the documentary evidence. The Applicant refused to produce any further documents regarding the licensing agreement. This leads to the inference that there are no documents to support the Applicant's claim that the Mark was the subject of a 1986 licensing agreement.

[53] The Respondent further submits that there is no evidence to establish that patients use the appearance of the drug to distinguish the wares. The evidence from physicians and pharmacists establishes that patients use "little blue pill" to refer to erectile dysfunction medication, not to a specific brand of medication. Further, patients do not associate the Mark with one source because they know that generics often resemble originating brands of a medicine. Patients were also aware that there was a counterfeit tablet that resembled the Viagra tablet.

[54] The Respondent submits that there is no new material evidence to warrant re-opening the Board's findings regarding distinctiveness among physicians. The new evidence is merely repetitive of what was before the Board. Further, the Respondent submits that the evidence is clear that no competent physician would consider the source of the drug in deciding whether to prescribe Viagra. Physicians prescribe solely on the basis of therapeutic concerns and would never identify a tablet by its appearance.

[55] The Respondent also submits that the Applicant has failed to establish how its new evidence regarding distinctiveness among pharmacists is materially different from the evidence that was before the Board. There is accordingly no reason to revisit the Board's findings on this

issue. The evidence is clear that no competent pharmacist would use the Mark as the basis for distinguishing among products for dispensing purposes. The evidence from the pharmacists was that the appearance of a tablet is indicative of the medication, not the source, because all brands adopt the same appearance for the same medication.

[56] The Respondent says that the new evidence supports the Board's finding that the Corbin survey was not relevant to market conditions in 2006. The new evidence before the Court establishes even more clearly that there was a change in the marketplace from 2002 to 2006: five new blue tablets were introduced between 2002 and 2006; look-alike counterfeit Viagra was available; Pfizer had reduced its marketing efforts surrounding Viagra; and the demographics of pharmacists changed during this time period. In addition, the Corbin survey is so flawed that its conclusions are not supportable, even if it were admissible.

VIII. ANALYSIS

A. *What is Before the Court?*

(1) The Centrality of Distinctiveness

[57] The parties disagree as to what is properly before the Court in this appeal under s. 56(1) of the Act.

[58] There is considerable complexity in assessing whether some of the issues raised by the Respondent, and to which the Applicant objects, are stand-alone issues or simply part of a full response to the central issue of distinctiveness, or were raised in the Applicant's own evidence.

In addition, the relevant jurisprudence on this point is not entirely clear. While the Court does not shy away from these difficulties, they cannot be resolved – if they need to be resolved at all in this appeal – until the Court has addressed the central issue of distinctiveness. Both parties have made it clear in their materials and in their presentations before me at the oral hearing that distinctiveness of the blue, diamond-shaped pill as of 2006 is at the heart of this appeal.

(2) The Dispute over Distinctiveness

[59] Before I come to the Board Decision and the evidence before me in this appeal, I think it would help to set out as simply as possible my understanding of the dispute between the parties as to how the jurisprudence requires distinctiveness to be assessed for the blue, diamond-shaped pill that the Applicant seeks to register as a trade-mark.

[60] Reduced to basics, and I will come to subtleties later, the Applicant says that the test for distinctiveness is met for this Mark if it can demonstrate, on a balance of probabilities and at the material time (2006), an association between the Mark and a single source of manufacture in the minds of either physicians, pharmacists or patients. This association is the same for all trade-marks and there is no heightened test just because the Mark happens to be the appearance of a pharmaceutical. The Applicant says that the Board erred by (a) requiring association in the minds of all three groups – physicians, pharmacists *and* patients – and (b) applying a heightened test to the effect that when considering physicians and pharmacists, the Applicant was required to demonstrate that the appearance of the blue, diamond-shaped pill was the "primary characteristic" used by these groups in their prescription and dispensing practices.

[61] The Respondent's position is that distinctiveness required the Applicant to demonstrate that its proposed Mark (the blue, diamond-shaped pill) was understood by physicians, pharmacists *and* patients (ie. all three groups) to identify that the pill came from a single source of manufacture and that physicians, pharmacists and patients relied upon this appearance and its source connection when they prescribed, dispensed or requested the pill.

[62] At this basic level, I see no dispute between the parties that, in order to establish distinctiveness for the proposed Mark, the onus was upon the Applicant to establish: (a) that the Mark and the product are associated; (b) that the owner of the Mark (Pfizer) must use the association between the Mark and the product; and (c) that the association must enable the owner (Pfizer) to distinguish its product from that of others. See Act, s. 2; *Oxford Pendaflex*, above; *Philip Morris*, above; *Havana House Cigar,* above.

[63] I think that both sides also accept certain general propositions extant in the jurisprudence that:

a) Trade-marks seek to indicate the source of a particular product so that "consumers know what they are buying and from whom" and that "only a distinctive mark will allow the consumer to identify the source of the goods." See *Kirkbi AG v Ritvik Holdings Inc*, 2005 SCC 65 at para 39. However, it is sufficient for consumers to know that they are buying from a single source. It is sufficient that the appearance conveys to the consumer in the ordinary course of trade that the product (in this case the blue, diamond-shaped pill) emanates from one particular source rather than another. See *Novopharm*, above, at paras 72, 78.

b) Distinctiveness is the quality that allows consumers to reference the trade-mark to distinguish the origin of the product and is "the very essence and is the cardinal requirement of a trademark." See *Mattel*, above, at para 75, quoting *Western Clock Co v Oris Watch Co*, [1931] Ex CR 64 at 67;

c) The critical question is what the trade-mark actually conveys to the consumer. See *Royal Doulton*, above, at 225-226; *Apotex Inc v Monsanto Canada, Inc*, above, at

para 12; *Novopharm Ltd v Eli Lilly & Co*, above, at para 81, aff'd *Eli Lilly and Company v Novopharm Ltd*, above; *Novopharm*, above, at paras 70, 106-108, 120; *Astrazeneca*, above, at paras 22-24, 26;

d) For the appearance of the product itself (here, the blue, diamond-shaped pill) to be distinctive, it is the appearance that must convey the information as to source. See *Eli Lilly*, above, aff'd *Eli Lilly* FCA; *Royal Doulton*, above, at 224-226; *Astra*, above, at para 11, aff'd *Astra* FCA, above; *Novopharm Ltd v Ciba-Geigy Canada Ltd*, above, at para 14, aff'd *Astra* FCA, above; *Apotex Inc v Monsanto Canada Inc*, above, at paras 12-13.

[64] The cardinal points of conceptual disagreement between the parties on the issue of distinctiveness, as I understand them, are that:

a) In order to demonstrate distinctiveness for the appearance of the pill, does the Applicant have to establish distinctiveness within all three groups (physicians, pharmacists and patients) or will distinctiveness within one or two groups suffice?

b) Whether or not the requirement is for one, two or three groups, how extensive does the association have to be?

c) Does the Applicant have to show that physicians, pharmacists and patients rely upon the appearance of the proposed Mark and its source connection when they prescribe, dispense and request the pill and, if so, to what extent?

[65] In order to support their respective conceptual positions, the parties have referred me to an extensive body of complex jurisprudence. The Applicant says that a detailed examination of this jurisprudence will support its position and it asks the Court to clarify the law on the points of concern. The Respondent says that the relevant jurisprudence supports its position on what the Applicant is required to do to establish distinctiveness in this case, and that the Court is bound by the rules of *stare decisis* and judicial comity to apply this jurisprudence and dismiss the appeal.

[66] In order for me to examine the Decision of the Board under appeal, and the whole body of evidence before me, I think I must first decide what the jurisprudence says the Applicant must

establish to prove distinctiveness in this case, and, in particular, what that jurisprudence teaches about the cardinal points of disagreement between the parties referred to above.

(3) Guidance in the Jurisprudence

[67] I think the best place to begin is with an acknowledgement that my colleague, Justice Barnes, has already provided a detailed consideration of many of the issues before me: see *Apotex*, above. Justice Barnes was affirmed by the Federal Court of Appeal: see *Apotex* FCA, above.

[68] Every case involving distinctiveness depends upon its particular facts and the evidence adduced. However, many of the arguments based upon the principles that are before me were also before Justice Barnes in *Apotex*. In addition, Justice Barnes' assessment of the evidence before him gives rise to significant parallels with the evidence before me, and to which I will later refer. Hence, I think it would be helpful at this stage to quote extensively from *Apotex* because it contains highly relevant summaries of the relevant jurisprudence in this area and a telling assessment of the difficulties that arise when the appearance of a product is claimed as a trade-mark in its own right.

[69] Justice Barnes' decision in *Apotex* reads, in relevant part, as follows:

> *Applicable Legal Principles*
>
> [5] I accept GSK's position that the GSK Mark is presumed to be valid and that the Applicants bear the burden of showing otherwise on a balance of probabilities as of the date of this application (December 21, 2007). A valid trade-mark is one which actually distinguishes the owner's wares from those produced by others. Whether a mark is distinctive is a question of fact which is

determined by reference to the message it conveys to ordinary consumers: see *Novopharm Ltd. v. Bayer Inc.* (1999), [2000] 2 F.C. 553 at para. 70, 3 C.P.R. (4th) 305 (F.C.T.D.), affirmed (2000), 9 C.P.R. (4th) 304, 264 N.R. 384 (F.C.A.). The relevant constituency of consumers of a product like this one includes physicians, pharmacists and patients: see *Ciba-Geigy Canada Ltd. v. Apotex Inc*. (1993), [1992] 3 S.C.R. 120 at para. 110, 44 C.P.R. (3d) 289 (S.C.C.). For the purposes of this case, the issue is whether on December 21, 2007 all of these consumers would, to any significant degree, recognize the GSK Mark by its appearance (excluding labels and packaging) and associate that get-up with a single source: see *Novopharm Ltd. v. Bayer Inc.*, above, at paras. 78-79.

[…]

What is the Legal Threshold for Distinctiveness?

[8] GSK takes the position that all that is required to establish distinctiveness is that physicians, pharmacists and patients draw the association between the appearance of the GSK Mark and a single trade source. It says that it is unnecessary that the association be strong enough to support dispensing or purchasing decisions.

[9] In support of its position GSK contends that Justice Paul Rouleau went too far in the decisions he gave in *Novopharm Ltd. v. Ciba-Geigy Canada Ltd.* (2000), 6 C.P.R. (4th) 224 at para. 16, 97 A.C.W.S. (3d) 141 (F.C.T.D.), affirmed, *Novopharm Ltd. v. AstraZeneca AB*, 2001 FCA 296, [2002] F.C. 148 and in *Novopharm Ltd. v. Astra Aktiebolag* (2000), 187 F.T.R. 119, 6 C.P.R. (4th) 16 at para. 13 (F.C.T.D.), affirmed, *Novopharm Ltd. v. AstraZeneca AB*, 2001 FCA 296, [2002] F.C. 148 where he held that a finding of distinctiveness required proof "that physicians, pharmacists or patients can and do use the proposed trade-mark in choosing whether to prescribe, dispense or request [Ciba's diclofenac or Astra's omeprazole] product".

[10] For my purposes, it is enough to observe that the Federal Court of Appeal upheld Justice Rouleau's decisions in *Novopharm Ltd. v. AstraZeneca AB*, above, with specific reference to his approach to the issue of distinctiveness (see para. 46). Furthermore, the link between the get-up of a product and consumer choice was clearly recognized by the Supreme Court of Canada in *Ciba-Geigy Canada Ltd. v. Apotex Inc.*, above, where in language very close to that used by Justice Rouleau the concluding Order provided at para. 111:

> THIS COURT ORDERS that with respect to the marketing of prescription drugs, a plaintiff in an action for the alleged passing-off of a prescription drug must establish that the conduct complained of is likely to result in the confusion of physicians, pharmacists or patients/customers in choosing whether to prescribe, dispense or request either the plaintiff's or the defendant's product.

Although this was a passing-off case, I do not believe that the question of whether the get-up of a product had acquired a secondary meaning would be any different than determining whether a trade-mark based on product appearance was distinctive.

[11] In *Kirkbi AG v. Ritvik Holdings Inc.*, 2005 SCC 65, [2005] 3 S.C.R. 302, the Supreme Court of Canada again recognized that a mark is a symbol of a connection between source and the product "so that, ideally, consumers know what they are buying and from whom" (para. 39).

[12] I would add to this that s. 2 of the Act defines trade-mark as a mark that is used by a person to distinguish wares. This connotes something more than a passive or indecisive observation of potential provenance.

[13] In my view it is insufficient to show that the appearance of a product may represent a secondary check of product identity or that it may cause a person to wonder whether the expected product was correctly dispensed. What is required is that physicians, pharmacists and patients relate the trade-mark to a single source and thereby use the mark to make their prescribing, dispensing and purchasing choices. An educated guess about source is not enough to constitute distinctiveness and neither is a design that is simply unique in the marketplace and recognized as such: see *Royal Doulton Tableware Ltd. v. Cassidy's Ltée* (1985), [1986] 1 F.C. 357 at 370-371, 1 C.P.R. (3d) 214 (F.C.T.D.). The fact that a physician or pharmacist might make an informal assumption about the provenance of a purple disc-shaped inhaler in the context of a therapeutic discussion with a patient is also insufficient to establish distinctiveness.

Product Colour and Shape as Aspects of Distinctiveness

[14] There is no question that colour and shape can help to distinguish the products of one manufacturer from another. Shape and colour can also be powerful influences on consumer

behaviour. Nevertheless, a trade-mark which is based on product colour and shape is likely to be weak: see *Novopharm v. Bayer Inc.*, above, at para. 77. Demonstrating that product appearance or get-up has become distinctive is also not easy to satisfy: see *AstraZeneca AB v. Novopharm Ltd.* (2003), 2003 FCA 57 at para. 26, 24 C.P.R. (4th) 326. Unlike trade-marks in the nature of corporate symbols, there are sound public policy concerns that arise from an expansive recognition of distinctiveness in the area of non-functional product design: see *Wal-Mart Stores, Inc. v. Samara Brothers, Inc.* (2000), 529 U.S. 205 (S. Ct. U.S.).

[15] In the realm of prescription medications the significance of colour and shape to purchasing choices and brand identification is less obvious because, as the evidence shows, the initial choices are made on an informed basis by physicians and pharmacists. That professional intermediation is also an influential but not an exhaustive component of consumer decision-making. Prescription medications are, after all, not purchased on impulse.

[16] I agree with GSK that there is nothing inherently objectionable about a trade-mark which applies to a unique combination of product shape and colour. There are, of course, well-known marks that are based on shape and colour combinations. However, in the context of a market where purchasing decisions are usually made by professionals or on the advice of professionals, the commercial distinctiveness of such a mark will be inherently more difficult to establish. That is so because, as the weight of the evidence before me establishes, physicians and pharmacists are not strongly influenced by these attributes and have no obvious reason to associate them with a single trade source or provenance. To the extent that the ultimate consumer enjoys a purchasing choice, they will also be significantly influenced by the prescribing and dispensing advice received (including labelling) and, undoubtedly, by associating products with certain well-known trade-names.

[17] It is also important to remember that the consumer would only ever see the GSK Mark with a label affixed and would be presumed to rely heavily upon the printed information to draw conclusions about source. This was a point expressed by Justice Heery in *Cadbury Schweppes Ltd. v. Darrell Lea Chocolate Shops*, [2008] FCA 470 (Fed. Ct. Australia) at paras. 64-65:

> 64. Use of purple seen to be bound up with the "Cadbury" script – purple never used in isolation [100]. The fact that purple was never used without

> the "Cadbury" script does not seem to be disputed; see earlier judgment [82]-[87].
>
> 65. The Cadbury experts said that this was irrelevant. I do not agree. Cadbury's expert called at the earlier trial, Professor Roger Layton, Emeritus Professor of Marketing at the University of New South Wales, clearly regarded the association of brand with colour as relevant to consumer perceptions; see earlier judgment at [77]-[78]. For obvious enough reasons, consumers are never presented at the point of sale with a Cadbury product, in purple or not, without the Cadbury name prominently displayed. The ordinary reasonable consumer is to be credited with awareness of this when confronted with the allegedly misleading Darrell Lea product.

If the consumer of chocolate confectionaries is presumed to have sufficient intelligence to make a product identity decision informed by a label, the consumer of pharmaceutical products must be afforded nothing less.

[18] The attribution of a modest level of consumer intelligence was also recognized by Justice Barbara Reed in *Eli Lilly and Co. v. Novopharm Ltd.* (1997), 130 F.T.R. 1 at paras. 151-152, 73 C.P.R. (3d) 371 (F.C.T.D.), affirmed (2001), [2001] 2 F.C. 502, 10 C.P.R. (4th) 10 (F.C.A.) when, in examining the issue of confusion in the context of a passing-off proceeding, she stated:

> 151 Customers who do not request a particular brand but nevertheless expect to receive one can be alerted to the identity of the particular brand they have received by the receipt given at the time of purchase, the labelling on the vial, the markings on each capsule, or by the price differential when the change is from an innovator's brand to a generic. While some of these indicia, the designation of manufacturer on the receipt and on the vial label, would only be effective notice if the customer had been schooled to look for them, it is highly probable that when a customer has been receiving the plaintiff's Prozac and a pharmacist is going to dispense a different brand, the pharmacist will inform the customer of the dispensing change.

> 152 I cannot conclude that the plaintiffs have proven, on the balance of probabilities, that the defendants' sale of fluoxetine in capsules having a similar appearance to those of the plaintiff would result in any significant likelihood of confusion.

[19] The distinctiveness of a mark based on colour and shape may also be diminished by its association with a registered trade-name. Where a pharmaceutical product is always used in direct association with a well-known word-mark, the risk of customer confusion will be diminished, if not entirely absent, where a look-alike product is presented for purchase with a different brand name. The problem of association of marks was addressed in the case of *General Motors of Canada v. Décarie Motors Inc.* (2001), [2001] 1 F.C. 665 at para. 34, 9 C.P.R. (4th) 368 (F.C.A.) where the consistent use of the claimed word-mark "Décarie" in association with the words "Motors" and "Moteurs" was said to indicate that "Décarie" appearing in isolation represented a "weak, if not absent" use which had not acquired a secondary meaning.

[20] I accept the point made by Justice John Evans in *Novopharm Ltd. v. Bayer Inc.* above, at para. 79 that it is not fatal to a trade-mark registration that consumers may use other means than the mark for identifying the product with a sole source. Nevertheless, Justice Evans qualified this with the statement that there still had to be sufficient evidence that the trade-mark was capable of being so recognized on its own. In other words, a trade-mark based on get-up cannot acquire its distinctiveness by virtue of its use in combination with a distinctive word-mark.

[21] In *Novopharm Ltd. v. AstraZeneca AB* (2004), 2003 FC 1212 at para. 22, 28 C.P.R. (4th) 129, Justice Eleanor Dawson found that colour and shape represented only a secondary check for the identification of a pharmaceutical tablet. She posited the question: What does a red-brown pill mean to a pharmacist? The answer she found was that pharmacists do not dispense medications to a significant degree on the basis of colour and/or shape.

The Evidence of Distinctiveness – Physicians, Pharmacists and Patients

[22] The essential problem with much of the GSK evidence about the supposed distinctiveness of the GSK Mark is that the inhaler is never marketed without a label so that the witnesses were opining on a hypothetical situation that almost never presented itself. A good example of this arose in the evidence of Dr. Robert

Dales. He deposed that the *Advair Diskus* inhaler "looks very different from other inhalers" and this permitted him "to distinguish [it] from inhalers made by other companies". Nevertheless, under cross-examination, he acknowledged that he relied upon the labels to identify the product and when asked what he would do if he was given an unlabelled inhaler, he replied as follows:

> Q. And if it did happen, you would have to look at the label. Isn't that right?
>
> A. I don't know, I've never been in this situation. It's just kind of - - I'm trying to imagine, but I'm not sure. For example, I don't know if there are purple inhalers on the Internet. I've never seen a - - like a diskus - - a purple inhaler that looked like the Advair diskus, that wasn't the Advair diskus, to my knowledge, so.
>
> Q. Have you ever done a search on the Internet to see if they're available?
>
> A. No.
>
> Q. I take it you would never give a patient an inhaler such as the one that's pictured in Exhibit "A", if you didn't know what was in it?
>
> A. If I didn't know what was in an inhaler, I wouldn't give it to the patient.
>
> Q. And I take it if you saw an inhaler like Exhibit "A", you could make an educated guess that it looks like an Advair inhaler, but you would never jeopardize the safety of your patient by giving it to a patient if it had no labelling on it?
>
> A. If I saw an inhaler like that, I agree. I mean, it looks like Advair diskus, but if it didn't have the label on it, to me that would say, well, it's not the way I'm used to seeing these things. So, I would certainly be worried and have to sort of, sort out what's going on.

[23] The evidence of Dr. John Axler was much firmer in support of colour and shape being the primary distinguishing features of the *Advair Diskus* inhaler in his practice. There is, however, a troubling dogmatism to that evidence including a surprising

statement under cross-examination that he relied mostly on colour and shape and that "[t]he label plays a minor role. I must admit I don't - - I don't read the label". This evidence is inconsistent with the weight of the other professional evidence and I do not accept it.

[24] The evidence of Dr. Richard Kennedy is no stronger than the recognition that because the appearance of the various inhalers on the market is different their source is likely to be different. This inference provides a very weak foundation to support a claim to commercial distinctiveness because as the Court noted in *Wal-Mart Stores Inc.*, above, at 1344, "product design almost invariably serves purposes other than source identification". Dr. Kennedy also candidly acknowledged that he used the trade-name *Advair* to properly identify product samples and, in the absence of a label, he would be suspicious about what he had in front of him.

[25] The evidence of Ayman Eltookhy does not support GSK's claim to distinctiveness. As a dispensing pharmacist, Dr. Eltookhy only uses colour and shape as secondary indicia of product identity and he would never dispense an inhaler without a label. This evidence is also consistent with that of James Snowdon and Janine Matte. When Mr. Snowdon was asked about his ability as a pharmacist to distinguish an unlabelled *Advair Diskus* inhaler, he answered as follows:

> Q. I take it if you saw something like your exhibit "A" you would know something was wrong?
>
> A. Yeah. At first recognition it would seem like Advair but the clarification would not be there with the label, through the label.
>
> Q. And I take it as a careful pharmacist you would not be able to dispense something like exhibit "A"?
>
> A. Until I further identified what it was.

Ms. Matte, also a pharmacist, was asked what she would make of an identical inhaler bearing the name Apo-Fluticasone Salmeterol and answered: "It's going to be Apotex".

[26] Gordon Hood provided evidence about the significance of colour and shape and similarly acknowledged the primary importance of labelling in his pharmacy practice. He conceded that a look-alike inhaler bearing an Apotex label would support an assumption that it came from Apotex and not GSK. When asked what his reaction was likely to be if presented with an inhaler bearing an unexpected colour, he said that he "would follow up

with the manufacturer to see if there had been a change in the product appearance". This was a common sense response but it also recognized that appearance provides an uncertain basis for drawing conclusions about product identity or source and that, for a professional, the brand name and label will almost always trump product appearance for identifying its source.

[27] I do not accept the anecdotal evidence from GSK's two consumer witnesses as being sufficient to establish that a significant number of consumers would associate the appearance of the *Advair Diskus* inhaler with a single source. Their evidence to that effect was based on a hypothetical situation they did not encounter (i.e. an unlabelled inhaler). In the case of Ms. McGee she did not care or know where the inhaler she used was sourced. She also did not know if *Ventolin* was a trade-name for one company and she did not know if other purple inhalers were available in Canada. In other words, the appearance of the product was not particularly important to her.

[28] Mr. Owens testified that he would be concerned if he received a look-alike inhaler that did not have the label for *Advair* affixed to it and he clearly identified that word-mark with the distinctiveness of the product. This evidence is essentially consistent with that of the doctors and pharmacists who acknowledged that, in the context of prescribing and dispensing, product identity is associated with the information contained on the labels including the trade-name *Advair* and not on the basis of the appearance of the inhaler.

[29] It seems to me that this very limited anecdotal evidence is insufficient to displace the evidence of the Applicants' professional witnesses to the effect that patients, as a general rule, do not attribute much significance to the appearance of pharmaceutical products including inhalers. What they are concerned about is functionality, dosage and effectiveness. The affidavit evidence of Pharmacist Heather Parker seems to me to reflect a more accurate view of patient perception:

> 66. Patients are most concerned about whether the drug, including inhalers, they have been prescribed and/or purchased will work, whether there will be any side effects, and how much it will cost. Most patients are not concerned about what a drug or an inhaler looks like.
>
> 67. Patients are rarely concerned about the manufacturer of their medications (including

> inhalers). In fact in my experience, most patients do not think about and are not aware of the manufacturer of their medications. Patients are also not aware that there may only be a single manufacturer or several manufacturers of a pharmaceutical product.
>
> 68. In the normal course of my practice, I do not mention the manufacturer when counseling patients. In general, most patients are solely focused on what a drug does and how to take it.
>
> 69. When patients refer to the appearance of their drugs, I have found through experience that patients will refer to the colour, shape and/or size of drugs as being an indicator of the use of their medication. For example, they may make reference to "my blue sleeping pill", "my pink water pill" or "my blue inhaler". In my opinion, patients generally consider appearance to mean therapeutic effect.
>
> 70. When patients use more than one inhaler concurrently, they often use the general colour of their inhalers to differentiate between the inhalers that they use for various reasons. For example, they may state that they use their "blue" rescue inhaler when they experience an asthma attack, or their "purple" inhaler is used twice a day to control their asthma. Similarly, while patients frequently do not remember the name of the active ingredient in their inhalers, they often remember that an inhaler is "blue" and is used for rescue from asthmatic symptoms, for instance.
>
> 71. Patients are generally aware that inhalers may come in a variety of colours, shapes and sizes, and that several inhalers may be the same colour, shape and/or size. They do not generally associate colour or shape with the manufacturer or source of the inhaler.

[30] To similar effect was the evidence of Dr. Robert McIvor, Dr. Neil Marshall and Pharmacist Joseph Lum:

> Dr. McIvor stated:

62. It is my experience and opinion that patients do not associate the shape and colour of their inhaler with a particular manufacturer or even a single source of their inhaler. Patients associate the colours of their inhalers with their therapeutic use. They frequently refer to their inhalers by their colour and, more rarely, by their brand or generic name. Furthermore, when they use these names, I believe they are using them to describe what the medicine is (i.e. its therapeutic use), not where it comes from (e.g., "Advair" means their controller medication).

Dr. Marshall stated:

59 When patients refer to the appearances of their drugs (i.e., the colour, shape and/or size), they associate appearance with the therapeutic use of the drug. For example, patients will refer to their "blue" sleeping pills. In particular, for my patients who take fluticasone propionate/salmeterol xinafoate (e.g., Advair) and another inhaler (often salbutamol sulfate (e.g., Ventolin)), they will often make reference to their "blue" rescue inhaler that they use when they have an asthma attack and their "purple" inhaler that they take regularly for maintenance. In fact, for my patients who take multiple inhalers, most of them differentiate or refer to inhalers is [*sic*] by their colour.

60 The above association between the colour of an inhaler and its therapeutic effect is not unique to my regular patients. In my emergency room duties, I often deal with patients who use inhalers, and they speak to me in the same way – they refer to their inhalers by colour and therapeutic effect. In dealing with these emergency room patients, most of whom have their own regular family physicians, I do not have to change my language. This means that (a) many other physicians counsel their patients regarding their inhalers with reference to the inhalers' colour and therapeutic effects, and (b) patients commonly associate the appearance (i.e., colour, shape and/or size) of their inhalers with their therapeutic uses.

Mr. Lum stated:

> 63 I understand that many of my patients have come to recognize their medication and inhalers by their general appearance, particularly where customers are taking several medications or inhalers on a regular basis. For example, many patients who regularly use the fluticasone propionate/salmeterol xinafoate DPI (e.g., Advair Diskus) inhaler also use the salbutamol sulphate (e.g., Ventolin) inhaler for asthma attacks.
>
> 64 If the colour of the patient's medication or inhaler were changed, the patient would ask me if there has been a mistake. In these circumstances, it is my experience that patients are concerned that a mistake has been made and the prescription has not been filled properly (i.e., medication for the wrong therapeutic area has been dispensed). Patients usually seek assurance that they have received the correct medicine (i.e., correct active ingredient for the proper therapeutic area) their doctors have prescribed for their conditions. Patients are not normally concerned that they have received a different brand when the appearance (i.e., colour, shape and/or size) of their pharmaceuticals have changed. Accordingly, it is apparent that if patients attach any meaning to the appearance of their medications or inhalers, this appearance indicates the therapeutic effect or use of the medicine or inhaler. For example, patients refer to their "blue" rescue or emergency inhaler or their "purple" everyday inhaler.

[31] In some measure this evidence was confirmed by GSK's witnesses including an acknowledgment by Dr. Dales that colour was "clinically helpful for patients and physicians to identify what's inside…".

[32] I would add that unlike the word-marks *Advair* and *Diskus*, there is no notice given of the GSK Mark on the product packaging or on the inhaler itself to reinforce the claimed commercial association in the mind of the purchaser at the point of sale. The reasoning from the authorities cited above applies to the GSK Mark because GSK never uses it as a self-standing mark but always in combination with *Advair* and *Diskus*. The trade-name *Advair* is clearly the dominant mark and is sometimes used by physicians as a prescribing reference.

[33] The evidence also conclusively establishes that no prudent physician or pharmacist would rely upon the colour or shape of an inhaler to exercise a professional judgment about the product and few patients would make a choice based solely on the appearance of an unlabelled inhaler. With a label, patients are sufficiently equipped to distinguish one product from another and to make informed purchasing choices.

[34] I am satisfied from this evidence that colour and shape are not the primary characteristics by which GSK distinguishes the *Advair Diskus* inhaler from the wares of its competitors or, more significantly, by which its purchasers make their choices.

[35] I have concluded on a balance of probabilities that, although a few patients may make an association between the appearance of the GSK Mark and a single source, the evidence is insufficient to support GSK's contention that a substantial body of patients would do so. With respect to physicians and pharmacists, I do not believe that any of them would draw such an association in the exercise of their professional judgment.

Sales and Marketing Evidence

[36] There is no question that GSK has developed a marketing strategy around its *Advair Diskus* inhaler which uses a consistent design theme. That is evident from its advertising and its packaging. I accept, as well, that GSK has spent millions of dollars in promoting its *Advair Diskus* inhaler in advertising and promotional campaigns. At the same time, the promotion of the GSK Mark as an aspect of that branding strategy is not as universal or as prominent as that which GSK employs for its word-marks *Advair* and *Diskus*. In addition, in its advertising the GSK Mark is not depicted as a self-standing mark (i.e. unlabelled) such that it would serve to reinforce its distinctiveness in the minds of the purchasers.

[37] GSK also emphasizes the point that in terms of appearance, the *Advair Diskus* inhaler is one-of-a-kind in Canada and widely used. This evidence of uniqueness and market exposure, it argues, is what has led to a distinct brand identity and the public recognition of the GSK Mark.

[38] All of this is relevant evidence but it is not of itself persuasive. In *Molson Breweries v. John Labatt Ltd.* (2000), [2000] 3 F.C. 145, 5 C.P.R. (4th) 180 (F.C.A.), Justice Marshall Rothstein writing for the majority, discounted evidence of extensive sales and advertising expenditures in proving

distinctiveness where the claimed word-mark "Export" was never used in isolation (see para. 79). In *Ciba-Geigy Canada Ltd. v. Novopharm Ltd.* (1994), 56 C.P.R. (3d) 289 at 313, 83 F.T.R. 161 (F.C.T.D.), Justice Rothstein also held that the existence of a monopoly did not of itself imply that the appearance of a product had given it a secondary meaning. This decision was varied for other reasons at (1994), 83 F.T.R. 161, 56 C.P.R. (3d) 289 and at (1994), 83 F.T.R. 233, 56 C.P.R. (3d) 344. Similarly, in *Canadian Council of Professional Engineers v. Lubrication Engineers, Inc.* (1992), 41 C.P.R. (3d) 243 at 245, [1992] 2 F.C. 329 (F.C.A.), Justice James Hugessen held that the use of a mark in association with the wares in advertising was insufficient to establish its distinctive character without anything more.

Colour as a Functional Attribute

[39] GSK's claim to a secondary meaning from its use of the colour purple is further weakened by the recognition in the marketplace of colour as a functional attribute for bronchial inhalers. The evidence before me indicates that the colour of inhalers has acquired a partial therapeutic association which is used by manufacturers and by public interest groups to counsel patients. For example, in a publication by the Asthma Society of Canada directed to children with asthma, inhalers containing a reliever medication are said to commonly come in blue and inhalers containing a maintenance medication are said to come in many colours. This distinction between the colour of reliever inhalers and maintenance inhalers is reflected in several other examples contained in the record including materials associated with GSK and with the Lung Association. This therapeutic association with colour is further described in the following passages from the affidavit of Mr. Lum at paras. 34-35:

> 34. For all types of inhalers, colour plays an important role in indicating to patients the therapeutic use of the inhaler. Oftentimes, patients take (a) a maintenance medication like fluticasone propionate/salmeterol xinafoate (e.g., Advair), fluticasone propionate (e.g., Flovent), or salmeterol xinafoate (e.g., Serevent), and (b) a rescue medication, such as salbutamol sulfate (e.g., Ventolin), concurrently. As such, the colour of the inhaler, in association with the labels affixed on it, becomes functional in providing another safeguard for the proper administration of medications. It is also common for patients to have used either the fluticasone propionate DPI (e.g., Flovent Diskus)

> and/or the salmeterol xinafoate DPI (e.g., Serevent Diskus), switch to the fluticasone propionate/salmeterol xinafoate DPI (e.g., Advair Diskus), or *vice versa*. Patients generally notice the colour change, and attribute it to a difference in therapeutic use and purpose. Some patients may also attribute colour change to the difference in active ingredients in the inhaler.
>
> 35. It is my experience that patients generally associate the colours of their inhalers with their therapeutic use. Colours are often used by patients to differentiate between the inhaler they use for immediate relief (i.e., the rescue medication) and the inhaler they use for preventative therapy (i.e., maintenance or prophylactic use). For example, the majority of my patients who use inhalers to [*sic*] refer to their "blue" inhalers to mean their rescue medications. Therefore, patients become generally conscious that the colours of their inhalers function as an indicator of the inhalers' therapeutic effects.

[40] I accept GSK's position that, at least with respect to maintenance or controller inhalers, this functional association with colour is not a conclusive bar to the registration of a unique colour-based mark. However, in a market that has created certain therapeutic associations with product colour, it becomes more difficult to establish commercial distinctiveness on the partial basis of colour and it weakens the argument for a secondary meaning.

[emphasis in original, footnotes omitted]

[70] The Federal Court of Appeal decision in *Apotex* reads, in relevant part, as follows:

> [6] I am also not persuaded that the judge applied the wrong test for distinctiveness. A trade-mark is actually distinctive if the evidence demonstrates that it distinguishes the product from others in the marketplace: *Astrazeneca AB v. Novopharm Ltd.*, 2003 FCA 57, 24 C.P.R. (4th) 326 at para.16. A critical factor is the message given to the public: *Philip Morris Inc. v. Imperial Tobacco Ltd.* (1985), 7 C.P.R. (3d) 254 (F.C.T.D.), aff'd (1987), 17 C.P.R. (3d) 289 (F.C.A.). Distinctiveness is to be determined from the point of view of an everyday user of the wares in question and the trade-mark must be considered in its entirety and as a matter of first

> impression: *Molson Breweries v. John Labatt Ltd.*, [2000] 3 F.C. 145, 5 C.P.R. (4th) 180 at para. 83 (F.C.A.).
>
> [7] Glaxo characterizes the judge's reference to the "use" consumers make of the GSK Mark as a flawed application of the distinctiveness test. I disagree with that interpretation of the judge's reasons. The judge neither devised nor applied a new test. Glaxo's suggestion to the contrary constitutes a misinterpretation of the manner in which the judge utilized the word "use". The judge's statement must be read in the context in which it was written, that is, examining the process of connecting a product to its source. To be distinctive, the relevant consumers must distinguish the source's product from the wares of others, based on the source's trade-mark. Taken in context, the judge's comments demonstrate that it is the act of relating a trade-mark to its source that establishes the requisite consumer "use". If one substitutes the word "associate" for the word "use" – which is equally consistent with the judge's reasoning – Glaxo's argument evaporates. Accordingly, this argument fails.
>
> [8] The judge's application of the test to the facts turns on his appreciation and assessment of the evidence and his resulting factual determinations. The judge's reasons contain a detailed and comprehensive review and analysis of the evidence. Glaxo has not demonstrated any palpable and overriding error in this respect. Rather, it effectively seeks to reargue its case without pointing to any specific instance where the judge's appreciation or assessment of the evidence is palpably wrong. Absent palpable and overriding error, which has not been established, this argument must also fail.
>
> [emphasis in original]

[71] As regards the significant points of contention before me, I make the following observations about *Apotex*:

a) Neither Justice Barnes nor the Federal Court of Appeal deals directly with the issue of whether an applicant must establish distinctiveness in all three groups (physicians, pharmacists and patients), or whether distinctiveness within one group will suffice, although both sides in the present dispute point to wording and inference in *Apotex* that they feel support their respective positions;

b) The wording in paragraph 35 of Justice Barnes' decision – "a substantial body of patients" – suggests that it is not sufficient to establish that "a few patients," or, indeed, physicians and pharmacists, make the association between appearance and

source. There is no definition of "a substantial body" and I do not think there ever could be. It will always depend upon the product and the market for that product;

c) The wording in paragraph 5 – "to any significant degree" -, paragraph 12 – "something more than a passive or indecisive observation of potential provenance" -, paragraph 21 – "only a secondary check for the identification of a pharmaceutical tablet" - , paragraph 34 – "not the primary characteristics" - suggests that while some degree of identification may exist, it must be more than a passive or indecisive observation of potential provenance. The degree of association with a single source, and the words cited above, have to be read in conjunction with Justice Barnes' acknowledgement in paragraph 20 of his decision that Justice Evans held in *Novopharm*, above, that it is not fatal to a trade-mark registration that consumers may use other means than the mark for identifying the product with a sole source. But, as Justice Barnes says, there still has to be "sufficient evidence that the trade-mark [is] capable of being so recognized on its own. In other words, a trade-mark based on get-up cannot acquire its distinctiveness by virtue of its use in combination with a distinctive word-mark." The same words also have to be read with the re-assertion of the fundamental principles by the Federal Court of Appeal at paragraph 6 of its decision that "[d]istinctiveness is to be determined from the point of view of an everyday user of the wares in question and the trade-mark must be considered in its entirety *and as a matter of first impression*" [emphasis added].

[72] Much was made by the Applicant in the present case that the blue, diamond-shaped appearance of the Viagra pill is not, and need not be, the primary means of identifying a single source. I agree that there is no justification for abandoning the "first impression" principle just because we are dealing with a pharmaceutical. However, I also do not think that Justice Barnes abandoned it in *Apotex*. He does not say that appearance has to be the "primary characteristic" for identifying a single source for the product, and his decision as a whole makes it clear that, as a matter of first impression, it is still necessary to show that there is sufficient evidence to establish, on a balance of probabilities, that appearance is recognized as an indicator of source. I believe this is the principle that must be applied when assessing the evidence in the present case.

[73] As regards the "substantial body" issue and the extent to which the blue, diamond-shaped Viagra pill is recognized as an indicator of a single source, either within the relevant group or groups, I will first examine what the evidence tells us about the extent of recognition and then decide whether, given the extent of recognition and the market in question, it can be said that there is recognition "to any significant degree," to use the words of Justice Barnes in paragraph 5 of *Apotex*.

[74] The most controversial aspect of the present appeal, from the perspective of principle, is whether substantial recognition is required in all three relevant groups – physicians, pharmacists *and* patients – or whether it is sufficient to establish distinctiveness in only one, or two, of the groups. The Board Decision under appeal accepted that the Applicant had established distinctiveness with regard to patients but upheld the opposition on the basis that distinctiveness had not been established with regard to physicians and pharmacists. The Board clearly felt it was necessary to satisfy the criteria for distinctiveness in all three groups. In paragraph 5 of his decision in *Apotex*, Justice Barnes appears to be of the view that the "relevant constituency of consumers of a product like this one includes physicians, pharmacists and patients" and that for "the purposes of this case, the issue is whether [at the material date] all of these consumers would, to any significant degree, recognize the [trade-mark] by its appearance (excluding labels and packaging) and associate that get-up with a single source." I do not take Justice Barnes to be saying that "all of these consumers" means every consumer, but his decision does suggest to me that the whole "constituency" has to be examined for "any significant degree" of recognition.

[75] The Federal Court of Appeal in *Apotex* was "not persuaded that the judge applied the wrong test for distinctiveness" and it found that the "judge neither devised nor applied a new test." In coming to this conclusion, the Federal Court of Appeal was focussed upon Glaxo's reference to the word "use" that appears in paragraph 13 of Justice Barnes' decision, and no issue appears to have been taken with the words "physicians, pharmacists and patients" that appear in the same paragraph and which are identified as the relevant "constituency" by Justice Barnes throughout his decision.

[76] The constituency question before me (i.e. whether the Applicant is required to establish distinctiveness in all three relevant groups, or whether one, or two, will suffice) was not directly addressed in *Apotex*, although the Board Decision in the present case obviously assumes that the test is conjunctive and requires distinctiveness in all three groups.

[77] As paragraph 35 of *Apotex* makes clear, Justice Barnes considered the evidence for distinctiveness in all three groups. He concluded that, with regard to physicians and pharmacists, there was no evidence to support "an association in the exercise of their professional judgment," and with regard to patients "although a few patients made an association between the appearance of the GSK Mark and a single source, the evidence is insufficient to support GSK's contention that a substantial body of patients would do so." In other words, in *Apotex*, the evidence did not support distinctiveness in any of the three groups. Justice Barnes did not have to decide whether distinctiveness within one group would have been sufficient, but it is not entirely clear whether he examined all three groups in order to decide whether distinctiveness was proven in any one of them, or whether he required distinctiveness in all three, so that, even if he had found

distinctiveness among patients this would not have sufficed. This issue becomes acute in the present case because the Board found that distinctiveness had been established for patients but not for physicians and pharmacists.

[78] As a result, the parties in the present dispute before me have, with great ability and persuasive flair on both sides, attempted to establish that the general jurisprudence supports their respective positions on this point. The Applicant says that the test is disjunctive ("physicians, pharmacists or patients"), and the Respondent says it is conjunctive ("physicians, pharmacists and patients").

[79] My review of the jurisprudence presented to me by both sides in this dispute on this issue leads me to conclude that it is misleading to think in terms of a disjunctive or conjunctive test in this context. For example, in *Novopharm*, above, Justice Evans set out some basic principles that are helpful in the present dispute:

> *(a) relevant legal principles*
>
> [71] Before I turn to the evidence it may be helpful to set out some of the legal principles that will help to frame the analysis of it.
>
> [72] First, the burden of establishing the distinctiveness of a mark rests on the applicant, both in the opposition proceeding before the Registrar and on an appeal to this Court. Thus, Bayer must establish on a balance of probabilities that in 1992, when Novopharm filed its opposition to the application, ordinary consumers associated dusty rose, round extended-release tablets of the size of the 10 mg ADALAT tablet, with Bayer, or a single source of manufacture or supply: *Standard Coil Products (Canada) Ltd. v. Standard Radio Corporation*, [1971] F.C. 106 at 123 (F.C.T.D.), aff'd. [1976] 2 F.C. iv (F.C.A.).
>
> [73] Second, the "ordinary consumers" to be considered for this purpose include not only physicians and pharmacists, but also the

"ultimate consumers", that is the patients for whom ADALAT tablets are prescribed and to whom they are supplied, even though their only access to nifedipine is through a physician's prescription: *Ciba-Geigy Canada Ltd. v. Apotex Limited*, [1992] 3 S.C.R. 120.

[74] In *Ciba-Geigy* the Court held that the elements of the tort of passing-off were as applicable to pharmaceutical products as to any other. Accordingly, it was relevant to consider whether the "get-up" of the plaintiff's goods had acquired a distinctiveness that would lead patients to identify that "get-up" with a single source, so that they were likely to be confused into thinking that another's product, with a similar appearance to that of the plaintiff, emanated from the same source as the plaintiff's.

[75] I should also note that, while there are some obvious differences between actions for the tort of passing-off and opposition proceedings to the registration of a trade-mark, there is also a significant link between them. A dismissal of Novopharm's opposition will enable Bayer to prevent competitors from marketing a product that is interchangeable with ADALAT in the form of tablets with a similar appearance to Bayer's nifedipine tablets.

[76] Thus, in any enforcement proceedings that Bayer were to bring for trade-mark infringement it would not be required to prove that the colour, shape and size of its product had a secondary meaning, as it would in a passing-off action if it were not the holder of valid trade-mark. By virtue of the statutory definition of a trade-mark, the valid registration of the mark at issue in this proceeding in effect irrefutably establishes that the appearance of ADALAT tablets is associated by consumers with a single source.

[77] Third, while I accept that the colour, shape and size of a product may together be capable in law of constituting a trade-mark, the resulting mark is, as a general rule, likely to be weak: *Smith Kline & French Canada Ltd. v. Registrar of Trade-marks* (1987), 9 F.T.R. 129, 131 (F.C.T.D.).

[78] In this case, pink round small tablets are commonplace in the pharmaceutical market. This means that Bayer has a heavy burden to discharge in proving on the balance of probabilities that in 1992 those properties had a secondary meaning, so that ordinary consumers associated the tablets with a single source: *Standard Coil*, *supra*, at 123. The fact that, when Novopharm filed its objection, ADALAT were the only extended-release nifedipine tablets on the market is in itself insufficient to establish a secondary meaning: *Cellular Clothing v. Maxton & Murray*,

> [1899] A.C. 326, 346 (H.L.); *Canadian Shredded Wheat Co. Ltd. v. Kellogg Co. of Canada Ltd.*, [1939] S.C.R. 329.
>
> [79] Fourth, it is not fatal to an application that consumers may also use means other than the mark for identifying the product with a single source. Thus, while pharmacists rely mainly on the brand name and other identifying indicia on the stock bottles and packaging containing the product, or the inscription on the tablets, which is not part of the mark, if there is evidence that to any significant degree they also recognized the product by its appearance (excluding the markings on the tablet because they are not part of the mark), this may be sufficient to establish the distinctiveness of the mark.

[80] The guidance I take from *Novopharm* for present purposes is as follows:

a) The Applicant was obliged to establish, on a balance of probabilities, that "ordinary consumers" associated its blue, diamond-shaped pill with Pfizer or a single source of manufacture or supply;

b) The "ordinary consumers" to be considered for this purpose include not only physicians and pharmacists, but also the patients for whom Viagra tablets are prescribed and to whom they are supplied;

c) While colour, shape and size of a product may together be capable in law of constituting a trade-mark, the resulting mark is, as a general rule, likely to be weak; and

d) Consumers may use other means to identify Viagra tablets with a single source so long as "there is evidence that to any significant degree they also recognized the product by its appearance (excluding the markings on the tablet…)."

[81] It is clear that, in *Novopharm*, Justice Evans did not say that distinctiveness must be established in each of the three groups. His example in paragraph 79 suggests that if the evidence shows that "to any significant degree" pharmacists "also recognized the product by its appearance (excluding the markings on the tablet because they are not part of the mark), this may be sufficient to establish the distinctiveness of the mark." Justice Evans does not say that

distinctiveness cannot be established unless the mark is also distinctive for physicians and patients.

[82] This suggests to me that, in addressing distinctiveness in the appearance of a pharmaceutical tablet, the Board or the Court must look at whether the evidence establishes recognition, to "any significant degree," among any group or groups of "ordinary consumers" of the Mark. Given the basic principle that whether a particular mark or guise is distinctive is a question of fact in each case, I do not see how that principle can be avoided by saying that it is insufficient if an applicant can establish a "significant degree" of distinctiveness by reference to one section of what Justice Barnes called the "relevant constituency of consumers" of the product. It is clear from the case law cited to me that in order to decide whether a significant degree of distinctiveness has been established, the whole constituency must be examined, but I see no clear indication in the cases that the words "and," or any other language, requires that distinctiveness must be established separately for each sub-group of that constituency.

[83] The reason it is necessary to examine the whole constituency is, in my view, because patients, for example, do not make decisions about their medication in isolation. Distinctiveness from the patient perspective has a lot to do with the way they identify their prescription medications in their interactions with their physicians and pharmacists. But this does not mean that a mark that does not achieve distinctiveness amongst physicians and pharmacists cannot, for that reason, achieve distinctiveness through patient recognition. It all depends on the facts and the evidence adduced to support those facts.

[84] The Applicant says that its burden can be met by establishing distinctiveness among physicians, pharmacists *or* patients: *Novopharm*, above, at paras 73, 123; *Astra* FCA, above, at paras 45-46; *Apotex Inc v Ciba-Geigy Canada Ltd*, above, at para 13. The Respondent says that distinctiveness must be established among physicians, pharmacists *and* patients: *Novopharm*, above, at paras 73, 121-122; *Eli Lilly and Company v Novopharm Ltd*, above, at paras 48, 53, 92-94; *Apotex*, above, at para 5, aff'd *Apotex* FCA, above, at paras 2, 3, 6.

[85] The initial argument that distinctiveness must be established among physicians, pharmacists, *and* patients stems from *Ciba-Geigy*. Prior to *Ciba-Geigy*, the courts only considered physicians and pharmacists as the relevant consumers in pharmaceutical passing off cases. Patients were excluded for two reasons: they are unable to purchase pharmaceuticals without the involvement of physicians and pharmacists; and the pharmaceutical industry is heavily regulated. The Supreme Court of Canada rejected these arguments. It said that in our modern economy, consumers rarely purchase anything directly from the source. Most industries involve a middle-person, a regulatory framework, or both. The Supreme Court of Canada confirmed that the ultimate consumers, patients in the pharmaceutical industry, must be considered in passing off cases. *Ciba-Geigy*'s conclusion sheds some light on the "relevant constituency of consumers" debate (at 157):

> There is no reason in law to depart from the well−established rule that the final consumer of a product must be taken into account in determining whether the tort of passing−off has been committed. In the field of prescription drugs, therefore, the customers of pharmaceutical laboratories include physicians, pharmacists, dentists and patients.
>
> The appeals should accordingly be allowed with costs. The second paragraph of the disposition in the judgment rendered by Fitzpatrick J. should be replaced by the following paragraph:

> 2. THIS COURT ORDERS that with respect to the marketing of prescription drugs, a plaintiff in an action for the alleged passing- off of a prescription drug must establish that the conduct complained of is likely to result in the confusion of physicians, pharmacists or patients/customers in choosing whether to prescribe, dispense or request either the plaintiff's or the defendant's product.

[86] In my view, the Supreme Court of Canada was simply listing the consumers to be considered in establishing the distinctiveness of a pharmaceutical product. There is no indication that the Court was creating a conjunctive test. This view is supported by the fact that the Court removed one of the sub-groups from the list of consumers (dentists) in its order regarding the particular pharmaceutical before the Court. It seems to me that if one sub-group can be removed without any discussion, then it should be possible to establish distinctiveness without a finding of distinctiveness in all of the other sub-groups.

[87] *Novopharm Ltd v AstraZeneca AB*, above, provides one example of this in practice in a distinctiveness trade-mark appeal. Justice Dawson said there was no evidence from patients before the Court and that Astra had conceded that physicians do not pay much attention to the colour and shape of tablets. Despite the lack of evidence in relation to two of the groups of consumers, Justice Dawson considered whether distinctiveness had been established among pharmacists:

> [11] Applying the principles set out above and carefully considering the evidence before me, I am unable to conclude that the colour and shape of Astra's 5 mg and 10 mg felodipine tablets are inherently distinctive, or that the red-brown mark has acquired distinctiveness so as to distinguish the wares from the wares of others.
>
> […]

[19] Turning to the evidence, no evidence was provided from patients, and Astra conceded that physicians do not pay much, if any, attention to the colour and shape of pills when dispensing medication. Astra, however, relied upon evidence that pharmacists use the shape and colour of the red-brown pills when choosing whether to dispense Astra's 10 mg felodipine tablets. Specifically, Astra relied upon evidence that pharmacists know the colour and shape of a product, and that they rely upon colour, shape and/or size to ensure that the correct brand is dispensed. If a pharmacist saw, for example, a green tablet he or she would know the tablet could not be Astra's felodipine. While Astra's felodipine tablets are dispensed in a box which contains the tablets in blister packs, a pharmacist must verify the number of tablets which are dispensed. The evidence is that, in so doing, the pharmacist "can't help but see what the colour and the shape of the Plendil tablets are".

[20] However, the evidence filed in this Court establishes, in my view, that at the relevant time there were many red-brown pills in the market. A pharmacist confirmed on his re-examination that Astra's 10 mg felodipine is the same colour as LOSEC 20 mg, such that he told the difference between the two pills by their markings. Other red brown (or dark pink) pills on the market include:

[…]

[21] While Astra objected to reference to this evidence, I am satisfied that this evidence is properly before the Court. Novopharm's statement of opposition was express that its opposition was not limited to the tablets of three specific manufacturers listed in the statement of opposition. On the basis of the evidence filed by Novopharm, Astra at all times knew the case it had to meet.

[22] Further, I am satisfied on the evidence that pharmacists do not dispense felodipine to a significant degree on the basis of colour and/or shape. The appearance of colour and shape is simply one item, a secondary check, which a pharmacist will consider. I accept the evidence that pharmacists primarily identify tablets by their Drug Identification Number, their markings, and the labels on the packaging. I accept the submission of Novopharm that it is insufficient that a pharmacist would know that Astra's felodipine tablets are not green. The proper question is what does a red-brown pill mean to a pharmacist?

[23] In sum, I find that the evidence fails to establish on the balance of probabilities that the shape and colour of the red-brown

> tablet actually distinguishes Astra's tablets from the tablets of other manufacturers.
>
> CONCLUSION AND COSTS
>
> [24] Having concluded that Astra has failed to establish that any of physicians, pharmacists or patients can and do use the proposed trade-marks in choosing whether to prescribe, dispense or request Astra's felodipine 5 mg or 10 mg tablets it follows that the appeals will be allowed.

[88] If the test were conjunctive, the lack of evidence regarding patients and physicians would have been fatal to the appeal and there would have been no need for Justice Dawson to consider the evidence regarding distinctiveness among pharmacists. We see a similar application in Justice Evans' decision in *Novopharm*.

[89] After considering the evidence relating to physicians and pharmacists, Justice Evans concluded: "In my opinion, the evidence did not prove that physicians or pharmacists to any significant degree identified ADALAT by colour and shape." Despite this conclusion, Justice Evans went on to consider the evidence relating to patients to determine whether distinctiveness had been established among patients. He concluded:

> [121] …Bayer produced no direct evidence to show that patients associated the colour and shape of ADALAT tablets with a single source.
>
> [122] While such evidence may not be necessary, its absence is damaging when there is evidence from pharmacists and physicians to the effect that patients typically do not associate the appearance of a medication with a single source. In addition, in this case the evidence about the packaging of ADALAT suggested that patients were more likely to identify Bayer's product by its brand name or manufacturer, than by its colour, shape and size.
>
> [123] Given this finding, the very limited use that pharmacists make of the appearance of medication for identification purposes is

> quite inadequate to establish the distinctiveness required for a valid trade-mark.

[90] Again, there would be no need for Justice Evans to continue to examine the evidence relating to patients after concluding the evidence did not establish distinctiveness among physicians and pharmacists.

[91] In upholding his decision, the Federal Court of Appeal said nothing regarding Justice Evans' articulation or application of the legal test:

> [6] …As distinctiveness is essentially an issue of fact, it was open to the trial judge to come to his own conclusion as to whether this colour of dusty rose as applied to a pill had acquired distinctiveness. In the absence of a palpable and overriding error in the trial judge's findings of fact we should not interfere. We are satisfied there was no such error.
>
> [footnote omitted]

[92] Justice Heneghan's review of the Board's distinctiveness assessment in *Eli Lilly and Company v Novopharm Ltd* is as follows:

> [92] The Registrar assessed the question of distinctiveness in relation to a broad class of consumers, that is physicians, pharmacists and patients. It gave little weight to the evidence of patients and noted that the physicians and pharmacists rely on the markings on the capsule, not only its appearance, to identify the product. This conclusion is grounded in the evidence filed, including the transcripts of the cross-examinations.
>
> [93] The Registrar's choice of a broad class of consumer is consistent with the jurisprudence; see *Ciba-Geigy*.
>
> [94] In my opinion, the Registrar's choice of the relevant universe and its assessment of the survey evidence, were reasonable.

[93] In my view, Justice Heneghan merely confirms the broad "relevant constituency of consumers" that must be examined and says the Board's assessment of the evidence was reasonable. She does not use any language to suggest the test is conjunctive.

[94] In *Apotex*, Justice Barnes uses some language that could be read as requiring distinctiveness among physicians, pharmacists and patients. However, in upholding his decision, the Federal Court of Appeal said that Justice Barnes had "neither devised nor applied a new test." As a result, where Justice Barnes' language is open to interpretation, it should be interpreted to be in line with settled jurisprudence.

[95] First, Justice Barnes says, at paragraph 5, that "[t]he relevant constituency of consumers of a product like this one [also a pharmaceutical] includes physicians, pharmacists and patients." He goes on to say, "For the purposes of this case, the issue is whether on December 21, 2007 all of these consumers would, to any significant degree, recognize the GSK Mark by its appearance (excluding labels and packaging) and associate that get-up with a single source." Justice Barnes cannot be taken to have meant that distinctiveness must be established for *every* consumer. Rather, I read Justice Barnes as affirming the consideration of a broad range of consumers in determining whether distinctiveness is established to any significant degree. Support for this is also found in the fact that Justice Barnes relied on *Novopharm* where Justice Evans considered the evidence relating to patients after concluding that the evidence did not establish distinctiveness among physicians and pharmacists.

[96] Similar legal questions and evidence were before Justice Barnes; yet, the Federal Court of Appeal simply reiterated fundamental principles of trade-mark law and did not engage in any discussion of the points of the contention that the parties raise in the present case. This seems to be a confirmation of the principle that trade-mark law is no different for pharmaceutical products and a rejection of any complexities being read into the jurisprudence. The Court of Appeal very simply says:

> [6] I am also not persuaded that the judge applied the wrong test for distinctiveness. A trade-mark is actually distinctive if the evidence demonstrates that it distinguishes the product from others in the marketplace: *Astrazeneca AB v. Novopharm Ltd.*, 2003 FCA 57, 24 C.P.R. (4th) 326 at para.16. A critical factor is the message given to the public: *Philip Morris Inc. v. Imperial Tobacco Ltd.* (1985), 7 C.P.R. (3d) 254 (F.C.T.D.), aff'd (1987), 17 C.P.R. (3d) 289 (F.C.A.). Distinctiveness is to be determined from the point of view of an everyday user of the wares in question and the trade-mark must be considered in its entirety and as a matter of first impression: *Molson Breweries v. John Labatt Ltd.*, [2000] 3 F.C. 145, 5 C.P.R. (4th) 180 at para. 83 (F.C.A.).
>
> [7] Glaxo characterizes the judge's reference to the "use" consumers make of the GSK Mark as a flawed application of the distinctiveness test. I disagree with that interpretation of the judge's reasons. The judge neither devised nor applied a new test. Glaxo's suggestion to the contrary constitutes a misinterpretation of the manner in which the judge utilized the word "use". The judge's statement must be read in the context in which it was written, that is, examining the process of connecting a product to its source. To be distinctive, the relevant consumers must distinguish the source's product from the wares of others, based on the source's trade-mark. Taken in context, the judge's comments demonstrate that it is the act of relating a trade-mark to its source that establishes the requisite consumer "use". If one substitutes the word "associate" for the word "use" – which is equally consistent with the judge's reasoning – Glaxo's argument evaporates. Accordingly, this argument fails.

[97] This helpful summary reiterates the principle that trade-mark law applies to the pharmaceutical industry the same as it does to all other industries. The Applicant must adduce

sufficient evidence to establish that, on a balance of probabilities, consumers associate the Mark with a single source of manufacture to a significant degree. The consumers of Viagra include physicians, pharmacists, and patients. If the Applicant can demonstrate a significant degree of recognition among these consumers, the Applicant will have established that the Mark is distinctive. In my view, there is nothing in the case law to support the Board's finding and the Respondent's argument that the Applicant must establish distinctiveness amongst patients, physicians *and* pharmacists.

(4) The Decision

[98] Generally speaking, I think the Board fails to consider whether there is sufficient evidence in this case to establish that the blue, diamond-shaped Viagra pill (without its markings and packaging) is associated with a single source.

[99] The Board Decision is based upon the following key findings and conclusions:

a) As a matter of law, the Applicant had to establish that the Mark is distinctive "amongst patients, physicians and pharmacists." What the Board meant by this is revealed by the Decision as a whole that required the Applicant to establish distinctiveness separately for all three categories. The Board accepted that the Applicant had established distinctiveness for patients, but not for physicians and pharmacists. This meant that the Applicant had not clearly established that a significant number of physicians and pharmacists relate the Mark when prescribing and dispensing the wares. Accordingly, the distinctiveness ground of opposition succeeded on this basis (para 100). The Board assessed the evidence for both physicians and pharmacists separately, but it is not clear from the conclusion whether the Board treated "physicians and pharmacists" as one group. In any event, it is clear that the Applicant had to do more than establish distinctiveness amongst patients;

b) The evidence relied upon for distinctiveness amongst patients appears to have been as follows:

i. Many patients had been exposed to extensive advertising for the Mark between the launch of Viagra and 2006;

ii. Viagra "has been referred to or is understood to be a 'little blue pill' by at least some patients further suggesting that the Mark has a reputation with at least some consumers";

iii. When patients refer to "little blue pill" they are not referring to the function of Viagra as there is no evidence that patients have been educated that "little blue pill" refers to medication treating erectile dysfunction generally, nor is there any indication as to why this would occur with respect to the Mark;

iv. The evidence of advertising and reputation, "while not constituting use of a mark, may result in an increase to its distinctiveness";

v. On the issue of an association a consumer would make between "the appearance of VIAGRA and the drug itself," the Board accepted and relied upon Dr. Perlin's evidence as demonstrating that patients associate the Mark and the wares, as Dr. Perlin states that they associate it with the brand Viagra as opposed to stating that patients associate it with erectile dysfunction medications generally. Dr. Perlin's evidence in this regard appears to be consistent with the evidence of pharmacist Marie Berry (Berry Affidavit, para 19) and Dr. Ronald Weiss (Weiss Affidavit, para 19; Weiss Cross, Q 127).

[100] In other words, the rationale appears to be that the Mark is distinctive among patients because they were exposed to extensive advertising, and the reference to "little blue pill" by "at least some patients" suggests that the Mark has a reputation "with at least some consumers," and the use of "little blue pill" by "at least some patients" is a reference to the brand Viagra and not to erectile dysfunction medications generally.

[101] It seems to me that this analysis, whatever else may be wrong with it given the evidence before the Board, fails to consider whether the Mark has become distinctive amongst patients "to any significant degree." The fact that "at least some patients" may have used the term "little blue pill" to refer to Viagra does not establish the distinctiveness of the appearance of the pill amongst

patients, and if extensive advertising "may result in an increase to its distinctiveness" we are not told what degree of distinctiveness has been established in this case.

[102] Even if the Board mistakenly requires distinctiveness amongst physicians, pharmacists *and* patients, there is little in the reasons to support a reasonable finding of distinctiveness amongst patients.

[103] This finding is particularly difficult to understand when the Board did not accept Mr. Charbonneau's direct evidence as a Viagra patient and appears to place a low evidentiary value on what pharmacists and physicians say about their patients:

> [87] The only witness to indicate that they have taken VIAGRA is Marc Charbonneau and as he is the brand manager for this drug he is not representative of patients generally.
>
> [88] The only other evidence before me with respect to patients generally is from pharmacists and physicians reporting on their perceptions of what patients think. I place a limited amount of weight on the evidence from Dr. Perlin, Cathy Conroy, and Laura Furdas with respect to their perceptions of patients' associations with medicine generally (for example associating it with function) (see, for example, Perlin affidavit, para 21; Conroy affidavit para 34, Q 49; Furdas affidavit para 27) since this evidence is with respect to medications generally and there is no evidence showing medications generally receive the advertising exposure or have the popularity that VIAGRA has.

[104] With regard to patients generally, then, I find that the Board was wrong in law in failing to consider whether distinctiveness amongst patients satisfied the requirement for distinctiveness, irrespective of whether the Mark was distinctive for physicians and pharmacists, but was also wrong in law in not considering whether distinctiveness amongst patients was established "to

any significant degree," and was unreasonable in failing to provide a sufficient evidentiary justification for finding distinctiveness amongst patients.

[105] Regarding pharmacists, the Board found that while the pharmacists who gave evidence recognized the appearance of Viagra and acknowledged it was manufactured by a single source, the Board rejected distinctiveness amongst pharmacists based upon its reading of Justice Barnes' decision in *Apotex*, above. The Board refers to Justice Barnes' finding that a unique design is not sufficient for distinctiveness, and that appearance provides an uncertain basis for drawing conclusions about product identity or source and that, as the Board puts it, "for a professional, the brand name and label will almost always trump product appearance for identifying source." The Board then opts for what it sees as a "primary characteristic" test in Justice Barnes' decision:

> [93] In the subject opposition, I do not find that there is sufficient evidence to meet the Applicant's burden that pharmacists use the Mark *as one of the primary characteristics* by which VIAGRA tablets are distinguished from the wares of others…
>
> [emphasis added]

[106] In my view, Justice Barnes does not apply a "primary characteristics" test in *Apotex*. His statement of the correct test is found in paragraph 13 of his decision:

> In my view it is insufficient to show that the appearance of a product may represent a secondary check of product identity or that it may cause a person to wonder whether the expected product was correctly dispensed. What is required is that physicians, pharmacists and patients relate the trade-mark to a single source and thereby use the mark to make their prescribing, dispensing and purchasing choices. An educated guess about source is not enough to constitute distinctiveness and neither is a design that is simply unique in the marketplace and recognized as such: see *Royal Doulton Tableware Ltd. v. Cassidy's Ltée* (1985), [1986] 1 F.C. 357 at 370-371, 1 C.P.R. (3d) 214 (F.C.T.D.). The fact that a physician or pharmacist might make an informal assumption about

> the provenance of a purple disc-shaped inhaler in the context of a therapeutic discussion with a patient is also insufficient to establish distinctiveness.
>
> [footnote omitted]

[107] Saying that "informal assumptions" were insufficient on the evidence before Justice Barnes in *Apotex* to establish distinctiveness does not mean that appearance has to be a "primary characteristic."

[108] The words "primary characteristics" appear in paragraph 34 of *Apotex*, but this is just a finding, and the real basis of the decision is found in paragraph 35:

> I have concluded on a balance of probabilities that, although a few patients may make an association between the appearance of the GSK Mark and a single source, the evidence is insufficient to support GSK's contention that a substantial body of patients would do so. With respect to physicians and pharmacists, I do not believe that any of them would draw such an association in the exercise of their professional judgment.

[109] In other words, Justice Barnes found that, on the evidence before him, no physician or pharmacist would draw an association between the appearance and a single source. I do not see this as a finding that appearance must be a "primary characteristic" for relating a trade-mark to its source. Pointing out that "colour and shape are not primary characteristics…by which purchasers make their choices" in *Apotex* simply means that, on the facts of that case, there was no evidence to connect appearance to source in the minds of pharmacists and physicians, and insufficient evidence to support that "a substantial body of patients would do so."

[110] The Board's conclusions are then further complicated by its reference to the Corbin survey:

> [94] If I had found the Corbin survey admissible, I would have found that it supported the fact that the Mark was recognized as being unique and as such was recognizable to pharmacists as being associated with VIAGRA brand tablets manufactured by one company. However, it is not clear that this evidence is sufficient to meet the criteria stated by Justice Barnes since the evidence shows that pharmacists primarily use other means to distinguish pharmaceuticals from one source as being from another source. As such, I am left in a state of doubt as to whether the Mark is distinctive amongst pharmacists.

[111] Whether or not the Corbin survey should have been admitted, it seems to me that the Board is still fixated on a "primary characteristic" test in this paragraph, even though in paragraph 92 of its Decision, the Board refers to Justice Evans' decision in *Novopharm* where he said:

> [79] Fourth, it is not fatal to an application that consumers may also use means other than the mark for identifying the product with a single source. Thus, while pharmacists rely mainly on the brand name and other identifying indicia on the stock bottles and packaging containing the product, or the inscription on the tablets, which is not part of the mark, if there is evidence that to any significant degree they also recognized the product by its appearance (excluding the markings on the tablet because they are not part of the mark), this may be sufficient to establish the distinctiveness of the mark.

[112] I do not read Justice Barnes' decision in *Apotex* as requiring anything more than that the Board must consider "if there is evidence that to any significant degree they also recognized the product by its appearance (excluding the markings on the tablet because they are not part of the mark)" because "this may be sufficient to establish the distinctiveness of the mark." In my view,

the Board fails to consider this by applying a "primary characteristics" test that is not established by *Apotex*.

[113] With regard to physicians, the Board again refers to *Apotex* when dealing with Dr. Weiss' evidence, thus raising the problems referred to above in relation to pharmacists. Dr. Weiss' evidence is also rejected because of his close association with Viagra and its development so that he "may have had a different awareness of the Mark than physicians generally." In other words, Dr. Weiss' evidence may speak to his own awareness of the distinctiveness of the blue, diamond-shaped tablet, but this is not evidence that other physicians to any significant degree also recognize the appearance of the product (excluding the markings on the tablet) as being distinctive of a single source.

[114] Dr. Perlin's evidence does not establish distinctiveness to any significant degree because of her limited exposure to the Mark. She says she does not keep up with what pharmaceutical products look like, is only familiar with the appearance of Viagra because of her involvement in a previous trade-mark opposition proceeding, is not familiar with television advertising related to Viagra, does not look at advertising in medical journals, and has not seen advertising for Viagra in newspapers and magazines.

[115] Dr. Shiffman's evidence does not establish distinctiveness to any significant degree because he "does not associate the appearance of VIAGRA with a single source due to the nature of the pharmaceutical market."

[116] Notwithstanding the reference to Justice Barnes' decision in *Apotex*, it seems clear to me that the Board deals with the physician evidence in the present case in accordance with established legal principles; the evidence simply does not suggest to any significant degree that the blue, diamond-shaped Viagra tablet without markings is distinctive of a single source amongst physicians.

[117] This leads to the Board's general conclusion on physicians and pharmacists at paragraph 100 of the Decision:

> The evidence does not enable me to conclude on a balance of probabilities that the Mark was distinctive to physicians or pharmacists as of March 6, 2006. This is because the Applicant has not clearly established that a significant number of physicians and pharmacists relate the Mark to prescribing and dispensing of the Wares. Accordingly, the distinctiveness ground of opposition succeeds on this basis.

(5) The Consumer Use Requirement

[118] The Applicant complains that, in relation to all three groups, the Board imposed a "consumer use" requirement that is not justified by the jurisprudence. In other words, the Applicant argues that, instead of asking whether patients, physicians or pharmacists simply recognize the blue, diamond-shaped pill to any significant degree as an indication of a single source, the Board goes further and requires evidence that patients, physicians and pharmacists actually "use" the appearance of the pill when making their purchasing, prescribing and dispensing choices. The Applicant concedes that physicians and pharmacists would never rely upon appearance when prescribing or dispensing Viagra, but this does not mean they do not recognize the colour and shape of the pill as an indicator of source.

[119] The basis for the Applicant's argument is paragraph 79 of Justice Evans' decision in *Novopharm*, which I will quote here again for convenience:

> Fourth, it is not fatal to an application that consumers may also use means other than the mark for identifying the product with a single source. Thus, while pharmacists rely mainly on the brand name and other identifying indicia on the stock bottles and packaging containing the product, or the inscription on the tablets, which is not part of the mark, if there is evidence that to any significant degree they also recognized the product by its appearance (excluding the markings on the tablet because they are not part of the mark), this may be sufficient to establish the distinctiveness of the mark.

[120] I have already concluded that a "primary characteristic" requirement is not in accordance with the basic principles of distinctiveness, and it does not comply, in my view, with Justice Evan's statement of the law in *Novopharm*. The "use" requirement is a little more problematic because it has been used in a number of cases that have been endorsed by the Federal Court of Appeal. See, for example, the series of decisions that Justice Rouleau decided in 2000: *Novopharm Ltd v Ciba Geigy Canada Ltd*, above, at para 16, aff'd *Astra* FCA, above; *Astra*, above, at para 13, aff'd *Astra* FCA, above; *Apotex Inc v Ciba-Geigy Canada Ltd*, above, at para 13, aff'd *Astra* FCA, above.

[121] To use one example, Justice Rouleau's analysis in *Astra* is as follows:

> [13] Here, because the proposed trade-mark is the colour and shape of the wares, Astra has the onus of proving that the "get-up", that is the appearance of the capsule, is recognized by the public as distinctive of its wares. It is therefore incumbent upon the respondent to show that physicians, pharmacists or patients can and do use the proposed trade-mark in choosing whether to prescribe, dispense or request Astra"s omeprazole product. In *Novopharm Ltd. v. Bayer Inc .*, supra, Evans., J. stated as follows:

"First, the burden of establishing the distinctiveness of a mark rests on the applicant, both in the opposition proceeding before the Registrar and on an appeal to this Court. Thus, Bayer must establish on a balance of probabilities that in 1992, when Novopharm filed its opposition to the application, ordinary consumers associated dusty rose, round extended-release tablets of the size of the 10 mg ADALAT tablet, with Bayer, or a single source of manufacture or supply . . .

"Second, the "ordinary consumers" to be considered for this purpose include not only physicians and pharmacists, but also the "ultimate consumers", that is the patients for whom ADALAT tablets are prescribed and to whom they are supplied, even though their only access to nifedipine is through a physician"s prescription: *Ciba-Geigy Canada Ltd. v. Apotex Limited,* [1992] 3 S.C.R.. 120.

"In *Ciba-Geigy* the Court held that the elements of the tort of passing-off were as applicable to pharmaceutical products as to any other. Accordingly, it was relevant to consider whether the "get-up" of the plaintiff"s goods had acquired a distinctiveness that would lead patients to identify that "get-up" with a single source, so that they were likely to be confused into thinking that another"s product, with a similar appearance to that of the plaintiff, emanated from the same source as the plaintiff"s.

[…]

"Third, while I accept that the colour, shape and size of a product may together be capable in law of constituting a trade-mark, the resulting mark is, as a general rule, likely to be weak: *Smith Kline & French Canada Ltd. v. Registrar of Trade-marks* (1987), 9 F.T.R. 129, 131 (F.C.T.D.).

"In this case, pink round small tablets are commonplace in the pharmaceutical market. This means that Bayer has a heavy burden to discharge in proving on the balance of probabilities that in 1992 those properties had a secondary meaning, so that ordinary consumers associated the tablets with a single source. The fact that, when Novopharm filed its objection, ADALAT were the only extended-release nifedipine tablets on the market is in itself insufficient to establish a secondary meaning.

> "Fourth, it is not fatal to an application that consumers may also use means other than the mark for identifying the product with a single source. Thus, while pharmacists rely mainly on the brand name and other identifying indicia on the stock bottles and packaging containing the product, or the inscription on the tablets, which is not part of the mark, if there is evidence that to any significant degree they also recognized the product by its appearance (excluding the markings on the tablet because they are not part of the mark), this may be sufficient to establish the distinctiveness of the mark."
>
> [14] Applying these principles to the evidence now before me, I am unable to conclude that the colour and shape of Astra omeprazole capsules are distinctive of the product. The evidence is clear that, both prior to and at the date of opposition, there were a number of well-known, two-toned capsules sold and distributed in the pharmaceutical industry, including a number of pink/brown capsules. The respondent has not adduced any evidence which clearly establishes, on a balance of probabilities, that a significant number of consumers associate the appearance of its product with a single source. Accordingly, it has failed to establish the distinctiveness required for a valid trade-mark.
>
> [formatting in original]

[122] With respect, I do not read a "consumer use" requirement in Justice Evans' articulation of the legal principles in *Novopharm*.

[123] In upholding Justice Rouleau's decision, the Federal Court of Appeal simply addressed Justice Rouleau's appraisal of the evidence (*Astra* FCA, above):

> [45] The judge below held that the Registrar, in relying only upon evidence that the appellants' products were popular and successful in the pharmaceutical marketplace and that there were no other products interchangeable with them, failed to apply the established principles of law with respect to distinctiveness. He found that the appellants had failed to present evidence from any consumers (doctors, pharmacists or patients) that the colour and shape of the appellants' products served to distinguish those products within any marketplace. He concluded that the Registrar's

> findings, that the appellant's trade-marks were, in fact, distinctive, were perverse.
>
> [46] In our opinion, the judge below made no error in his assessment of the evidence available on the distinctiveness issue. We agree with his assessment.

[124] Notwithstanding this jurisprudence, it is unclear if the Federal Court of Appeal has ever endorsed a "use" requirement in this context. It is worth recalling that Justice Barnes' reliance upon the word "use" in paragraph 13 of *Apotex* came under close scrutiny by the Federal Court of Appeal. The Federal Court of Appeal concluded in paragraph 7 of its decision that a word "must be read in the context in which it was written, that is, examining the process of connecting a product to its source":

> To be distinctive, the relevant consumers must distinguish the source's product from the wares of others, based on the source's trade-mark. Taken in context, the judge's comments demonstrate that it is the act of relating a trade-mark to its source that establishes the requisite consumer "use". If one substitutes the word "associate" for the word "use" – which is equally consistent with the judge's reasoning – Glaxo's argument evaporates. Accordingly, this argument fails.
>
> [emphasis in original]

[125] I glean two points of guidance from the Federal Court of Appeal's reasoning in *Apotex*. First of all, there is no consumer use requirement, so that the basic principles as enunciated by Justice Evans in *Novopharm* still apply. Second, the deployment of the word "use" in a decision does not mean that a consumer use requirement, that goes beyond "associate," is being applied. It is always necessary to look at the whole context of a decision.

[126] The Applicant claims that the "consumer use" requirement comes from a misinterpretation in the jurisprudence (Applicant's Record at 12882):

> 86. ***Origins of the Consumer Use Requirement***. The consumer use requirement arises out of a misinterpretation and misapplication of previous case law. The concept of consumer use in the pharmaceutical context has its origins in a number of cases decided by Rouleau J. in 2000. Rouleau J. relied on a statement of Evans J. (as he then was) in *Novopharm v. Bayer* as the foundation for the requirement that consumers must "use" the shape and colour of a pharmaceutical product in making decisions. However, *Novopharm v. Bayer* contains no such test. In fact, the test for distinctiveness articulated by Justice Evans is the same as that consistently applied in other trade-mark cases, namely, whether ordinary consumers associated the mark with a single source.
>
> [footnote omitted]

[127] The Applicant further says that the "consumer use" requirement was rejected by the Federal Court of Appeal in *Apotex* FCA, above, at para 7. In contrast, the Respondent says that the Federal Court of Appeal confirmed in *Apotex* that physicians and pharmacists must use the Mark to distinguish when making prescription or dispensing decisions.

[128] Justice Rouleau did say that the applicant was required to show that "physicians, pharmacists or patients can and do use the proposed trade-mark in choosing whether to prescribe, dispense or request" the product (see *Novopharm Ltd v Ciba-Geigy Canada Ltd*, above):

> [16] Here, because the proposed trade-mark is the colour and shape of the wares, Ciba has the onus of proving that the "get-up", that is the appearance of the tablet, is recognized by the public as distinctive of its wares. It is therefore incumbent upon the respondent to show that the colour pink, applied to a round tablet, distinguishes its tablet from other pink and round tablets sold in Canada. In this regard, it is not sufficient for the respondent to establish that Canadians know that Ciba's diclofenac product is sold in a pink tablet or a pink and round tablet. Rather, it must show that physicians, pharmacists or patients can and do use the

> proposed trade-mark in choosing whether to prescribe, dispense or request Ciba's diclofenac product. In *Novopharm Ltd. v. Bayer Inc., supra*, Evans., J. stated as follows…

[129] The language echoes that from *Ciba-Geigy*, above. *Ciba-Geigy* was a passing off case and the Supreme Court of Canada concluded that "with respect to the marketing of prescription drugs, a plaintiff in an action for the alleged passing-off of a prescription drug must establish that the conduct complained of is likely to result in the confusion of physicians, pharmacists or patients/customers in choosing whether to prescribe, dispense or request either the plaintiff's or the defendant's product." This, of course, is not the test for establishing distinctiveness. As the Federal Court of Appeal recently confirmed: "To be distinctive, the relevant consumers must distinguish the source's product from the wares of others, based on the source's trade-mark" (*Apotex* FCA, above, at para 7).

[130] Despite Justice Rouleau's language suggesting that he may have elevated the test to include a "consumer use" requirement, he ultimately applied the same test that is applied in all distinctiveness cases (*Novopharm Ltd v Ciba-Geigy Canada Ltd*, above):

> [18] I am satisfied therefore, that the respondent Ciba has not adduced any evidence which clearly establishes, on a balance of probabilities, that a significant number of consumers associate the appearance of its product with a single source. Accordingly, it has failed to establish the distinctiveness required for a valid trade-mark.

[131] As the Applicant points out, in upholding Justice Rouleau's decision, the Federal Court of Appeal simply said that Justice Rouleau made no error in assessing the evidence and

concluding that distinctiveness had not been established because there was no evidence from any consumer (physicians, pharmacists or patients): *Astra* FCA, above, at paras 45-46.

[132] In *Apotex*, Justice Barnes uses language similar to Justice Rouleau's:

> [8] GSK takes the position that all that is required to establish distinctiveness is that physicians, pharmacists and patients draw the association between the appearance of the GSK Mark and a single trade source. It says that it is unnecessary that the association be strong enough to support dispensing or purchasing decisions.
>
> [9] In support of its position GSK contends that Justice Paul Rouleau went too far in the decisions he gave in *Novopharm Ltd. v. Ciba-Geigy Canada Ltd*. (2000), 6 C.P.R. (4th) 224 at para. 16, 97 A.C.W.S. (3d) 141 (F.C.T.D.), affirmed, *Novopharm Ltd. v. AstraZeneca AB*, 2001 FCA 296, [2002] F.C. 148 and in *Novopharm Ltd. v. Astra Aktiebolag* (2000), 187 F.T.R. 119, 6 C.P.R. (4th) 16 at para. 13 (F.C.T.D.), affirmed, *Novopharm Ltd. v. AstraZeneca AB*, 2001 FCA 296, [2002] F.C. 148 where he held that a finding of distinctiveness required proof "that physicians, pharmacists or patients can and do use the proposed trade-mark in choosing whether to prescribe, dispense or request [Ciba's diclofenac or Astra's omeprazole] product".
>
> [10] For my purposes, it is enough to observe that the Federal Court of Appeal upheld Justice Rouleau's decisions in *Novopharm Ltd. v. AstraZeneca AB*, above, with specific reference to his approach to the issue of distinctiveness (see para. 46). Furthermore, the link between the get-up of a product and consumer choice was clearly recognized by the Supreme Court of *Canada in Ciba-Geigy Canada Ltd. v. Apotex Inc.*, above, where in language very close to that used by Justice Rouleau the concluding Order provided at para. 111:
>
> > THIS COURT ORDERS that with respect to the marketing of prescription drugs, a plaintiff in an action for the alleged passing-off of a prescription drug must establish that the conduct complained of is likely to result in the confusion of physicians, pharmacists or patients/customers in choosing whether to prescribe, dispense or request either the plaintiff's or the defendant's product.

> Although this was a passing-off case, I do not believe that the question of whether the get-up of a product had acquired a secondary meaning would be any different than determining whether a trade-mark based on product appearance was distinctive.
>
> [11] In *Kirkbi AG v. Ritvik Holdings Inc.*, 2005 SCC 65, [2005] 3 S.C.R. 302, the Supreme Court of Canada again recognized that a mark is a symbol of a connection between source and the product "so that, ideally, consumers know what they are buying and from whom" (para. 39).
>
> [12] I would add to this that s. 2 of the Act defines trade-mark as a mark that is <u>used</u> by a person to distinguish wares. This connotes something more than a passive or indecisive observation of potential provenance.
>
> [13] In my view it is insufficient to show that the appearance of a product may represent a secondary check of product identity or that it may cause a person to wonder whether the expected product was correctly dispensed. What is required is that physicians, pharmacists and patients relate the trade-mark to a single source and thereby use the mark to make their prescribing, dispensing and purchasing choices. An educated guess about source is not enough to constitute distinctiveness and neither is a design that is simply unique in the marketplace and recognized as such: see *Royal Doulton Tableware Ltd. v. Cassidy's Ltée* (1985), [1986] 1 F.C. 357 at 370-371[1], 1 C.P.R. (3d) 214 (F.C.T.D.). The fact that a physician or pharmacist might make an informal assumption about the provenance of a purple disc-shaped inhaler in the context of a therapeutic discussion with a patient is also insufficient to establish distinctiveness.
>
> [emphasis in original]

[133] Despite some of this language suggesting that Justice Barnes may have required a "consumer use" element, he ultimately applied the usual test for distinctiveness as well:

> [35] I have concluded on a balance of probabilities that, although a few patients may make an association between the appearance of the GSK Mark and a single source, the evidence is insufficient to support GSK's contention that a substantial body of patients would do so. With respect to physicians and pharmacists, I do not believe that any of them would draw such an association in the exercise of their professional judgment.

[134] The Federal Court of Appeal specifically discussed Justice Barnes' use of "use":

> [7] Glaxo characterizes the judge's reference to the "use" consumers make of the GSK Mark as a flawed application of the distinctiveness test. I disagree with that interpretation of the judge's reasons. The judge neither devised nor applied a new test. Glaxo's suggestion to the contrary constitutes a misinterpretation of the manner in which the judge utilized the word "use". The judge's statement must be read in the context in which it was written, that is, examining the process of connecting a product to its source. To be distinctive, the relevant consumers must distinguish the source's product from the wares of others, based on the source's trade-mark. Taken in context, the judge's comments demonstrate that it is the act of relating a trade-mark to its source that establishes the requisite consumer "use". If one substitutes the word "associate" for the word "use" – which is equally consistent with the judge's reasoning – Glaxo's argument evaporates. Accordingly, this argument fails.
>
> [emphasis in original]

[135] In my view, the Federal Court of Appeal has already rejected the "consumer use" requirement and made it clear that consumers need only associate the product with source. Due to the nature of pharmaceutical products, the reality is that physicians will only have the opportunity to associate the tablet when prescribing (perhaps in describing the tablet to patients or in providing samples or educational materials); that pharmacists will only have the opportunity to associate the tablet when dispensing; and that patients will only have the opportunity to associate the tablet when requesting or purchasing. Consumers have no other opportunities to interact with pharmaceutical products. For those who do have other opportunities to interact with pharmaceutical products, for example, physicians who participate in preparing brand materials, their evidence will be given less evidentiary weight because their involvement renders them not representative of consumers generally.

[136] When I read the word "use" in the context of the Board Decision before me, I am not convinced that a consumer use requirement has been applied. I do not see that the Board Member required anything more than an association between the Mark and the source. This does not change my view on the improper introduction of the "primary characteristics" requirement when the Board is dealing with the evidence on pharmacists.

B. *The Role of the Court on Appeal*

[137] The role of the Court in an appeal under s. 56 of the Act is somewhat anomalous. The general guidance provided by the Federal Court of Appeal in *Molson Breweries*, above, is as follows:

> [46] Because of the opportunity to adduce additional evidence, section 56 is not a customary appeal provision in which an appellate court decides the appeal on the basis of the record before the court whose decision is being appealed. A customary appeal is not precluded if no additional evidence is adduced, but it is not restricted in that manner. Nor is the appeal a "trial *de novo*" in the strict sense of that term. The normal use of that term is in reference to a trial in which an entirely new record is created, as if there had been no trial in the first instance. Indeed, in a trial *de novo*, the case is to be decided only on the new record and without regard to the evidence adduced in prior proceedings.
>
> [47] On an appeal under section 56, the record created before the Registrar forms the basis of the evidence before the Trial Division judge hearing the appeal, which evidence may be added to by the parties. Thus, although the term trial *de novo* has come into frequent usage in describing a section 56 appeal, the term is not an entirely accurate description of the nature of such an appeal. That an appeal under section 56 is not a trial *de novo* in the strict sense of the term was noted by McNair J. in *Philip Morris Inc. v. Imperial Tobacco Ltd. (No. 1)*.
>
> [48] An appeal under section 56 involves, at least in part, a review of the findings of the Registrar. In conducting that review, because expertise on the part of the Registrar is recognized, decisions of the Registrar are entitled to some deference. In *Benson*

& Hedges (Canada) Ltd. v. St. Regis Tobacco Corporation, Ritchie J. stated at page 200:

> In my view, the Registrar's decision on the question of whether or not a trade mark is confusing should be given great weight and the conclusion of an official whose daily task involves the reaching of conclusions on this and kindred matters under the Act should not be set aside lightly but, as was said by Mr. Justice Thorson, then President of the Exchequer Court, in *Freed and Freed Limited v. The Registrar of Trade Marks et al*:
>
> > ... reliance on the Registrar's decision that two marks are confusingly similar must not go to the extent of relieving the judge hearing an appeal from the Registrar's decision of the responsibility of determining the issue with due regard to the circumstances of the case.

[49] In *McDonald's Corp. v. Silverwood Industries Ltd.*, Strayer J. (as he then was), having regard to the words of Ritchie J., explained that while the Court must be free to assess the decision of the Registrar, that decision should not be set aside lightly.

> It seems clear that in opposition proceedings where the issue is essentially one of facts concerning confusion or distinctiveness the decision of the registrar or the Board represents a finding of fact and not the exercise of discretion. Therefore the court should not impose upon itself the same degree of restraint, in reviewing that decision, as it would if the decision were essentially an exercise of discretion. It is thus free to review the facts to determine whether the decision of the registrar or Board was correct, but that decision should not be set aside lightly considering the expertise of those who regularly make such determinations: see *Benson & Hedges (Canada) Ltd. v. St. Regis Tobacco Corp.* (1968), 57 C.P.R. 1 at p. 8, 1 D.L.R. (3d) 462, [1969] S.C.R. 192, at pp. 199-200 (S.C.C.). While different panels of the Federal Court of Appeal have variously expressed the duty of this Court on appeal to be to determine whether the registrar has 'clearly erred', or whether he has simply 'gone wrong', it appears that it is the duty of a judge sitting on an appeal such as this to come to his own conclusion as to the correctness of the finding of the registrar. In doing that he must, however, take into account the special experience and knowledge of the registrar or the Board, and more importantly have regard to

> whether new evidence has been put before him that was not before the Board.
>
> [50] *McDonald's Corp. v. Silicorp Ltd.* was a 1989 decision, well before the recent Supreme Court jurisprudence establishing the modern spectrum of standards of review, namely, correctness, reasonableness *simpliciter* and patent unreasonableness. See *Canada (Director of Investigation & Research) v. Southam Inc.* Because Strayer J. was prepared to accord some deference to the Registrar, I do not consider his use of the term "correct" to reflect the non-deferential and rigorous standard of review that is today associated with the terms "correct" or "correctness".
>
> [51] I think the approach in *Benson & Hedges* and in *McDonald's Corp.* are consistent with the modern approach to standard of review. Even though there is an express appeal provision in the *Trade-marks Act* to the Federal Court, expertise on the part of the Registrar has been recognized as requiring some deference. Having regard to the Registrar's expertise, in the absence of additional evidence adduced in the Trial Division, I am of the opinion that decisions of the Registrar, whether of fact, law or discretion, within his area of expertise, are to be reviewed on a standard of reasonableness *simpliciter*. However, where additional evidence is adduced in the Trial Division that would have materially affected the Registrar's findings of fact or the exercise of his discretion, the Trial Division judge must come to his or her own conclusion as to the correctness of the Registrar's decision.
>
> [footnotes omitted]

[138] Further guidance was provided by the Supreme Court of Canada in *Mattel*, above, at para 40:

> Given, in particular, the expertise of the Board, and the "weighing up" nature of the mandate imposed by s. 6 of the Act, I am of the view that despite the grant of a full right of appeal the appropriate standard of review is reasonableness. The Board's discretion does not command the high deference due, for example, to the exercise by a Minister of a discretion, where the standard typically is patent unreasonableness (e.g. *C.U.P.E. v. Ontario (Minister of Labour)*, [2003] 1 S.C.R. 539, 2003 SCC 29, at para. 157), nor should the Board be held to a standard of correctness, as it would be on the determination of an extricable question of law of general importance (*Chieu v. Canada (Minister of Citizenship and*

> *Immigration)*, [2002] 1 S.C.R. 84, 2002 SCC 3, at para. 26). The intermediate standard (reasonableness) means, as Iacobucci J. pointed out in *Ryan*, at para. 46, that "[a] court will often be forced to accept that a decision is reasonable even if it is unlikely that the court would have reasoned or decided as the tribunal did". The question is whether the Board's decision is supported by reasons that can withstand "a somewhat probing" examination and is not "clearly wrong": *Southam*, at paras 56 and 60.

[139] As Justice O'Keefe pointed out at paragraph 49 of *Scott Paper*, above, after citing and following *Molson Breweries*, above:

> [49] In my view, it cannot be a requirement at this stage that the evidence submitted would have changed the hearing officer's mind. The requirement is only that it would have a material affect in her decision. I agree with the statement of Madam Justice Layden-Stevenson in *Vivat Holdings Ltd.*, above, that evidence that merely supplements or repeats existing evidence will not surpass the threshold.

[140] I accept the general standard of review analysis provided by the Applicant and the authorities relied upon (Applicant's Record at 12867-68):

> 38. **Standard of review**. Section 56(5) of the *Act* provides that, on appeal, "evidence in addition to that adduced before the Registrar may be adduced and the Federal Court may exercise any discretion vested in the Registrar."
>
> > *Trade-marks Act*, R.S.C., 1985, c. T-13, s. 56(5), PBOA, Tab A1
>
> 39. The standard of review is to be determined on an issue-by-issue basis. Where the record has been supplemented with additional evidence, the standard of review to be applied will depend on the materiality of the new evidence. If the new evidence is merely repetitive of the evidence adduced before the Registrar, deference is owed and reasonableness is the appropriate standard (meaning that if the outcome below falls within a range of alternatives or is not 'clearly wrong,' deference is to be afforded). Where, however, the evidence would have materially affected the Registrar's finding of fact or her exercise of discretion, the Court

must reach its own conclusions *as to the correctness of the decision*.

> *Molson Breweries, A Partnership v. John Labatt Ltd.* (2000), 5 C.P.R. (4th) 180 [*Molson Breweries*] at paras. 11, 24-29 (F.C.A.), PBOA, Tab B5
>
> *Mattel Inc. v. 3894207 Canada Inc*, 2006 SCC 22 [*Mattel*] at paras. 40-41, PBOA, Tab B6
>
> *JTI Macdonald TM Corp. v. Imperial Tobacco Products, Ltd.*, 2013 FC 608 [JTI] at para. 18, PBOA, Tab B7
>
> *Rothmans, Benson & Hedges, Inc. v. Imperial Tobacco Products, Ltd.*, 2014 FC 300 [RBH] at paras. 33-34, 85, PBOA, Tab B8
>
> *London Drugs Limited v. International Clothiers Inc.*, 2014 FC 223 at paras. 33-34, 41, PBOA, Tab B9
>
> *P & G v. Colgate*, *supra* at paras. 22-23, PBOA, Tab B2

40. **Materiality of the new evidence.** This Court must assess whether the new evidence would have materially affected the Decision. In order to have a material effect, the new evidence must be substantial and significant, the test being one of quality, not quantity. If the additional evidence adds nothing of probative significance, is merely repetitive of existing evidence, is irrelevant, makes assumptions without specific support, or was filed only "to support the Registrar's decision", then a more deferential standard of review is afforded.

> *JTI*, *supra* at paras. 33-34, PBOA, Tab B7
>
> *Scott Paper Ltd v. Georgia-Pacific Consumer Products LP*, 2010 FC 478 at paras. 41-49, PBOA, Tab B10
>
> *Vivat Holdings Ltd., v. Levi Strauss & Co.*, 2005 FC 707 at para. 27, PBOA, Tab B11

41. Where the Registrar has noted an absence of information or a deficiency, new evidence that responds to the cited deficiency may be considered (and which may result, if appropriate, in a less deferential review of the correctness of the decision).

> *Movenpick Holding AG v. Exxon Mobil Corp.*, 2011 FC 1397 at para. 54, PBOA, Tab B12
>
> *Advance Magazine Publishers Inc. v. Farleyco Marketing Inc.*, 2009 FC 53 at paras. 93-95, 98, PBOA, Tab B13

[141] I do not think that this approach has changed as a result of recent guidance from the Supreme Court of Canada and other appellate courts on general standard of review issues, except in one regard.

[142] The Applicant relies on *Engineers Canada*, above, to submit that the Board's determinations of law should be reviewed on a standard of correctness. In *Engineers Canada*, I relied on *Rogers Communications Inc v Society of Composers, Authors and Music Publishers of Canada*, 2012 SCC 35 [*Rogers*] to rebut the presumption that a tribunal's interpretation of its home statute is reviewable on a standard of reasonableness. I held that the same incongruities that arose under the *Copyright Act* in *Rogers* arose under s. 56 of the Act:

> [24] *Rogers*, above, dealt with a decision of the Copyright Board. The Supreme Court noted that in administering royalties under the *Copyright Act*, the Copyright Board was interpreting and applying its home statute, such that deference would normally apply under the post-*Dunsmuir* approach to standards of review. However, as a result of the structure of the *Copyright Act*, the courts are also engaged in first-instance interpretations of some of the same provisions of that Act where the issue is not the setting or administration of royalties but the infringement of Copyright.
>
> [25] The Supreme Court found that incongruities could arise if a standard of reasonableness were applied to legal questions on judicial review of Copyright Board decisions. Not only would the court considering the judicial review application be required to show deference to legal interpretations by the Copyright Board that might differ from its own jurisprudence in the infringement context, but appellate courts would be placed in a seemingly awkward position as well. To put the matter concretely, for

infringement matters, the Federal Court of Appeal would review the legal interpretations of this Court on a correctness standard, showing no deference to this Court's interpretation of the *Copyright Act*. However, if a judgment of this Court reviewing a Copyright Board decision were appealed, the Federal Court of Appeal would be required to show deference to the Board's legal interpretation of the *Copyright Act*. The Supreme Court found that this incongruous result negated the presumption of reasonableness review of the Copyright Board's interpretations of its home statute:

> [14] It would be inconsistent for the court to review a legal question on judicial review of a decision of the Board on a deferential standard and decide exactly the same legal question *de novo* if it arose in an infringement action in the court at first instance. It would be equally inconsistent if on appeal from a judicial review, the appeal court were to approach a legal question decided by the Board on a deferential standard, but adopt a correctness standard on an appeal from a decision of a court at first instance on the same legal question.
>
> [15] Because of the unusual statutory scheme under which the Board and the court may each have to consider the same legal question at first instance, it must be inferred that the legislative intent was not to recognize superior expertise of the Board relative to the court with respect to such legal questions. This concurrent jurisdiction of the Board and the court at first instance in interpreting the *Copyright Act* rebuts the presumption of reasonableness review of the Board's decisions on questions of law under its home statute. This is consistent with *Dunsmuir*, which directed that "[a] discrete and special administrative regime in which the decision maker has special expertise" was a "facto[r that] will lead to the conclusion that the decision maker should be given deference and a reasonableness test applied" (para. 55 [(emphasis added)]). Because of the jurisdiction at first instance that it shares with the courts, the Board cannot be said to operate in such a "discrete ... administrative regime". Therefore, I cannot agree with Abella J. that the fact that courts routinely carry out the same interpretive tasks as the board at first instance "does not detract from the Board's particular familiarity and expertise with the provisions of the *Copyright Act*" (para.

> [68]). In these circumstances, courts must be assumed to have the same familiarity and expertise with the statute as the board. Accordingly, I am of the opinion that in *SOCAN v. CAIP*, Binnie J. determined in a satisfactory manner that the standard of correctness should be the appropriate standard of review on questions of law arising on judicial review from the Copyright Board (*Dunsmuir*, at para. 62).

[26] The Applicant says that a similar situation of "concurrent" or "shared primary jurisdiction" to interpret statutory provisions exists under the Trade-marks Act, and that therefore a standard of correctness should apply when reviewing the TMOB's legal interpretations of that Act. In Rogers, after observing that "[c]oncurrent jurisdiction at first instance seems to appear only under intellectual property statutes where Parliament has preserved dual jurisdiction between the tribunals and the courts," Justice Rothstein declined to decide what standards of review should be applied in cases involving other intellectual property statutes, leaving this question for "a case in which it arises" (Rogers, above, at para 19).

[27] In my reasons I explain why I believe a standard of correctness should apply in this case, but this is not strictly necessary for my decision. This is because I agree with the Applicant that if the Board omitted a mandatory component of the legal test under s. 12(1)(b) of the Act, that error would make the Decision unreasonable unless it was immaterial in the sense that the outcome could not have been any different if the omitted component of the test had been considered.

[…]

[58] I am of the view that the Board's failure to properly apply s. 12(1)(b) should be reviewed on a standard of correctness. Although the Supreme Court of Canada in *Rogers*, above, at para 19 left "the determination of the appropriate standard of review of a tribunal decision under other intellectual property statutes for a case in which it arises," I see no reason why the Supreme Court's reasoning in *Rogers* should not apply equally well to the case before me involving an appeal from the Board. However, even if I am wrong on this issue, I am equally persuaded that this decision would, in any event, have to be overturned on a standard of reasonableness.

[143] The question for the Court now is whether it can be said that *Engineers Canada* satisfactorily determined the standard of review or whether the four standard of review factors must be considered.

[144] In my view, *Engineers Canada* did not satisfactorily determine the standard of review. The guidance from the Federal Court of Appeal suggests that a direct analogy to *Rogers* is insufficient and the Court must also consider the *Dunsmuir* factors to determine whether the presumption of reasonableness has been rebutted in this context (*Atkinson v Canada (Attorney General)*, 2014 FCA 187 [*Atkinson*]; *Canada (Citizenship and Immigration) v Kandola*, 2014 FCA 85 [*Kandola*]; *Canada (Attorney General) v Johnstone*, 2014 FCA 110 [*Johnstone*]).

[145] For example, in *Atkinson*, above, the Federal Court of Appeal reviewed a decision of the Appeal Division of the Social Security Tribunal. The decision before the Court was of the type that would have been appealed to the Pension Appeal Board under the previous statutory regime. The Court said that the jurisprudence regarding decisions of the Pension Appeal Board was settled but because this was a decision of a different tribunal, the jurisprudence had not adequately established the standard applicable to the particular decision. As a result, the *Dunsmuir* factors needed to be considered.

[146] I take this guidance to mean that *Rogers* cannot be directly applied as an analogy because the decisions are from different tribunals and different statutes. As a result, the *Dunsmuir* factors must be considered.

[147] The analysis begins with the presumption that the Board's interpretation of the Act will be reviewed on a standard of reasonableness because it is its home statute: see *Alberta (Information and Privacy Commissioner) v Alberta Teachers' Association*, 2011 SCC 61 at para 34, 39; *McLean v British Columbia (Securities Commission)*, 2013 SCC 67 at 21-22; *Kandola*, above, at para 35; *Atkinson*, above, at para 25; *Johnstone*, above, at paras 40-41. Next, the *Dunsmuir* factors are considered to determine whether the presumption is rebutted. These factors require that the Court consider the presence or absence of a privative clause; the purpose of the tribunal in view of its enabling legislation; the tribunal's expertise; and the nature of the question (*Dunsmuir*, above, at paras 51-61).

[148] Justice Gleason recently discussed the interrelated nature of the factors in *Pfizer Canada Inc v Canada (Attorney General)*, 2014 FC 1243:

> [110] The first factor the case law identifies as relevant to the contextual analysis is the presence or absence of a privative clause…While the presence of a privative clause may well be an indicator of the legislator's intent that an administrative decision-maker should be accorded deference, the absence of such a clause is far less relevant as in many cases the reasonableness standard is applicable in the absence of a privative clause (see e.g. *Khosa* at paras 25-26, *Mowat* at para 17 and the non-labour decisions of the Supreme Court post-*Dunsmuir* applying the reasonableness standard of review, in many of which the relevant statutes lacked privative clauses).
>
> [111] The other three contextual factors identified in the case law are the purpose of the tribunal, the nature of the question at issue and the expertise of the tribunal. These factors are interrelated and are aimed at discerning whether the nature of the question being considered is such that the legislator intended it be answered by the administrative decision-maker as opposed to the Court. Indicia of such an intention include the role assigned to the administrative decision-maker under the legislation and the relationship between the question decided and the institutional expertise of the decision-maker as opposed to the institutional expertise of a court.

[149] A consideration of the factors leads me to conclude that the presumption has been rebutted. The Act explicitly provides for an appeal to the Federal Court in which new evidence may be heard and the Federal Court is permitted to exercise any discretion vested in the Registrar. In my view, these provisions rebut any presumption that the legislature expected the Board to have greater expertise in trade-mark matters than the Federal Court. Further, the nature of the question is the interpretation of "distinctiveness." The Board interpreted "distinctiveness" by reference to Federal Court and Federal Court of Appeal jurisprudence. The Board has no expertise over the Federal Court in interpreting case law. The Board's determinations of law will be reviewed on a standard of correctness.

C. *The Decision on the Record Before the Board*

(1) Patients

[150] As the Board points out in its Decision, there was no evidence from anyone who could be said to represent a general patient interested in taking Viagra. This meant that the Board relied entirely upon a combination of the extensive advertising evidence and anecdotal evidence from physicians and pharmacists about their interactions with patients.

[151] The Board's conclusions on this evidence can be summarized as follows:

a) The weight given to the Respondent's evidence from physicians and pharmacists (i.e. Dr. Perlin, Ms. Conroy, and Ms. Furdas) was reduced because "this evidence is with respect to medications generally and there is no evidence showing medications generally receive the advertising exposure or have the popularity that VIAGRA has";

b) The evidence from the Applicant's Mr. Charbonneau showed that patients had been exposed to the Applicant's promotions for Viagra between its launch and the

material date in 2006. This meant that the "evidence of Mr. Charbonneau, in combination with the considerable sales of VIAGRA, indicates that patients have received considerable exposure to the Mark or depictions of the Mark";

c) The connection between the extensive advertising and patients is that:

   i. "it appears that VIAGRA has been referred to or is understood to be a 'little blue pill' by at least some patients further suggesting that the Mark has a reputation with at lease some consumers";

   ii. "[w]hen asked about the association that a consumer taking Viagra would have, Dr. Perlin… said "I think they associate the pill with 'This is great, this is Viagra and I am going to take this and it is going to make me have an erection and I am going to have some good sex."

This results in a finding by the Board: "I find Dr. Perlin's evidence on this point to demonstrate that patients associate the Mark and the wares as Dr. Perlin states that they associate it with the brand VIAGRA as opposed to stating that patients associate it with erectile dysfunction medications generally."

[152] I see several immediate problems with this reasoning:

a) The term "little blue pill" does not describe the proposed Mark. The Mark is a combination of colour (blue) and shape (diamond shape). Littleness is not claimed as a feature of the Mark. If patients associate smallness and blueness with Viagra, this does not mean they are connecting the proposed Mark with a single source. And if they are connecting any little blue pill with Viagra, then they are confused;

b) The heavy reliance upon the fictional quote from Dr. Perlin is misplaced. She says that patients connect the appearance with "Viagra" but she says this connection means an association with "good sex" not an association with source;

c) There is no consideration of the fundamental question posited by Justice Dawson in *Novopharm Ltd v AstraZeneca AB*, above, and referenced by Justice Barnes in *Apotex*, above: "[W]hat does a red-brown pill mean to a pharmacist?" In the present context the question is "What does a blue, diamond-shaped pill mean to a patient?" Dr. Perlin's evidence, which is heavily relied upon, is to the effect that it means Viagra and this means good sex. The connection with source is not made;

d) The Board also fails to address the essential problem identified by Justice Barnes in paragraph 22 of *Apotex* where he said, in relation to the evidence before him, that the "essential problem with much of the GSK evidence about the supposed distinctiveness of the GSK Mark is that the inhaler is never marketed without a label so that the witnesses were opining on a hypothetical situation that almost never presented itself." In the present case, the anecdotal, indirect evidence about what witnesses might be thinking goes nowhere near addressing this issue. There

is no evidence that any patient has even seen a blue, diamond-shaped pill without its packing and/or markings on the pill. Viagra never appears without its markings on the pill itself, including the word "Pfizer." If patients refer to "little blue pills" they must be referring to pills they have seen themselves or which have appeared in advertisements. Any reference to a "little blue pill" or "a diamond-shaped pill" does not lead to an association between a hypothetical unmarked and unidentified pill and a single source. It leads to an association with Viagra where source is heavily referenced by word-marks and business names that have nothing to do with appearances. As Justice Barnes point out in *Apotex*, above, at paragraph 20:

> [20] I accept the point made by Justice John Evans in *Novopharm Ltd. v. Bayer Inc.* above, at para. 79 that it is not fatal to a trade-mark registration that consumers may use other means than the mark for identifying the product with a sole source. Nevertheless, Justice Evans qualified this with the statement that there still had to be sufficient evidence that the trade-mark was capable of being so recognized on its own. In other words, a trade-mark based on get-up cannot acquire its distinctiveness by virtue of its use in combination with a distinctive word-mark.

e) The Board fails to consider how the evidence adduced demonstrates "to any significant degree" that patients recognize the product by its appearance (excluding the markings on the tablet) and associate that appearance with a single source. The Board appears to be content with recognition amongst "at least some patients" or "at least some consumers";

f) The Board also fails to consider how it was possible for physicians and pharmacists to give anything resembling reliable evidence about what patients were saying, referring to, or thinking in 2006. No patient records were produced and none were consulted or referred to by the witnesses.

[153] My conclusion, then, on the basis of the reasons, is that the Board either made an error of law (by failing to consider whether patient identification of appearance with source occurred "to any significant degree" in 2006), or the Board's decision to find distinctiveness in relation to patients was unreasonable for the reasons given above. My own review of the evidence that was before the Board does not overcome the difficulties I have referred to above or establish the necessary association between appearance and source to any significant degree.

[154] For example, pharmacist Marie Berry says her patients have seen the Mark depicted in advertising:

> 19. Many of my customers have indicated that they have seen advertisements or media stories on VIAGRA in which the tablet has been displayed. As previously noted, I am aware of advertisements that have been run by Pfizer in respect of VIAGRA that show the blue diamond-shaped tablets as part of the advertisements. This further associates the blue diamond-shaped tablets with the source of the product.

[155] Dr. Weiss says that his patients recognize and are familiar with Viagra due to media exposure:

> 19. My patients recognize and are familiar with VIAGRA. They have become aware of VIAGRA primarily through the media and secondly through conversations with friends. By the time my patients visit me with an erectile dysfunction problem, they have already heard great things about VIAGRA and have seen pictures of the blue diamond-shaped tablet. Thus, my patients have a picture of a little blue pill in their head and specifically want VIAGRA. The familiarity of my patients with the appearance of VIAGRA has increased over time.

[156] My review of the "media" and "advertising" evidence leads me to conclude that Dr. Weiss' and Ms. Berry's patients' recognition and familiarity with Viagra through the media and advertising includes the markings on the tablets. The large majority of the advertising and informational leaflets attached as exhibits to Mr. Charbonneau's affidavit feature the Mark with a "Pfizer" marking. The odd advertisement or leaflet shows the Mark with a "VIAGRA" marking. The rest of the copies are not clear enough for me to discern whether there are markings on the Mark. This evidence leads me to conclude that when physicians and pharmacists speak of their patients knowing the appearance of Viagra due to advertising, they are referring to advertisements in which the Mark always appears with markings.

[157] Dr. Weiss was asked on cross-examination about his knowledge of the pictures in his patients' heads:

> Q234: You generally know what your patients are thinking. Don't you?
>
> A: In context, sometimes I can understand a reference. I can't say that I know what my patients are thinking all the time.
>
> Q235: In paragraph 19 of your Affidavit, the second to last sentence, you say:
>
> > "My patients have a picture of a little blue pill in their head."
>
> A: As I say, in context I can gather what they are saying. So, in the context of a discussion about sexual matters, I would stand by that statement. You know, if---
>
> […]
>
> Q238: You would understand that they had a picture of a little blue pill in their head?
>
> A: I would understand what they meant by a little blue pill.

[158] Leaving aside the fact that Dr. Weiss acknowledged that he is not representative of physicians generally due to his work in developing Pfizer presentation materials, his experience sitting on a Pfizer committee and his particular specialization in performing vasectomies, this is just one example of the vague, unattributed statements professing to describe patient perceptions of the Mark in 2006 that was before the Board.

[159] This leaves me to review and consider the additional evidence on patients that has been adduced before me as part of this appeal to determine whether it could have materially affected the Board's findings of fact or the exercise of the Board's discretion, and then I must reach my own conclusions on the correctness of the Decision. See *Molson Breweries*, above. It has to be

borne in mind that my conclusions are dependent upon the evidence that the Applicant in particular has chosen to place before the Court. I am not saying that this Mark could never be distinctive on any evidentiary base. The same caveat applies to my discussion of the evidence from pharmacists and physicians.

[160] In general, my conclusion is similar to that reached by Justice Barnes in *Apotex*, above, at paragraph 29, that the anecdotal evidence in this case suggests that erectile dysfunction patients in general do not attribute much significance to the appearance of the Viagra pill, and that what they are concerned about is functionality, dosage and effectiveness.

[161] The Applicant's new evidence once again includes undocumented anecdotal evidence of patients referring to Viagra as the "little blue pill" or "blue diamond tablet." See, for example, the following passages from Dr. Carrier's evidence:

> 23. In my experience, my patients are familiar with the blue diamond-shaped appearance of the VIAGRA tablet. I have received requests and inquiries from patients for the "blue diamond" pill, including prior to and as of 2006. I understood these patients to be requesting VIAGRA. In my experience, no patient has ever made reference to a "blue diamond" pill that was not a reference to VIAGRA.
>
> 24. …In my experience, prior to and as of 2006, VIAGRA is the only urological product that a patient has ever requested based on its appearance. When requesting VIAGRA, patients will request the "blue pill", the "little blue pill" or the "blue diamond" pill, or le "losange bleu", "petit losange bleu" or "la petite pilule bleu" in French, or they will ask for "VIAGRA." The VIAGRA tablet is unique in that, even when patients do not want to talk about erectile dysfunction in general, they will still make reference to the treatment that they are seeking by mentioning the "blue pill", the "blue diamond" pill or "little blue pill"…

[162] Dr. Jablonski says that "[p]rior to and as of 2006, a majority of [his] patients (not only ED patients) would recognize VIAGRA if [he] showed or described it to them" (Jablonski Affidavit, para 23) Dr. Jablonski does not say why he would have occasion to show or describe Viagra to his patients who were not seeking treatment for erectile dysfunction.

[163] Some patients also appear to know that Viagra is a brand name (and some even connect it with Pfizer). For example, Dr. Carrier says that "many of [his] patients were aware as of and prior to 2006 that VIAGRA is a brand name and was manufactured by Pfizer because of advertising and media campaigns" (Carrier Affidavit, para 27). Dr. Jablonski also says that "nearly all patients that I saw for ED were aware that VIAGRA is a brand name and that it indicated a very specific medication that treats ED" (Jablonski Affidavit, para 25). Similarly, Ms. Krawchenko says that patients recognized Viagra as a brand name "because it was a breakthrough product and heavily marketed. Many patients that are regular users of VIAGRA, or are regular users of brand name medications, would have been familiar prior to and as of 2006, with the fact that it is manufactured by Pfizer" (Krawchenko Affidavit, para 21).

[164] It also seems that patients are often given samples in conjunction with the Pfizer branding. For example, Dr. Brock says his patients knew that Pfizer was the source of Viagra because it was his "usual practice prior to and as of 2006 to hand out sample packages and a starter kit containing a booklet and videotape on VIAGRA with Pfizer and VIAGRA clearly written on them" (Brock Affidavit, para 30).

[165] In my view, none of this establishes that patients associate appearance with source. None of it answers the question: What does a blue, diamond-shaped pill (without markings and without the predominant Pfizer brandings that it always comes with) mean to a patient? Nor does it establish that the appearance of this pill is connected to source "to any significant degree."

[166] There is little new evidence regarding Viagra's promotion and advertising. Mr. Charbonneau simply "supplements" his evidence that was before the Board by adding statistics regarding the estimated number of viewers for four of Viagra's commercials. He adds one additional commercial that was not attached to his last affidavit. In any event, it is unclear what information the statistics demonstrate and Mr. Charbonneau was unable to explain on cross-examination (Charbonneau Cross, Qs 420-424).

[167] Advertising does not *per se* establish the distinctiveness of the pill's appearance. Evidence is required that patients connect appearance with source to a significant degree and, in my view, this evidence is not there. For example, Dr. Brock says that "because of the intense advertising, print media, television media and internet media, most of my patients knew, prior to and as of 2006, that VIAGRA is manufactured by Pfizer" (Brock Affidavit, at para 29). Dr. Carrier similarly says, "I know that many of my patients were aware as of and prior to 2006 that VIAGRA is a brand name and was manufactured by Pfizer because of advertising and media campaigns" (Carrier Affidavit, at para 27). In my view, this suggests an association with the trade-name and a single source but is not evidence that the Mark was associated with a single source. As a consequence, I do not think the Applicant's new evidence on patients could materially affect the Decision on a finding of distinctiveness with patients.

[168] The Respondent's new evidence, on the other hand is highly material and, in my view, would have impacted the Board's positive Decision in the context of patients. That evidence relates to the ways in which patients acquire their medication and identify it over time.

[169] For example, we find the following in Dr. Carmel's affidavit:

> 36. Second, for a first time patient, the patient would not generally know the appearance of Viagra before he received his or her prescription. I cannot recall a patient indicating that he knew or was interested in the appearance of his ED medicine, including Viagra, before receiving a prescription. Physicians would typically have no reason to discuss this appearance with patients in the course of their discussions.
>
> 37. Third, when a patient has had Viagra before and has observed its appearance, the patients [*sic*] would observe that it is [a] blue tablet. However, nothing about the appearance itself, or anything on the prescription box would indicate to the patient that he should understand that appearance to be special or indicate the brand of manufacturer in some way. It is just what the tablet looks like. In my opinion, the patient would have been far more likely to associate the appearance of Viagra with the ED medicine he is taking rather than the specific brand of ED medicine.

[170] Dr. Erlick's affidavit makes a similar point:

> 58. In my opinion, when a patient asks about Viagra, the patient is indicating that he is having problems with his erections and is seeking a medicine for it. Viagra, in the patient's mind is an ED medicine he has heard of. He is not speaking of a specific brand; he may not even be thinking of a particular active ingredient. He is simply using the name of the medicine he knows. If he would mention the "blue pill" because he has seen Pfizer's advertising, the meaning of the "blue pill" would be the same. The patient would be connecting the appearance of Viagra to an effective ED medicine rather than a particular brand. In essence, the patient would be using the appearance of Viagra synomously [*sic*] with sildenafil, altthough [*sic*] the patient would not know this name. So, what the Pfizer's witnesses refer to as the patient's "buy in" would not [be] tied to a particular brand or manufacturer – it would be a "buy in" that the medicine (sildenafil) will be helpful.

[171] Dr. Aquino's affidavit speaks to the issue of what it signifies when patients do become familiar with the appearance of the Viagra medication they are taking:

> 19. Patients do not consider the identity of the manufacturer of their medicines to be relevant in their decision to request a treatment from a physician or to consume a particular medication, including Viagra. Patients do not think of the appearance of a medicine as a brand of a company but rather patients tend to associate the physical appearance of a medication only with the medical condition that is being treated and/or therapeutic effect the medication is supposed to have for their condition. All of this applies to Viagra as well as to other medications.
>
> […]
>
> 40. Once a patient has taken a medicine for a time, on rare occasions, he or she may refer to the medicine by its colour. In these discussions, it is clear that the patient has associated the colour with the medicine or the therapeutic properties of the medicine. Patients never refer to the colour or overall appearance of the medicine as constituting a specific indicator of a particular manufacturing source. In these circumstances, physicians must consult their patient records and review what has been prescribed to the patient before the physician can understand what medicine the patient is referring to. Even then, the physician will steer the conversation to more definitive descriptions of medications (e.g. the name of the medication) before he can respond sensibly. The physician will not and cannot act or give advice on the basis of patients' physical descriptions of a product appearance alone.
>
> 41. Therefore, it is my opinion that patients tend to associate the physical appearance of a medication only with the medical condition that is being treated and/ or the therapeutic effect the medication is supposed to have for their condition. It is my opinion that patients do not think of the appearance of a medicine as a brand of a company.

[172] In my view, these perspectives are supported by the advertising and promotional material put out by the Applicant on Viagra which highlights the beneficial effects of Viagra as a medicine and does not draw attention to the appearance of the pill as an indicator of source. The

Applicant does not claim appearance as a trade-mark in the way that, for instance, Lilly did for Prozac; in every case where the Viagra tablet is depicted "Pfizer" is used and is visible.

[173] All in all, I do not believe that the evidence establishes that a substantial body of patients associate the blue, diamond-shaped unmarked Viagra pill with a single source.

(2) Physicians

[174] In the Decision, the Board concludes that the Applicant has not clearly established that a significant number of physicians relate the Mark to prescribing the wares. The Applicant concedes before me that "[n]o physician could ever make a decision to prescribe a particular drug because of its colour or shape." Notwithstanding this concession, the Applicant argues that "physicians can and do make an association between Pfizer's Viagra and its blue diamond-shaped appearance and actually use the appearance as a short-hand for Viagra in their interactions with patients."

[175] I agree that, even if physicians do not make use of appearance in their prescription practices this does not mean, necessarily, that appearance has no distinctiveness for them. In accordance with Justice Evans' words in *Novopharm*, above, in relation to pharmacists, it can be argued that, even though physicians and pharmacists are regulated professionals who must make prescribing and dispensing decisions within the bounds of their professional obligations, and so rely upon other identifying indicia, "if there is evidence that to any significant degree they also recognized the product by its appearance (excluding the markings on the tablet…), this may be sufficient to establish the distinctiveness of the mark."

[176] To the extent that the Board failed to consider whether, apart from prescription practices, there was evidence that to any significant degree physicians recognized Viagra by its appearance alone, then the Decision is unreasonable, or possibly incorrect, because it failed to apply the right test for distinctiveness. It is not clear from the Decision itself whether the Board did confine itself to prescription practices when considering the evidence related to physicians.

[177] Dr. Weiss' evidence was rejected because of his association with Pfizer and the development and promotion of Viagra, so that he "may have had a different awareness of the Mark than physicians generally" (Decision at para 96). This different perspective would also, in my view, prevail outside of the strict prescribing context.

[178] Dr. Perlin's evidence was that she did not pay much attention to what pharmaceutical products look like and, as for Viagra in particular, it was "not clear that Dr. Perlin's limited exposure to advertising for VIAGRA in television, newspapers or medical journals is representative of physicians generally" (Decision at para 97). Once again, it seems to me that Dr. Perlin's "unrepresentative" position would also carry over into distinctiveness outside of strict prescription practices.

[179] As regards Dr. Shiffman, his evidence was to the effect that "he does not associate the appearance of VIAGRA with a single source due to the nature of the pharmaceutical market" (Decision at para 98). In Dr. Shiffman's case, he actually answered the crucial question identified by Justice Dawson in *Novopharm Ltd v AstraZeneca AB*, above. The Board found the following exchange, during his cross-examination, to be very telling (Qs 85-86):

Q85: If somebody brought you a blue diamond tablet, as a first impression, you would think that that is Viagra?

A: Not necessarily.

Q86: What else would you think it might be?

A: It could be anything because I don't know the appearance of all the tablets.

[180] As mentioned above, the problem with this question is that it is purely hypothetical. There is no evidence that any physician, or anyone else, has ever been shown a blue, diamond tablet without markings and the word "Pfizer" on it. And, bearing in mind professional obligations and education through promotion and advertising, no doctor would connect an unmarked blue-diamond tablet with source. I find the Applicant's arguments on this point both counterintuitive and unsupported by any evidence. If Viagra tablets are always marked and have "Pfizer" on them, then surely a blue, diamond-shaped tablet without such markings could not be a Pfizer pill and could not be associated with a single source.

[181] In any event, it seems to me that the reasons for the rejection of Dr. Shiffman's evidence by the Board in relation to prescription practices would also apply in any broader context where physicians encounter Viagra. The evidence before the Board did not establish that, to any significant degree, physicians recognize the product by its appearance, excluding the markings.

[182] Notwithstanding the reference to "prescribing" in paragraph 100 of the Decision, the Board applies a broader test in paragraph 99. However, my conclusion is that, given the evidence before the Board on physicians, the Board's finding that distinctiveness amongst physicians had not been established is reasonable, whether in prescription practices or otherwise. As Justice

Barnes pointed out in *Apotex*, above, at paragraph 13, "it is insufficient to show that the appearance of a product may represent a secondary check of product identity or that it may cause a person to wonder whether the expected product was correctly dispensed." Furthermore, an educated guess about source is not enough to constitute distinctiveness and neither is a design that is simply unique in the market place and recognized as such: "The fact that a physician or pharmacist might make an informal assumption about the provenance of a [blue, diamond-shaped pill] in the context of a therapeutic discussion with a patient is also insufficient to establish distinctiveness" (*Apotex*, above, at para 13).

[183] I am also of the view that the new evidence presented to me in this appeal does not remedy the problems for the Applicant identified by the Board or by the Court in this appeal.

[184] The Applicant has filed new evidence from four additional physicians (Dr. Brock, Dr. Benard, Dr. Carrier and Dr. Jablonski) who practise and teach across Canada. This evidence goes to their personal recognition of the blue, diamond-shaped tablet, as well as what they claim other doctors have said in their interactions with them.

[185] After reviewing this evidence, I find I am in agreement with several points raised by the Respondent:

a) As regards their own evidence of recognition, all four new witnesses appear to have had even more close involvement with Pfizer and Viagra than had Dr. Weiss whose evidence was reasonably discounted by the Board on the basis that he had a different awareness of the appearance of the pill than would physicians generally. It cannot be said that these four new physicians, given their particular involvement with Pfizer and Viagra, can be said to provide evidence that to any significant degree the appearance of the pill is distinctive amongst physicians who do not have the same close affiliation. From this perspective, it cannot be said that

the Applicant has presented new evidence that would have materially affected the Board's Decision. The evidence simply does not demonstrate that the blue, diamond-shaped pill is distinctive among a sufficiently broad number of physicians;

b) Once again, the Applicant has offered no direct evidence from any broad or representative group of physicians but relies upon anecdotal reports from these four doctors about what their unnamed colleagues were saying and thinking in 2006. Their anecdotal reports cannot really be tested and their value is extremely limited if the Court does not know, as the Respondent puts it, "what questions have been put to what people in what circumstance." The Court is being asked to accept what amounts to unattributed hearsay in circumstances where the Applicant has not established necessity or reliability;

c) The evidence is also rendered dubious because, to a significant degree, the four affiants use very similar wording, which causes the Court to question whether what is being conveyed is the actual experience of each affiant (no notes or other supportive materials from 2006 were produced or consulted) or whether the witnesses are working with a common script. In this regard, their close involvement with Pfizer and Viagra cannot be left out of account. See, for example, *Imperial Dax Co, Inc v Mascoll Corp Ltd* (1978), 42 CPR (2d) 62 at 66 (FCTD); *Ciba-Geigy Canada Ltd v Laboratories Opti-Centre Inc* (1997), 76 CPR (3d) 87 at 91 (TMOB);

d) The evidence is, once again, entirely hypothetical. The Applicant attempts to connect "little blue pill" and "the blue diamond" to Viagra, but does not provide evidence of what an unmarked and unlabelled blue, diamond-shaped pill would mean to a significant group of representative doctors. Somewhat anomalously, Dr. Brock asserts that a physician encountering the blue, diamond-shaped pill would, as a matter of first impression, think that the product was Viagra, but this assertion is qualified:

> 23. I know that there are markings on the VIAGRA tablet. While I might rely on those markings to make an absolute identification of the tablet, if I was shown a blue diamond tablet, as of 2006, without any markings, my first impression would be that it is VIAGRA.

What this fails to explain is how, if Viagra *always* appears with markings and the word "Pfizer" on it, Dr. Brock would or could, even as a matter of first impression, identify the pill as Viagra that comes from a common source that only manufactures clearly marked pills. What Dr. Brock is really saying here, in my view, is that an unmarked pill cannot be connected to a common source without further identification. As Dr. Shiffman candidly admitted, an unmarked blue, diamond-shaped pill could be anything. And that is because Pfizer does not manufacture or market unmarked Viagra pills. To this point, Mr. Charbonneau actually gave evidence regarding Pfizer's efforts to educate consumers that they

> could rely on the tablet markings to distinguish between Viagra and counterfeit tablets (Charbonneau Cross, Qs 297-301). Dr. Brock may be offering an educated guess, but, as Justice Barnes pointed out in *Apotex*, this is not enough to establish distinctiveness.

[186] My general conclusion is that the Applicant's new evidence from physicians would not have materially affected the Board's Decision, and even when I consider it in a wider context apart from prescription practices (where the Applicant concedes appearance does not connect appearance with source), I am not convinced that this evidence establishes that, even on first impression, physicians would to any significant degree connect a blue, diamond-shaped pill (without markings and other indicia) with a single source.

[187] I have also examined the new evidence produced by the Respondent on physician identification and I see nothing there that would assist the Applicant to overcome the difficulties in its evidence. The preponderance of the Respondent's evidence is to the effect that physicians do not prescribe drugs with reference to their appearance (which I do not think the Applicant disputes), but the evidence goes further and explains that physicians would never make a medical identification on appearance alone, and that they would not associate appearance with a particular source. Dr. Carmel says that the appearance of a medicine (including Viagra) "has no particular meaning more than that it is the appearance of the medication" (Carmel Affidavit, para 28). Dr. Grober says that "I do not use the appearance of Viagra in any respect to identify a particular supplier and do not think other physicians do either" (Grober Affidavit, para 49). Dr. Grober also has the following to say:

> 53. Pfizer's witnesses indicate that, because physicians know the appearance of Viagra, physicians understand a reference to "little blue pill" to be a reference to Viagra. (Brock, para. 25; Jablonski, para. 24; Carrier, paras. 23-24, 26). In my opinion, this

> is very much contextual and cannot be presumed. I know the appearance of Viagra, and it is certainly blue, but in no way does that mean that I would make or understand a reference to "little blue pill" as meaning a product from a particular manufacturer. This phrase does not distinguish Viagra from other blue pills that my patients routinely take and is thus insufficient as an identifier of the medication.
>
> […]
>
> 63. Pfizer's witnesses also state that Pfizer's advertising placed significant focus on the appearance. (Jablonski, paras. 15, 16; Benard, paras. 15, 22) None of the Pfizer advertisements I can remember reviewing identified the appearance of the tablet as being an identifier of the manufacturer or identified Viagra as "the little blue pill" or "little blue diamond pill".

[188] It seems to me that these statements are not confined to prescription practices. There is nothing here to support the Applicant's first impression argument. The Respondent's witnesses were not challenged through cross-examination.

(3) Pharmacists

[189] The Board's reliance upon an interpretation of Justice Barnes' decision in *Apotex* as requiring that colour and shape be the "primary characteristics" by which wares are distinguished was in relation to pharmacists. As I have already pointed out, I do not read Justice Barnes to be saying this. In paragraph 20 of *Apotex*, Justice Barnes follows Justice Evans in *Novopharm*, above, but nevertheless points out that Justice Evans also made it clear that "there still had to be sufficient evidence that the trade-mark was capable of being so recognized on its own. In other words, a trade-mark based on get-up cannot acquire its distinctiveness by virtue of its use in combination with a distinctive word-mark." To simply point out the "primary characteristics" by which a particular product is connected to source is not to dilute Justice Evans' basic test. All it

means is that the Applicant in this case has to adduce sufficient evidence to establish that, notwithstanding other primary indicia of source, the appearance of the Viagra tablet is recognized to a significant degree as being distinctive of a single source. For convenience, I quote Justice Evans' words again because in *Novopharm* he was dealing with pharmacists:

> [79] Fourth, it is not fatal to an application that consumers may also use means other than the mark for identifying the product with a single source. Thus, while pharmacists rely mainly on the brand name and other identifying indicia on the stock bottles and packaging containing the product, or the inscription on the tablets, which is not part of the mark, if there is evidence that to any significant degree they also recognized the product by its appearance (excluding the markings on the tablet because they are not part of the mark), this may be sufficient to establish the distinctiveness of the mark.

[190] The Board in its Decision at paragraph 92 also says that "[i]n upholding this decision [i.e. the decision of Justice Barnes in *Apotex*], the Federal Court of Appeal confirmed that what is required is that pharmacists related the trade-mark to their dispensing choices." Once again, in my view, this is a misreading of the Federal Court of Appeal decision which, in paragraph 7 and nowhere else that I can see, confines association of appearance and source to dispensing choices.

[191] In fact, the Applicant concedes that "no pharmacist could ever rely on the appearance of any pharmaceutical products, even one as recognizable as Viagra, as a primary characteristic to make a decision about what to dispense to a patient." Nevertheless, the Applicant argues that there is sufficient evidence of first impression identification and secondary reliance to satisfy the basic test for distinctiveness.

[192] It seems to me then that the Board was in legal error when it applied a "primary characteristics" test and limited the identification process strictly to "dispensing choices." For this reason, I have examined all of the evidence on pharmacists and reached my own conclusions.

[193] The Applicant placed before the Board the affidavit of pharmacist Marie Berry and the 2002 Corbin survey.

[194] The affidavit of Marie Berry goes the furthest in saying that she and other pharmacists use the appearance of Viagra to identify source:

> [9] I recall becoming aware of the colour, shape and size of VIAGRA even before it was approved in Canada. My first impression of the blue diamond-shaped tablet was that it was unique, not only among oral dosage forms used in the treatment of erectile dysfunction, but also among all pharmaceutical products. Even today, I am not aware of any other pharmaceutical product that has the same appearance as VIAGRA. Certainly, I am not aware of any product for the treatment of sexual dysfunction that has the same appearance as VIAGRA.
>
> [10] VIAGRA has now been on the market for several years. During that time, the blue diamond-shaped tablet has become even more well known by my customers and colleagues. I am also familiar with television advertising and magazine advertisements wherein the blue diamond-shaped tablet is depicted. VIAGRA has also been the subject of continued media attention.
>
> […]
>
> [23] However, when a product has a unique appearance such as VIAGRA, it plays an important role. First, because of the unique appearance, pharmacists can identify the product by reason only to its distinctive product appearance. They can use this unique product appearance to differentiate between not only other products of similar indications but also other products with different indications. Thus, a unique product appearance will designate a source but also other product to a pharmacist. This is

> particularly true for VIAGRA where the product appearance is not only unique, it has become very well known.
>
> […]
>
> [25] As stated above, in the case of VIAGRA, because the product appearance is unique and well known, pharmacists and patients can and do use the distinctive appearance to link the product to one source and to differentiate that product from other products on the market.

[195] On cross-examination of the pharmacists' evidence from the Respondent, Laura Furdas conceded that she was aware of the appearance of Viagra and that she was aware that Pfizer manufactures Viagra (Qs. 193, 194, 217, 220).

[196] On cross-examination, pharmacist Cathy Conroy also conceded that she was familiar with the appearance of the Viagra tablet, and she was also asked what she would do with an unmarked tablet:

> Q97: So, if somebody came to you with a blue diamond-shaped tablet and said, "This is my erectile dysfunction medication" your first impression would be that that product is Viagra?
>
> A: I may think that but I would want to know a few things first. If somebody just came in with it and we had no kind of patient record, I would want to know where they got it because you can buy it on the street. I would want to know if they bought it from the Internet. I would want to know if they got it from a friend or a doctor. If they had the original package it came in. If people come in with random medications it would be a bit of a concern.
>
> Q98: You would want to know for sure for safety purposes, but that would be your first impression is that it is Viagra?
>
> A: Not just by…I would have to look at the tablet closely and see if it had proper identifying marks, and then I would, perhaps, lean towards that, but I don't like to just look at

> something and give a …some random medication someone brings in. Because pharmacists, everything depends on that being 100 percent accurate. So, we don't even like saying 100 percent for any medication that somebody would just randomly come in with.

[197] The Board concluded from the pharmacists' evidence that "it is clear from the evidence that pharmacists would not identify medication by reference to colour, shape and size alone." My own view is that this evidence shows no more than that these pharmacists know what a Viagra tablet looks like. And they all know that a Viagra tablet always comes with markings and packaging. This is why they had to be asked what they would do with an unmarked tablet. Ms. Berry did not say what she would assume about an unmarked tablet so that she did not address the important question posited by Justice Dawson in *Novopharm*, above, therefore, as Justice Barnes says in *Apotex* at paragraph 20, there is not "sufficient evidence that the trade-mark was capable of being so recognized on its own." It is not enough to say that pharmacists know what Viagra looks like. You have to prove that pharmacists connect the product's appearance (without the markings), to a significant degree, to a single source. It seems to me that, taken overall, this evidence confirms what Dr. Shiffman says to the effect that if confronted with a blank, blue-diamond-shaped tablet he would not know what it was. As Justice Barnes said in *Apotex*, at paragraph 13, an educated guess about what a tablet may be is insufficient to establish that the Mark is distinctive. In my view, if you do not know what it is, you cannot connect it with a single source.

[198] In addition, I do not think this evidence provides any support that the appearance of Viagra (unmarked), to any significant degree, is associated with a single source outside of the dispensing context.

[199] The Applicant also produced the 2002 Corbin survey which the Board found to be inadmissible. However, the Board excluded the survey as evidence because it found it was not "relevant to the assessment of distinctiveness at the material date of March 6, 2006." Before me, the Applicant has argued that the survey should have been admitted in order to see what extrapolations from 2002 might continue to apply in 2006. However, the Applicant has not argued this point very hard and says that, in any event, it has sufficient evidence on this appeal to make its case without the Corbin survey. Given the evidence before me on changing market conditions between 2002 and 2006 (i.e. new blue tablets in the marketplace, counterfeit Viagra in the market, decline in Viagra's notoriety and sales), I do not think the Board unreasonably excluded the Corbin survey and I endorse that position and the Board's reasons on appeal.

[200] On appeal, the Applicant has provided additional evidence from Douglas Brown and Iris Krawchenko, who were both practising pharmacists at the relevant time in 2006. Both say they have significant experience interacting with patients in a pharmacy setting, and that they have been involved in educational and training programs for other pharmacists.

[201] Mr. Brown says that in 2006, he was well aware of Viagra's appearance and that it was manufactured by Pfizer. He also says that, as of 2006, he believed the appearance of Viagra was unique and that a blue, diamond-shaped tablet could distinguish Viagra as a matter of first impression. Important points from Mr. Brown's evidence are as follows:

> 6. I am aware, and was as of 2006, that VIAGRA (sildenafil citrate) is manufactured as a blue diamond shaped tablet in three strengths (25 mg, 50 mg and 100 mg). I am also aware, and was as of 2006, that VIAGRA is manufactured by Pfizer.
>
> 7. I became aware of the appearance of VIAGRA when it was launched in Canada in 1999. My impressions of the blue-diamond

shaped tablet at the time of its launch was that it was unique and different from other pharmaceutical tablets. Compared to the white, round tablets that were, and still are, most commonly used in the market, VIAGRA's blue diamond-shaped appearance was remarkable. As of and prior to 2006, if shown a blue-diamond tablet I would know that it was Viagra based on its shape and colour.

8. To my knowledge, as of and prior to 2006, there had never been any other medication that had the same shape and colour as VIAGRA. I was not aware of any other medication for the treatment of sexual dysfunction that had the same shape and colour as VIAGRA.

[…]

14. On several occasions, prior to and as of 2006, patients in my pharmacy referred to VIAGRA as the "little blue pill" or "my blue pill." For some patients, it is more discrete to ask for a refill of the "little blue pill" than to ask for a refill of VIAGRA.

[…]

21. It was usually my practice, prior to and as of 2006, to preserve the integrity (*i.e.* seal) of the box. This assured patients that the product was genuine and hadn't been tampered with. However, I would sometimes remove the foil packet from the box when I was counseling [*sic*] a patient. In particular for older patients, opening the box can be helpful to demonstrate how to open the packaging. In those instances, the box would be opened in front of a patient, to assure a patient that the box was sealed until it was in the patient's view and the patient would see the blue-diamond of the VIAGRA tablet.

22. As of 2006, the VIAGRA tablets had markings including a Pfizer stamp on one side. The tablet stamps might be used by pharmacists to ensure that the tablet is the correct tablet. However, with VIAGRA, it would not typically have been my practice to look at the stamps on the tablet in order to identify it as VIAGRA, because the tablet shape and colour was sufficient to make an identification. Prior to and as of 2006, even if all the markings were removed, I could readily distinguish a blue diamond tablet as VIAGRA as a matter of first impression.

[202] In my view, this evidence simply tells us that Mr. Brown knew in 2006 what a Viagra pill looked like, that he thought the shape unique and that appearance played some role in his dealings with customers. It does not establish that appearance on its own, and without the markings and packaging, to any significant degree was used or recognized by Mr. Brown or other pharmacists as any indication of source.

[203] Ms. Krawchenko's evidence is much to the same effect as Mr. Brown's. She says she was aware of what Viagra looked like in 2006, and that she felt the blue, diamond-shape was unique. The following are important passages from her evidence:

> 13. To my knowledge, as of and prior to 2006, there had never been any other medication that had the same shape and colour as VIAGRA in Canada. There has been no other medication for the treatment of sexual dysfunction that had the same shape and colour as VIAGRA in Canada.
>
> […]
>
> 17. In my position as Pharmacist Manager, I dispensed a wide variety of medications in my daily practice. As of and prior to 2006, I, as well as other pharmacists, could describe the appearance of VIAGRA. This is because VIAGRA was an innovative and new medication, the first in its class, and thus the product and its blue diamond appearance received extensive marketing and media attention. The unique appearance of VIAGRA would also have been familiar to pharmacists due to information provided to pharmacists by pharmaceutical representatives starting at the time of its launch.
>
> […]
>
> 32. For pharmacists, accuracy and safety are paramount. Accordingly, ensuring that the right medication is given to the right patient is critical. In my practice, now and as of 2006, to ensure there are no dispensing errors, I check not only the drug identification number against the prescription that I am filling, but I also do a visual check of the medication. The visual check is something that I have incorporated to guard against errors by a technician, who may have put the wrong mediation in a vial or

package, and is one of the ways that I ensure compliance with my obligation to ensure that prescriptions are dispensed accurately. Visual checking is thus critical. I use the letters "VC" in my records to document that a visual check was performed. This documentation is not a standard procedure that is required of pharmacists, but it is my practice for any medication that I dispense, including VIAGRA, as a way to document that I have complied with the Standards of Practice.

33. When a pharmaceutical product has a unique appearance, as the VIAGRA tablet did in 2006, the visual check may involve confirming that the shape and colour of the tablet are what is expected for that product.

34. When a pharmaceutical product is in a sealed box, I would not be able to visually confirm the shape and colour of a tablet, but would assume that the package contains exactly what is listed on the labeling [*sic*]. However if I opened the box in front of a customer while dispensing a product, I would perform a visual check of the tablet at that time.

35. In Ontario, as of and prior to 2006, to the best of my recollection, VIAGRA was dispensed in a sealed box labeled [*sic*] VIAGRA. The box also displayed the name Pfizer. The VIAGRA tablets were contained in the box in a blister pack. If the box was not sealed, for example if it had been opened already because a prescription had been filled that was for a quantity that did not match the quantity in the box, it was my practice as of and prior to 2006 to open the box and remove the blister pack to check for medication accuracy and to confirm quantity.

36. If, while dispensing VIAGRA prior to or in 2006, a visual check revealed that the tablets were not blue and diamond shaped, my first impression would have been that the tablets were not VIAGRA and that an error had been made. I would then be required to perform other accuracy checks to ensure that the correct medication was being dispensed.

37. The VIAGRA tablets were marked with the word Pfizer. These markings were not generally necessary for me, prior to and as of 2006, to identify a blue-diamond tablet as VIAGRA. Even if the markings were removed, the unique shape and colour combination would have been sufficient to identify the VIAGRA tablet as a matter of first impression.

38. Because the tablets were contained in a blister pack, I am not familiar with the texture, smell or other sensory qualities of the

> tablet, as I am with other medications. The VIAGRA tablet is a medication that, prior to its ingestion, is known by its visual appearance, a blue diamond, rather than by its other sensory qualities.

[204] Significantly, Ms. Krawchenko tells us that "[e]ven if the markings were removed, the unique shape and colour combination would have been sufficient to identify the VIAGRA tablet as a matter of first impression." Ms. Krawchenko here moves to the hypothetical. If she is saying that she would dispense an unmarked blue, diamond-shaped tablet as Viagra then this hardly accords with the professional rules by which she is bound, and the Applicant concedes that pharmacists do not dispense relying upon appearance. She does not explain how or when she has seen an unmarked blue, diamond-shaped pill and why – if she has never seen such a pill – she would identify such a pill as Viagra. I think she is saying that if she saw an unmarked blue, diamond-shaped pill she would associate it with Viagra because of its appearance, but that does not mean she would do anything based upon that association, and that, in my view, is because an unmarked pill does not identify source in a way she could rely on to do anything with that pill. All she can say, as a matter of first impression, is "here is an unmarked pill that has the same colour and shape as Viagra." As Justice Barnes said in *Apotex*, above, at paragraph 13:

> In my view, it is insufficient to show that the appearance of a product may represent a secondary check of product identity or that it may cause a person to wonder whether the expected product was correctly dispensed…. The fact that a physician or pharmacist might make an informal assumption about the provenance of a purple disc-shaped inhaler in the context of a therapeutic discussion with a patient is also insufficient to establish distinctiveness.

This position was endorsed by the Federal Court of Appeal.

[205] It is noteworthy that, when cross-examined, both Mr. Brown and Ms. Krawchenko said they have never seen a Viagra tablet without markings and that, if they did, they would know it was not Viagra (Krawchenko Cross, Qs 325-326; Brown Cross, Qs 381-382). See, for example, the following exchange which took place on cross-examination of Ms. Krawchenko's affidavit:

> Q322: If you were shown a blue, rounded, diamond shaped tablet; a yellow teardrop tablet; and an orange round tablet in 2006, would you be able to identify which one was sildenafil as opposed to other ED medicines?
>
> A: Yes, which one was Viagra in 2006.
>
> Q323: Fine. Viagra has markings on it?
>
> A: Yes.
>
> Q324: Are you aware that since the entry of generic Viagra, Pfizer has advertised to pharmacists and patients as follows: "If it doesn't say Pfizer it's not Viagra"?
>
> A: Yes.
>
> Q325: Have you ever seen a Viagra tablet without markings?
>
> A: No.
>
> Q326: If you did see it without markings you would know it wasn't Viagra?
>
> A: Yes.

[206] In my view, all that Ms. Krawchenko is saying is that, as a matter of first impression, she would make an "informal assumption" that a blue, diamond-shaped pill was Viagra and came from Pfizer. This is not enough. In fact, the evidence before me generally (whether it relates to physicians, pharmacists or patients) shows that, even at its strongest, the appearance of Viagra without its markings and other indicia of origin, allows for nothing more than an "informal assumption" that it could be Viagra. And, in my view, this is entirely consistent with the

marketing evidence before me and the way Pfizer chose to market Viagra (see Charbonneau Cross, Qs 297-301).

[207] In any event, Ms. Krawchenko can only speak for herself on this issue of appearance and identification. This is not evidence that amounts to "any significant degree" of recognition by pharmacists. In so far as Mr. Brown and Ms. Krawchenko purport to say anything about other pharmacists, the Court is without the checks it would need (i.e. what questions were put to what people and in what circumstances?) to give any weight to such evidence. In fact, Mr. Brown and Ms. Krawchenko did not, prior to giving their evidence, review any materials or notes from 2006, and appear to have relied exclusively on their seven-year-old memories.

[208] I have reviewed the new evidence introduced by the Respondent that deals with pharmacists. I can find nothing in it that assists the Applicant to overcome the difficulties I have referred to above. For example, pharmacist Kenny Tan disagrees with Ms. Krawchenko and Mr. Brown's statements (Krawchenko Affidavit, para 37; Brown Affidavit, para 22) that a pharmacist could identify the Mark as Viagra without the markings:

> 93. Without the markings, a pharmacist would not attempt to make this identification. If an unmarked tablet was provided to a pharmacist, the pharmacist would know immediately that the tablet was not Viagra (the brand) because Viagra (the brand) has the markings "Pfizer" and "VGR". In any event, in pharmacy practice, the proper identification of medications is an important professional function. As discussed, pharmacists are professionals who do not identify medications for any professional purposes as matters of "first impression".

D. *Conclusions on Distinctiveness*

[209] For the reasons given above, I must conclude that this appeal cannot succeed on the issue of distinctiveness. In the evidence adduced on this appeal – not all of which was before the Board – I am unable to conclude that the proposed Mark (i.e. the colour and shape of the Viagra pill) was distinctive of the product at the material date.

[210] The evidence before me suggests to me that the limited use which physicians, pharmacists and patients may make of the appearance of the Viagra pill for identification purposes is not enough to establish the distinctiveness required for a valid trade-mark, or as Justice Dawson put it in *Novopharm Ltd v AstraZeneca AB*, above: What does an unmarked blue, diamond-shaped pill mean to a physician, pharmacists or patient? Not enough for a finding of distinctiveness.

E. *Other Issues*

[211] From the Applicant's perspective, distinctiveness is the only issue involved in this appeal. The Respondent refers to other matters that are either disputed or which the Applicant feels are not appropriately before the Court. However, in light of my findings on distinctiveness, it is unnecessary for me to deal with those other issues.

[212] The Respondent is entitled to its costs payable by the Applicant. I will leave it to the parties to resolve this issue, failing which I will hear counsel in writing with submissions not to exceed ten (10) pages each in length.

JUDGMENT

THIS COURT'S JUDGMENT is that

1. This appeal is dismissed.
2. Costs are payable to the Respondent (Canadian Generic Pharmaceutical Association) by the Applicant (Pfizer Products Inc.) and the issue of quantum, if necessary to resolve, is reserved.

"James Russell"

Judge

FEDERAL COURT

SOLICITORS OF RECORD

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