

Federal Court



Cour fédérale

Date: 20220513

Docket: T-1935-19

Citation: 2022 FC 720

Toronto, Ontario, May 13, 2022

PRESENT: The Honourable Madam Justice Furlanetto

BETWEEN:

ALIGN TECHNOLOGY, INC.

Applicant

and

OSSTEMIMPLANT CO., LTD

Respondent

JUDGMENT AND REASONS

[1] This is an appeal under section 56 of the *Trademarks Act*, RSC 1985, c T-13 [TMA] of a decision of the Trademarks Opposition Board [TMOB], dismissing the Applicant, Align Technology, Inc.'s [Align] opposition to the Respondent Osstemimplant Co., Ltd.'s [Osstemimplant] application to register the trademark **MAGICALIGN** for use in association with orthodontic goods.



[2] For the reasons that follow, I find that only some of the new evidence filed is material (i.e., the new state of the register evidence and the new evidence from the dentists and

orthodontists). However, when factor 6(5)(a) is considered *de novo*, along with the weighing with the other subsection 6(5) factors, none of which when assessed individually include a palpable and overriding error in the TMOB's analysis, the finding remains that there is no likelihood of confusion. As such, the appeal is dismissed.

I. Background

[3] Osstemimplant filed trademark application no. 1,749,696 [Application] for MAGICALIGN on October 8, 2015. The Application was based on proposed use and sought registration in association with: (1) custom orthodontic instruments; (2) mouthpieces for orthodontics; and (3) orthodontic appliances.

[4] On October 20, 2016, Align filed a Statement of Opposition, opposing registration of MAGICALIGN, asserting that it was confusingly similar to Align's family of trademarks that had been registered and extensively used in Canada in association with orthodontic and dental products and related services. The asserted family of ALIGN trademarks [ALIGN Trademarks] were the following:

<u>Trademark</u>	<u>Reg. No.</u>
ALIGN	TMA 721,063
ALIGN	TMA 721,064
INVISALIGN	TMA 565,855
INVISALIGN	TMA 657,972
INVISALIGN	TMA 711,091
	TMA 783,865
INVISALIGN INTERLINK	TMA 927,462
	TMA817,051

[5] Align's specific grounds of opposition were as follows and fall under section 38 of the TMA as it read immediately before June 17, 2019 in view of the TMA's transitional provisions:

- (a) that MAGICALIGN is not registrable, pursuant to section 12(1)(d) of the TMA, as it is confusing with the ALIGN Trademarks previously registered in Canada;
- (b) that the Respondent is not the person entitled to registration of MAGICALIGN pursuant to paragraph 16(3)(a) of the TMA because at the date the Application was filed, it was and is confusing with the ALIGN Trademarks previously used and not abandoned in Canada by Align;
- (c) that the Respondent is not the person entitled to registration of MAGICALIGN pursuant to paragraph 16(3)(c) of the TMA because as of the date the Application was filed it was confusing with Align's tradenames Align Technology, Inc. and Align Technology previously used in Canada by Align; and
- (d) MAGICALIGN is not distinctive within the meaning of section 2 of the TMA as it does not distinguish, nor is it adapted to distinguish, the Respondent's goods from the goods of Align in view of Align's prior use of the ALIGN Trademarks in Canada in association with orthodontic and dental goods and related services.

[6] In support of its opposition, Align filed three affidavits: (1) an affidavit from Karrie Anger, Vice President and Associate General Counsel of Align Technology Inc. [Anger Affidavit], which addressed Align's business, products and services and the use of the ALIGN Trademarks; (2) an affidavit from Mary Noonan, trademark searcher for the Applicant's law

firm, who attached the search results from a search for the Applicant's ALIGN trademarks; and (3) an affidavit from Joanne Berent, a reference librarian who performed searches for articles referring to "Invisalign".

[7] On September 30, 2019, the TMOB rejected the Applicant's opposition to MAGICALIGN on all grounds. In reaching its decision, the TMOB concluded that the determinative issue was whether MAGICALIGN was confusing with the Opponent's trademarks INVISALIGN and ALIGN. Upon considering the factors set out under subsection 6(5) of the TMA and the surrounding circumstances, the TMOB found that:

- (a) The MAGICALIGN and INVISALIGN marks had a comparable degree of inherent distinctiveness as they were both coined words, suggesting products or services that could be used to correct misalignment of teeth, while the ALIGN mark had a low degree of inherent distinctiveness. ALIGN had a descriptive nature when considered in association with the goods and services of the parties.
- (b) The extent to which the marks had become known, extent of use and length of time in use clearly favoured the Opponent.
- (c) The nature of the goods and trade were identical.
- (d) There was not a high degree of resemblance in appearance, sound or idea suggested between MAGICALIGN and the Opponent's INVISALIGN and ALIGN marks.

- (e) The Applicant had a family of ALIGN trademarks; however, it was of limited weight as a surrounding circumstance because the number of marks in the family was small, and the “ALIGN” component was not used as a suffix in all of the marks.

[8] On the basis of these findings, the TMOB concluded as follows:

Having considered all of the surrounding circumstances and applying the test of confusion as a matter of first impression and imperfect recollection, despite the significant acquired distinctiveness of INVISALIGN and to a lesser extent ALIGN, the length of time the Opponent’s trademarks have been in use, the identical nature of the goods and trade and the fact that the Opponent has a small family of ALIGN trademarks, I find the overall differences between the parties’ marks sufficient to shift the balance of probabilities regarding confusion in favour of the Applicant. I am of the view that the ordinary consumer would not, as a matter of first impression, be likely to think that the goods associated with the Mark would emanate from the same source as those associated with the INVISALIGN or ALIGN trademark or vice versa. Consequently, I find that there is no reasonable likelihood of confusion between the parties’ trade marks.

[9] In this application, the Applicant seeks to introduce five new affidavits as evidence:

- (a) The affidavit of Sian Roberts, Vice President and General Manager of the Applicant’s Canadian operation, sworn October 15, 2020 [Roberts Affidavit];
- (b) A second affidavit from Mary Noonan, trademark searcher employed by the Applicant’s counsel, sworn October 15, 2020 [Noonan Affidavit]; and
- (c) The affidavits of Dr. Stéphane Reinhardt DMD, sworn October 14, 2020 [Reinhardt Affidavit] a dentist, Dr. Terry Carlyle, sworn October 15, 2020

[Carlyle Affidavit], an orthodontist, and Dr. Sandra Tai, sworn October 13, 2020
[Tai Affidavit], a Certified Specialist in Orthodontics.

[10] The Applicant argues that the TMOB fixated on the notion that “ALIGN” was descriptive of the Applicant’s goods and services and had only a low degree of inherent distinctiveness, and erred by finding that the ALIGN trademark had not acquired distinctiveness and had been used to a lesser extent and less prominently in packaging and advertising. It contends that its new evidence addresses these issues and could have, and would have, affected the TMOB’s confusion analysis. It further contends that there has been a significant increase in use of the Applicant’s marks and Canadian specific marketing activities such that the marks have become even more well known, if not famous, and that the extent of use and scope of protection should be afforded more weight relative to the other section 6(5) factors. The Applicant asserts that on a consideration of the full evidence there is a likelihood of confusion between MAGICALIGN and the Applicant’s INVISALIGN and ALIGN trademarks.

II. Issues

[11] This appeal raises the following issues:

- (a) What is the standard of review taking into account the new evidence filed on the appeal?
- (b) Is there a reversible error in the TMOB’s decision as it relates to the likelihood of confusion?

III. Standard of Review and New Evidence

A. *Legal Principles*

[12] Where an Applicant leads new evidence in an appeal of a decision of the TMOB, the Court must first consider the materiality of the evidence and determine whether that evidence is sufficiently substantial, significant and probative that it would have a material impact on the TMOB's decision: *Clorox Company of Canada, Ltd v Chloretec SEC*, 2020 FCA 76 [*Clorox*] at para 21; *Vivat Holdings Ltd v Levi Strauss & Co*, 2005 FC 707 [*Vivat*] at para 27; *Beverly Hills Jewellers MFG Ltd v Corona Jewellery Company Ltd*, 2021 FC 674 [*Corona*] at paras 36-39; *Tokai of Canada Ltd v Kingsford Products Company, LLC*, 2021 FC 782 [*Tokai*] at para 20.

[13] If evidence is material, the Court must review the issue to which the evidence pertains on a correctness standard and make its own determination on the basis of the whole of the evidence. In such circumstances, the Court is not limited to finding a reviewable error in the TMOB's decision and the appeal is in the nature of a hearing "*de novo*" with the benefit of the additional evidence: *Clorox* at para 21; *Tokai* at para 23; *Seara Alimentos Ltda v Amira Enterprises Inc*, 2019 FCA 63 [*Seara*] at para 22.

[14] As set out in *Seara* at paragraphs 23 and 25, an assessment of whether the new evidence would have a material impact on the TMOB's decision does not require a determination of whether the new evidence would ultimately change the result or outcome; the assessment is a preliminary test. The correct question is whether, in the context of the confusion analysis, the evidence could lead to a different conclusion in respect of one or more of the factors set out in

subsection 6(5) of the TMA and the balancing underpinning the conclusion as to whether confusion was likely.

[15] Evidence is “material” where it enhances the overall cogency of the record in a way that may have influenced the TMOB’s conclusions on a finding of fact or exercise of discretion (*Seara* at para 24; *Tokai* at para 23) or fills gaps or remedies a deficiency identified by the TMOB (*Corona* at para 38-39). Evidence is not “material” if it relates to facts after the relevant date, merely supplements or confirms the findings of the TMOB, or is repetitive of evidence that was already before the decision-maker: *Corona* at paras 38-39; *Seara* at para 24; *Hawke & Company Outfitters LLC v Retail Royalty Company*, 2012 FC 1539 [*Hawke*] at para 31. Materiality is a matter of quality, not quantity: *Hawke* at para 31; *Vivat* at para 27; *Tokai* at para 20; *Assurant, Inc v Assurancia, Inc*, 2018 FC 121 at para 23.

[16] If there is no new evidence or if the evidence is not found to be material, the decision is reviewed on the appellate standard of review: *Clorox* at paras 22-23; *Canada (Minister of Citizenship and Immigration) v Vavilov*, 2019 SCC 65 at paras 36-52. For questions of mixed fact and law, the standard is palpable and overriding error and for pure questions of law, correctness: *Clorox* at para 23; *Housen v Nikolaisen*, 2002 SCC 33.

[17] A palpable and overriding error is an obvious error that goes to the core of the decision: *Canada v South Yukon Forest Corp*, 2012 FCA 165 at para 46; *Clorox* at para 38. A review on the standard of correctness is a review where no deference applies to the underlying decision-maker: *Tokai* at para 22.

B. *Relevant dates*

[18] The relevant dates for the purposes of this appeal are:

- (a) Subsection 16(3) (non-entitlement) – September 24, 2015 (priority date);
- (b) Section 2 (distinctiveness) – October 20, 2016 (date of filing the statement of opposition); and
- (c) Subsection 12(1)(d) (registrability) – September 30, 2019 (date of the TMOB’s Decision) or the date of the Court’s decision on the appeal if material evidence is filed and a *de novo* review is conducted: *Reitmans (Canada) Ltd v Thymes Ltd*, 2013 FC 127 at para 15.

C. *The New Evidence*

[19] As detailed below, I find that only the new state of the register evidence included within the Noonan Affidavit and the Carlyle, Reinhardt and Tai Affidavits are material and warrant consideration of subsection 6(5)(a) *de novo* along with the weighing of the subsection 6(5) factors. The analysis on the remainder of the individual subsection 6(5) factors are reviewed below for palpable and overriding error.

(1) Roberts Affidavit

[20] The Roberts Affidavit states three objectives. First, to “supplement” the Anger Affidavit by providing “new information about the nature and extent of Align’s sales and marketing activities in Canada” from April 2017 to 2020. Second, to address the TMOB’s finding that

ALIGN features less prominently in packaging and advertising and should be afforded less ambit of protection by providing “new and additional details concerning Align’s use of ALIGN and the Align, Align Technology and Align Technology Inc. trade names”. Third, to address the TMOB’s finding that ALIGN and ALIGN TECHNOLOGY have a low degree of inherent distinctiveness by providing new evidence “addressing the distinctive nature of the word “align” in association with Align’s goods and services.”

[21] With respect to the updated sales and marketing information (paragraphs 10 – 42), I agree with the Respondent, details regarding the sales and marketing efforts of Align after 2016 are not relevant to the subsection 16(3) and section 2 grounds of opposition as they are after the materials date for these grounds. While at least some of this evidence may be applicable to section 12(1)(d), it is not probative as it serves to merely supplement and further corroborate findings already made by the TMOB as to the extent of use of the Applicant’s marks, which was based on extensive sales and marketing information that was already filed with the Anger Affidavit.

[22] As acknowledged by the Applicant in its written representations, the Anger Affidavit outlined the “very significant” and “steadily increas[ing]” sales revenues associated with Align’s products, the significant number of orthodontists and dentists trained to use Align’s products, “detailed the significant amounts spent by Align to advertise, market and promote its products and services in Canada and around the world in association with the ALIGN Trademarks”, and “provided detailed evidence and specimens of its advertising, promotional, and marketing activities in Canada and throughout the world both through activities targeted towards existing

and prospective orthodontist and dentists [sic] customers, and activities targeted directly to end consumers”. The TMOB acknowledged the various types of evidence filed by the Applicant establishing widespread use of the ALIGN trademarks and concluded that the extent of use and length of time in use strongly favoured the Applicant.

[23] The sales and marketing information in the Roberts Affidavit provides details of additional sales and marketing initiatives since 2017 to further enhance and grow the Canadian market. This includes details of opening a Canadian office; Canada specific social media campaigns and sponsorship opportunities, including with the Toronto Raptors; as well as updates of information from the Anger Affidavit (i.e., sales estimates, advertising expenditures, numbers of patients treated with the INVISALIGN system and numbers of orthodontists and dentists who have received training).

[24] The Applicant argues that the INVISALIGN and ALIGN marks have become so well known that they are “famous”. It contends that in such circumstances, the trademarks should be afforded a wide scope of protection, making the burden imposed on a newcomer applicant to dispel any likelihood of confusion exceedingly difficult to overcome: *Miss Universe Inc v Bohna*, [1995] 1 FC 614, 1994 CarswellNat 1443 (WL) (FCA) [*Miss Universe*] at paras 12, 17-18.

[25] However, unlike *Miss Universe*, the TMOB already considered the extensive use of the ALIGN Trademarks in its decision, finding that “such extensive use increases the ambit of

protection to be afforded to the [Applicant's] INVISALIGN trademark and to a lesser extent its ALIGN trademark.”

[26] While I agree that the new evidence indicates further steady increases in sales, advertising and promotion, in my view this simply adds further support to the conclusions the TMOB already reached. The TMOB explained that despite the significant acquired distinctiveness and length of time the marks had been in use, the parties' marks were sufficiently different that no reasonable likelihood of confusion would exist. This new evidence does not go to this critical issue.

[27] The Applicant's reference to the decision in *3469051 Canada Inc c Axis Heating and Air Conditioning Inc.*, 2019 FC 1103 [*Axis Heating*] is also of no assistance as it is factually distinct. The weighing of factors in that case involved not only extensive use leading to significant acquired distinctiveness but also that the marks involved were visually similar in appearance. The counterbalancing point was that the two marks differed somewhat in terms of the nature of their trade. *Axis Heating* does not assist with why the supplementary evidence in the Roberts Affidavit should be considered material in the face of the evidence that was already submitted and the conclusions reached.

[28] In my view, the additional evidence in paragraphs 10-42 of the Roberts Affidavit is merely supplementary of findings already made and would not have been probative of the TMOB's decision.

[29] The additional evidence in the Roberts Affidavit concerning Align’s use of “ALIGN” and the Align, Align Technology and Align Technology Inc. trade names (paragraphs 43 – 54) is also not material as it simply repeats information already provided in the Anger Affidavit or provides additional examples of packaging and marketing materials seen by patients, clinicians, sponsors and others that is similar to if not the same as the information that was already provided and considered by the TMOB. At paragraphs 45 and 46, Ms. Roberts refers to the product information and marketing materials in the Anger Affidavit that she states shows the use of the ALIGN trademark and Align Technology business names. She adds further examples at paragraph 47, which she admits at paragraph 48, are similar to the examples provided in the Anger Affidavit and then supplements with some additional examples at paragraphs 50-53.

[30] The TMOB already considered the same and/or similar evidence in its decision. In doing so, it found that various product information documents feature the ALIGN Trademarks (paragraph 17); however, INVISALIGN appears more predominantly in packaging and advertising (paragraph 18). The refiling of the same product and marketing information and additional information of the same type through an affidavit from the Applicant, amounts to a request to re-evaluate this same evidence. It does not present substantial and significant new evidence.

[31] The Roberts affidavit also provides background information on the introduction and commercialization of the INVISALIGN system, Align’s reasons for adopting the ALIGN Trademarks and the use of the word “aligners” (paragraphs 55–62). The Applicant argues that this evidence addresses the TMOB’s finding that ALIGN is descriptive and has not acquired

distinctiveness. However, I agree with the Respondent that this evidence is irrelevant to the assessment of the descriptiveness of the mark, which is to be evaluated from the perspective of the relevant consumer, not the trademark owner: *Cliché v Canada (Attorney General)*, 2012 FC 564 at para 22; aff'd 2013 FCA 8. Ms. Roberts also states, on information and belief, that Align was not required to file evidence relating to acquired distinctiveness during the prosecution of its "ALIGN" marks. The Applicant asserts that this evidence establishes the Trademarks Office did not consider the marks to be descriptive. The statements made by Ms. Roberts, however, are not supported by any documentation. On their own, they are of limited probative value.

[32] The remainder of the evidence in the Roberts Affidavit (paragraphs 63 – 72) seeks to introduce information relating to an alleged reproduction of a copyrighted image from Align's product materials. As there was no argument of "bad faith" or copying before the TMOB and as the allegations do not relate to the trademarks at issue, I agree with the Respondent that the principle in *Procter & Gamble Inc v Colgate-Palmolive Canada Inc*, 2010 FC 231 at paragraph 26 applies and there is no jurisdiction to consider this issue. This evidence accordingly, in my view, is not admissible or material.

(2) Noonan Affidavit

[33] The Noonan Affidavit contains the results of a registry search of the Applicant's ALIGN trademarks. However, a similar search with nearly the same results was already included in the first Noonan Affidavit (the updated search indicated that two pending applications identified in the first search were now registered and included on further registration).

[34] The Applicant seeks to introduce this same information for the purpose of highlighting that the Examiner did not object to the registration of any of the ALIGN Trademarks on the basis of descriptiveness and to further support its argument that Align has a family of ALIGN marks.

[35] On the first point, the information provided is repetitive of information relating to the registration of the marks that was already before the TMOB in the opposition. Such evidence is not new.

[36] On the second point, as noted by the TMOB, in order to rely on a family of trademarks an opponent must prove use of each trademark of the alleged family. The updated search results on their own are not meaningful as they do not expand on the small family of trademarks identified by the TMOB as being those for which use has been shown. The proposed new evidence is not significant.

[37] The Noonan Affidavit also includes a second search, conducted as of October 15, 2020, of all active trademark registrations existing on the Register containing the element “ALIGN” alone or in combination with other word or design elements. As noted by the Applicant, state of the register evidence was not before the TMOB.

[38] The Applicant asserts that the results from this search indicate that Align enjoys a monopoly position with respect to the trademark ALIGN as used in association with orthodontic goods and services.

[39] The Respondent argues that as the search was conducted on October 15, 2020 it is after the relevant date for all issues in dispute and therefore cannot be material to the TMOB's findings. I note, however, that the search includes information that would have been on the register prior to September 30, 2019, therefore I do not agree that they can be disregarded on this technical argument.

[40] The Respondent further argues that while the Applicant contends that there are no other third-party marks on the Register incorporating "ALIGN" for use in association with dental or orthodontic goods or services, two registrations were identified by the search that indicate an "aligner" containing trademark owned by a third party for use in association with orthodontic appliances and goods – SURECURE ORTHODONTIC ALIGNERS & Design and SPEEDALIGNERS. While I agree the results of the search are more nuanced, in my view this goes to whether the results would ultimately impact the TMOB's analysis rather than, as a matter of preliminary assessment, whether they could have an impact. In my view, the state of the register evidence is additional evidence that the TMOB would have considered significant for its section 6(5)(a) analysis and analysis of the surrounding circumstances and warrants a *de novo* assessment of this factor, including this evidence.

(3) Carlyle, Reinhardt and Tai Affidavits

[41] The Applicant asserts that the Carlyle, Reinhardt and Tai Affidavits present evidence that is substantially significant and probative in relation to the TMOB's findings regarding whether the ALIGN mark is as prevalent as INVISALIGN in product and marketing materials and the

finding that “ALIGN” is descriptive. As noted by the Applicant, there was no evidence from dentists or orthodontists previously filed.

[42] The Respondent highlights that the Carlyle, Reinhardt and Tai Affidavits attach and comment on the same product, patient care and consent form materials that were already included in the Anger Affidavit. It asserts that the opinions given as to how patients would view this information and the ALIGN Trademarks is nothing more than impermissible opinion evidence.

[43] In my view, the Carlyle, Reinhardt and Tai Affidavit, although commenting on the same documents as included in the Anger Affidavit , provide a different viewpoint that would have been considered relevant and material for consideration in respect of paragraph 6(5)(a). Accordingly, I consider this evidence to be admissible and to further justify a *de novo* review of paragraph 6(5)(a) and the weighing of the subsection 6(5) factors.

IV. Is there a reversible error in the TMOB’s decision

[44] There is no dispute between the parties that when applying the legal test for assessing the likelihood of confusion, the test is to be considered as a matter of first impression in the mind of a casual consumer, somewhat in a hurry, with an imperfect recollection of the trademark, who does not pause to give the allegedly confusing mark in front of them any detailed consideration or scrutiny or to examine closely the similarities and differences between the marks: *Veuve Clicquot Ponsardin c. Boutiques Cliquot Ltee*, 2006 SCC 23 at para 20, *Clorox* at para 32.

[45] The likelihood of confusion is to be determined by consideration of all of the surrounding circumstances, including the criteria set out under subsection 6(5) of the TMA, which are not exhaustive and may be given different weight in a context specific assessment: *Mattel USA Inc v 3894207 Canada Inc*, 2006 SCC 22 [*Mattel*] at para 54.

[46] These legal principles were referenced in the TMOB's decision and were applied in its analysis. I do not understand the Applicant to be arguing that the TMOB made an error of law. On the basis of my finding on the new evidence submitted on this appeal, as set out above, my analysis includes a *de novo* review of paragraph 6(5)(a), consideration of whether the TMOB made a palpable and overriding error in its analysis of the remaining subsection 6(5) factors, a *de novo* review of the weighing of the factors and the determination of whether there is a likelihood of confusion. For the reasons that follow, I do not find that the TMOB made any such errors or that a different conclusion should be reached.

A. *Subsection 6(5)(a) – inherent distinctiveness and extent to which the marks have become known*

[47] Upon conducting my own *de novo* review of the evidence, I arrive at the same conclusion as the TMOB, the MAGICALIGN and INVISALIGN have a similar degree of inherent distinctiveness as they are both coined words that include a component “align” suggesting products and services that can be used to correct misaligned teeth. I similarly agree that “ALIGN” is less inherently distinctive because it describes the intended function of the goods and services.

[48] The Applicant argues that the word “align”, a verb, is not descriptive of the parties’ goods and services. It asserts that the word “aligner” only came into existence as a result of the Applicant’s products.

[49] However, the new evidence indicates that there is low inherent distinctiveness of the terms “aligner” and “align” as they have become terms of the trade (*Smart Cloud Inc v International Business Machines Corporation*, 2021 FC 236 at paras 72-73).

[50] The state of the register evidence indicates other third party marks using the word “aligner” in association with goods, along with the word “align” to describe the third party’s wares as of the relevant date for section 12(1)(d). Trademark Registration No TMA1017253 for SURECURE ORTHODONTIC ALIGNERS uses the word “aligner” in both its trademark and the noun and verb “aligner” and “align”, respectively, as part of the description of the wares: “orthodontic products, namely orthodontic brackets, aligners and retainers used by dentists and orthodontists to straighten and re-align patients teeth” [emphasis added]. The registration details indicate use of this mark in association with these specified wares as early as January 17, 2017. Similarly, Trademark Registration No TMA708670 for the trademark SPEEDALIGNERS uses “aligners” in the trademark name. This mark is registered in association with orthodontic appliances and for services relating to the manufacture of orthodontic appliances. The registration details indicate a declaration of use in association with these wares and services filed January 21, 2008.

[51] Other news articles and corporate documents adduced by the Applicant before the TMOB and cited within the TMOB decision also indicate the use of the words “aligner” to describe the Applicant’s product and refer to the function of the product to “align” teeth. The concepts of bringing teeth into “alignment” is used throughout these articles as common terminology used to describe the objective of treating crooked teeth (see for example, Edmonton Journal article from April 8, 2009 (Berent affidavit, Exhibit B, page 106): “Braces: Wires are attached to the teeth and are periodically tightened to bring them into alignment. A new system called Invisalign does the same thing with a series of plastic trays that fit on the teeth”).

[52] The Carlyle, Reinhardt and Tai Affidavits further refer to the word “aligner” as becoming part of the trade vocabulary since the Align Trademarks came into use. As stated by Dr. Tai at paragraph 19 of her affidavit:

Before Align’s INVISALIGN system became available, the term “aligner” to describe orthodontic appliances or products was not used. In the first few years after the INVISALIGN system was launched the INVISALIGN appliances were referred to as “trays”, and some practitioners continue to use that terminology. Over time, however, with the success and popularity of the INVISALIGN system, “aligner” has over time become part of the terminology in the field.

[53] Similar statements are also made in the Carlyle and Reinhardt Affidavits.

[54] The admission that the term “aligner” was popularized as a term of art amongst dentists and orthodontists by the relevant date suggests that “ALIGN” would only have limited inherent distinctiveness as it is descriptive of the function of the parties’ goods.

[55] Factor 6(5)(a), however, requires consideration of both the inherent distinctiveness of the marks and the extent to which they have become known and acquired distinctiveness in the marketplace. This is a measure of the overall strength of the mark. As stated by the Federal Court of Appeal in *Pink Panther Beauty Corp v United Artists Corp*, [1998] 3 FC 534, 1998 CarswellNat 548 (FCA) at paragraphs 23-24:

The first item listed under subsection 6(5) is the strength of the mark. This is broken down into two considerations: the inherent distinctiveness of the mark, and the acquired distinctiveness of the mark. Marks are inherently distinctive when nothing about them refers the consumer to a multitude of sources. Where a mark may refer to many things or, as noted earlier, is only descriptive of the wares or of their geographic origin, less protection will be afforded the mark. Conversely, where the mark is a unique or invented name, such that it could refer to only one thing, it will be extended a greater scope of protection.

Where a mark does not have inherent distinctiveness it may still acquire distinctiveness through continual use in the marketplace. To establish this acquired distinctiveness, it must be shown that the mark has become known to consumers as originating from one particular source. In *Cartier, Inc. v. Cartier Optical Ltd.*, Dubé J. found that the Cartier name, being merely a surname, had little inherent distinctiveness, but, nevertheless, it had acquired a great deal of distinctiveness through publicity. Likewise in *Coca-Cola Ltd. v. Fisher Trading Co.*, the Judge found that the word "Cola" in script form had become so famous that it had acquired a very special secondary meaning distinctive of the beverage, and was, therefore, worthy of protection.

[footnotes omitted]

[56] The evidence in this case indicates that the Applicant's INVISALIGN and ALIGN marks have become known to potential consumers through use in the marketplace. While the Carlyle, Reinhardt and Tai Affidavits state that patients being treated with the INVISALIGN system would be familiar with both the INVISALIGN and ALIGN marks through their use in product and patient materials, this evidence also indicates that it is the INVISALIGN mark that patients

have asked for by name as being recognized in association with the Applicant's goods. As stated by Drs. Carlyle, Reinhardt and Tai:

Carlyle Affidavit (paragraph 28)

...Since Align Technology and the INVISALIGN system has become well-known in Canada, I have found (especially over the last 10 years) that patients will come into my office and ask for the INVISALIGN system by name.

Reinhardt Affidavit (paragraph 32)

As a result, I find that in my practice many patients or prospective patients ask me for the INVISALIGN system by name when considering orthodontic treatment, especially in recent years.

Tai Affidavit (paragraph 32)

In fact, it is my experience that many patients when they first come into my office are already familiar with the INVISALIGN system and ask for it by name.

[57] In my view, the evidence supports a finding that there is significant acquired distinctiveness in the INVISALIGN mark and to a lesser extent the ALIGN mark, as it has been used less prominently in promotional, product and marketing materials, and also because "align" is used in verb form in other third party marks.

[58] The strength of the INVISALIGN mark, which possesses both inherent and acquired distinctiveness, would exceed that of MAGICALIGN, which although inherently distinctive, has no marketplace use. The ALIGN mark would have a slight advantage to the MAGICALIGN mark in view of having some acquired distinctiveness; however, its inherent distinctiveness would be less as it is more descriptive of the function of its goods and services as noted previously.

B. *Section 6(5)(b) – length of time in use*

[59] As discussed earlier, the TMOB determined that factor 6(5)(b) strongly favoured the Applicant. There was extensive use of the ALIGN Trademarks over an extended period of time as compared to proposed use by Osstemimplant, who is a new entrant into the market. The TMOB found that such extensive use increases the ambit of protection to be afforded to the INVISALIGN trademark and to a lesser extent the ALIGN mark as it was used less predominantly in promotional and marketing materials. I see no palpable and overriding error in this analysis. Even if I were to find the Carlyle, Reinhardt and Tai Affidavits material to the TMOB's findings on this factor, which I do not, I would make no change to this finding arising from that evidence, which attaches some of the same patient and product materials. While all of these materials display both the ALIGN and INVISALIGN marks, the number of occurrences of use of the INVISALIGN marks far exceeds that of the ALIGN mark.

C. *Section 6(5)(c) and (d) – nature of the goods and services and channels of trade*

[60] There is no argument that the TMOB erred in its analysis of these factors. The nature of the goods and services and channels of trade of the parties are identical.

D. *Section 6(5)(e) – degree of resemblance*

[61] The TMOB relied on *Masterpiece Inc v Alavida Lifestyles Inc*, 2011 SCC 27 [*Masterpiece*] in its analysis of the resemblance between the marks. As noted by the TMOB, while it is axiomatic that the first word or the first syllable in a trade mark is by far the more important for the purpose of distinction (*Conde Nast Publications Inc v Union des Editions Modernes*, [1979] FCJ No 801, 46 CPR (2d) 183 (FCTD) at 188), for assessing resemblance the

“preferable approach is to consider whether there is an aspect of the trade mark that is particularly striking and unique” (*Masterpiece* at para 64). I see no error of law in the TMOB’s approach. As I understand it, the Applicant’s argument relates to the application of the law and the conclusion reached, rather than to an error of law itself. It argues that there is a degree of resemblance between the MAGICALIGN mark and the ALIGN and INVISALIGN marks because MAGICALIGN incorporates “ALIGN” in its trademark.

[62] I do not consider any of the new evidence to be relevant to section 6(5)(e) and accordingly, I have therefore reviewed the TMOB’s reasons on this factor on the basis of whether there is a palpable and overriding error, which I do not consider there to be.

[63] The TMOB noted that there is some resemblance between the parties’ marks as a result of the common use of the word “ALIGN”; however, it found that this does not lead to a high degree of resemblance overall as the most striking feature of MAGICALIGN is that it consists of a unique coined word. There is no palpable error in this finding.

[64] In considering the comparison of MAGICALIGN with INVISALIGN, the TMOB noted that both parties’ marks are single coined words. It was open for the TMOB to find as it did that the ALIGN component is not particularly striking and that while it may be recognized as associated with the Applicant’s trademark and trade name, it is also associated with or recognized as being a reference to the function of the parties’ goods. Similar reasoning is applied when comparing MAGICALIGN with ALIGN. Again, I see no palpable and overriding

error in this analysis. Rather, the argument seems to be one of disagreement with the TMOB's finding.

[65] Similarly, I see no palpable or overriding error in the conclusion that there is not a high degree of resemblance in sound or in the idea expressed. There is no obvious error in the TMOB's logic or in its application of the trademark principles.

[66] There is no basis to conclude that the TMOB erred in its paragraph 6(5)(e) analysis.

E. *Other surrounding circumstances*

[67] With respect to other surrounding circumstances, the TMOB found that the Applicant had a family of ALIGN Trademarks. However, this only had a slight impact as the family was small in number because use had only been shown with a small subset of the registered marks and not all of the marks used ALIGN as a suffix. No palpable or overriding error has also been shown with respect to this analysis.

[68] Considering the new state of register evidence as another surrounding circumstance, in my view, this supports the Respondent's position that the concept of alignment and re-aligning and the term "aligner" is not exclusively associated with the Applicant's products.

F. *Is there a likelihood of confusion*

[69] As noted in *Masterpiece* at paragraph 49, the degree of resemblance is likely to have the greatest effect on the confusion analysis; "if the marks or names do not resemble one another, it

is unlikely that even a strong finding on the remaining factors would lead to a likelihood of confusion. The other factors become significant only once the marks are found to be identical or very similar.”

[70] The Applicant refers the Court to the passage in *Axis Heating* where Justice Roy states:

[69] Lastly, the assessment of the likelihood of confusion based only on the evidence presented by both parties requires weighing the factors; as Professor Vaver wrote in *Intellectual Property Law* (2nd ed. Irwin Law, 2011), “[n]o simple factor on or off the list – whether it is the mark’s fame or the defendant’s good or bad intent – is determinative. The whole case must be examined to determine whether, ultimately, the defendant’s trade mark or name is, or is likely to be, in fact confusing the plaintiff’s trade mark or name” (p 531).

[70] The weighing that the Court is asked to perform based on the factors in subsection 6(5) does not consist of tallying the “victories” for each element. Professor Vaver, in his usual humorous manner, states that “the game involves weight more than numbers” (p 531). The elements should instead be weighed in order to reach an overall conclusion as to whether the mythical consumer is likely to be confused, according to the definition in subsection 6(2) of the Act.

...

[71] ...The first impression of a mythical consumer who sees both marks in the same region, on different worksites for example (both marks are widely known), would be that the goods or services associated with the respective marks are likely offered by the same person; there is a likelihood of confusion. ...

[71] Here, even conducting my own review of factor 6(5)(a) and how that may affect the weighing of the factors, I come to the same conclusion as the TMOB. Despite the significant acquired distinctiveness of INVISALIGN and to a lesser extent ALIGN, the increased ambit of protection afforded to the marks because of their extent of use, the identical nature of the goods and trade and the small family of ALIGN marks owned by the Applicant, the overall differences

in the appearance, sound and idea of the marks dominate and would not lead to a likelihood of confusion in the marketplace. The ordinary consumer, which in this case would be a consumer that would take more care as the products in question are higher priced products (*Masterpiece* at para 67-69; *Mattel* at para 58; *Clorox* at para 36), would not, as a matter of first impression, be likely to think that the goods associated with MAGICALIGN would emanate from the same source as those associated with INVISALIGN and ALIGN. The appearance, sound and idea conveyed by the marks are just too dissimilar.

[72] I do not find that the new material evidence leads to any different conclusion. The TMOB did not err.

[73] The TMOB found that the conclusion on the confusion analysis was applicable to the section 16 and section 2 grounds of opposition, such that the finding that there was no likelihood of confusion resulted in these further grounds of opposition also being rejected. I do not understand the Applicant to be asserting that there is any error associated with this approach. As such, the appeal on the remainder of the grounds of opposition are also dismissed in view of my finding on confusion.

V. Costs

[74] The parties provided submissions on costs at the hearing of the appeal. There was agreement that the successful party should be entitled to its costs of the proceeding.

[75] The Respondent asserted that the successful party should be awarded \$4500 in costs, inclusive of disbursements. The Applicant submitted that if it were successful, costs could be higher in view of the additional evidence submitted on the appeal and that a more appropriate approach would be to provide separate costs submissions.

[76] As I have found in favour of the Respondent on the appeal, I will award \$4,500 inclusive of fees and disbursements and no further submissions will be necessary.

JUDGMENT IN T-1935-19

THIS COURT'S JUDGMENT is that

1. The appeal is dismissed.
2. Costs are awarded to the Respondent in the amount of \$4,500, inclusive of fees and disbursements.

"Angela Furlanetto"

Judge

FEDERAL COURT
SOLICITORS OF RECORD

DOCKET: T-1935-19

STYLE OF CAUSE: ALIGN TECHNOLOGY, INC. v OSSTEMIMPLANT CO., LTD

PLACE OF HEARING: HEARD BY VIDEOCONFERENCE

DATE OF HEARING: NOVEMBER 1, 2021

JUDGMENT AND REASONS: FURLANETTO J.

DATED: MAY 13, 2022

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