

Federal Court



Cour fédérale

**Date: 20100312**

**Docket: T-2240-07**

**Citation: 2010 FC 291**

**Ottawa, Ontario, March 12, 2010**

**PRESENT: The Honourable Mr. Justice Barnes**

**BETWEEN:**

**APOTEX INC.,  
APOTEX FERMENTATION INC.,  
CANGENE – CORPORATION,  
NOVOPHARM LIMITED,  
PHARMASCIENCE INC.,  
RANBAXY PHARMACEUTICALS  
CANADA INC.,  
RATIOPHARM INC.,  
SANDOZ CANADA INC. and  
TARO PHARMACEUTICALS**

**Applicants**

**and**

**REGISTRAR OF TRADE-MARKS and  
GLAXO GROUP LIMITED**

**Respondents**

**REASONS FOR JUDGMENT AND JUDGMENT**

[1] This is an application by Apotex Inc., Apotex Fermentation Inc., Cangene – Corporation, Novopharm Limited, Pharmascience Inc., Ranbaxy Pharmaceuticals Canada Inc., ratiopharm Inc., Sandoz Canada Inc. and Taro Pharmaceuticals (the Applicants) seeking an Order under s. 57 of the

*Trade-marks Act*, R.S.C. 1985, c. T-13 (Act) striking out Canadian Trade-mark Registration No. TMA 687,313 (the GSK Mark) on the grounds that it is not distinctive and that, as a shaping of the ware, it should have been registered under s. 13 of the Act as a distinguishing guise.

I. Background

[2] The GSK Mark is owned by Glaxo Group Limited (GSK) and was registered in the United Kingdom on December 20, 2003. The GSK Mark was subsequently registered in Canada on May 9, 2007 and is licensed for use by GlaxoSmithKline Inc. The Canadian Trade-mark Registration describes the GSK Mark as follows:

The trade-mark consists of the colours dark purple (Pantone\* code 2587C) and light purple (Pantone\* code 2567C) applied to the visible surface of portions of the particular object, namely an inhaler for administration of pharmaceuticals, shown in the attached drawing. The drawing is lined for the colours dark purple and light purple. \*PANTONE is a registered trade-mark.

[3] The object that is associated with the GSK Mark is a plastic spherical inhaler which, when prescribed for medicinal use, contains varying doses of dry-powder combination medication (fluticasone propionate and salmeterol xinafoate) for the treatment of asthma and chronic obstructive pulmonary disease. GSK also owns the trade-marks “*Advair*” and “*Diskus*” which relate to this same inhaler device. The validity of those marks is not in issue in this proceeding. The *Advair Diskus* inhaler is referred to as a maintenance or controller inhaler to distinguish it from a reliever inhaler that is used to treat an acute or emergency condition. The *Advair Diskus* inhalers have been a successful product for GSK with sales revenues exceeding \$600 million CDN between 1999 and 2007.

[4] When the *Advair Diskus* inhaler is dispensed to the public, it is contained within a box labelled as “*Advair*” and “*Diskus*” and which also sets out information about GSK, dosages, storage, ingredients and the like. The inhaler is similarly labelled on the front and back. The GSK Mark, on the other hand, has no trade-name or label. It is simply a mark comprised of a shape and two complimentary purple colours.

#### *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.

II. Issues

- [6] (a) Are the Applicants interested parties under s. 57 of the Act?
- (b) The substantive question in this proceeding is whether, as of the date of this application, the GSK Mark had acquired sufficient distinctiveness in the Canadian marketplace to meet the requirements of s. 2 of the Act?

III. Analysis

*Are the Applicants Interested Parties?*

[7] I accept that the Applicants are interested parties who are entitled to bring this proceeding under s. 57 of the Act. The evidence establishes that they are pharmaceutical manufacturers of generic medications with an interest in the production and sale of products that closely resemble brand name medications. This is fundamentally a commercial interest although a collateral public interest may also be advanced through the minimization of patient confusion. An interested person is a party whose rights may be restricted by a trade-mark registration or who has a reasonable apprehension of prejudice: see *Fairmont Resort Properties Ltd. v. Fairmont Hotel Management, L.P.* (2008), 2008 FC 876 at paras. 45-57, 67 C.P.R. (4th) 404. The GSK Mark obviously restricts the Applicants' interest in making a look-alike inhaler and I am satisfied that they have met the low threshold for bringing this proceeding.

*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<sup>1</sup>, 1 C.P.R. (3d) 214 (F.C.T.D.). The fact that a physician or pharmacist might make an informal assumption about the

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<sup>1</sup> Also see *Royal Doulton Tableware Ltd.*, above, at 371 where the purpose of a trade-mark was said to facilitate a purchase from a source in which the consumer has confidence.

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<sup>2</sup>, 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<sup>3</sup> and with the Lung Association<sup>4</sup>. 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

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<sup>2</sup> *Be a Secret Asthma Agent*, pp. 394-395 of the Applicant's Record.

<sup>3</sup> *The 30-Second Asthma Test*, p. 165 of the Applicants' Record.

<sup>4</sup> See pp. 174, 181 and 184 of the Applicants' Record.

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.

#### *Section 14 of the Act*

[41] GSK relies upon s. 14 of the Act and points to the prior registration of the GSK Mark in the United Kingdom. Section 14 reads:

14. (1) Notwithstanding section 12, a trade-mark that the applicant or the applicant’s predecessor in title has caused to be duly registered in or for the country of origin of the

14. (1) Nonobstant l’article 12, une marque de commerce que le requérant ou son prédécesseur en titre a fait dûment déposer dans son pays d’origine, ou pour son pays

applicant is registrable if, in Canada,

d'origine, est enregistrable si, au Canada, selon le cas :

(a) it is not confusing with a registered trade-mark;

a) elle ne crée pas de confusion avec une marque de commerce déposée;

(b) it is not without distinctive character, having regard to all the circumstances of the case including the length of time during which it has been used in any country;

b) elle n'est pas dépourvue de caractère distinctif, eu égard aux circonstances, y compris la durée de l'emploi qui en a été fait dans tout pays;

(c) it is not contrary to morality or public order or of such a nature as to deceive the public; or

c) elle n'est pas contraire à la moralité ou à l'ordre public, ni de nature à tromper le public;

(d) it is not a trade-mark of which the adoption is prohibited by section 9 or 10.

d) son adoption comme marque de commerce n'est pas interdite par l'article 9 ou 10.

Trade-marks regarded as registered abroad

Assimilation à marques déposées à l'étranger

(2) A trade-mark that differs from the trade-mark registered in the country of origin only by elements that do not alter its distinctive character or affect its identity in the form under which it is registered in the country of origin shall be regarded for the purpose of subsection (1) as the trade-mark so registered.

(2) Une marque de commerce qui diffère de la marque de commerce déposée dans le pays d'origine seulement par des éléments qui ne changent pas son caractère distinctif ou qui ne touchent pas à son identité dans la forme sous laquelle elle est déposée au pays d'origine, est considérée, pour l'application du paragraphe

(1), comme la marque de commerce ainsi déposée.

I do not read the above provision as lowering the standard required to establish the distinctiveness of a trade-mark under s. 18 of the Act. Section 14 must be read in conjunction with s. 12. It seems to me that the purpose of s. 14 was to dispose of some of the bars to registerability set out in s. 12 where a trade-mark has been registered abroad. The provision does not, however, eliminate the requirement for distinctiveness under ss. 18(b). But even if I am wrong about this, I do not agree that the evidence in this proceeding is sufficient to meet the arguably lower threshold recognized by the Court in *Fairmont Resort Properties Ltd.*, above. Also see *Canadian Council of Professional Engineers*, above, at 245.

#### IV. Conclusion

[42] In conclusion and to paraphrase from the decision of Justice Dawson in *Novopharm Ltd. v. AstraZeneca AB*, above, the question which arises here is “what does an unlabelled two-tone purple circular inhaler mean to a physician, pharmacist or patient” to which the same answer applies – not enough for a finding of distinctiveness. In light of this finding it is unnecessary for me to deal with the Applicants’ argument that the GSK Mark should have been registered as a distinguishing guise.

[43] I am satisfied that the Applicants have met the burden of proof and have established that the GSK Mark is not distinctive. In the result, this application is allowed and Canadian Trade-mark Registration No. 687,313 is struck from the Register of Trade-marks.

[44] The Applicants are entitled to their costs payable by GSK. 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 ADJUDGES that** this application is allowed and Canadian Trade-mark Registration No. 687,313 is struck from the Register of Trade-marks.

**THIS COURT FURTHER ADJUDGES that** costs are payable to the Applicants by GSK and the issue of quantum, if necessary to resolve, is reserved.

“ R. L. Barnes ”

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Judge

**FEDERAL COURT**  
**SOLICITORS OF RECORD**

**DOCKET:** T-2240-07

**STYLE OF CAUSE:** Apotex Inc. et al.  
v.  
Registrar of Trade-Marks et al.

**PLACE OF HEARING:** Toronto, ON

**DATE OF HEARING:** October 26 and 27, 2009

**REASONS FOR JUDGMENT  
AND JUDGMENT BY:** Mr. Justice Barnes

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