

Date: 20100421

Docket: A-111-10

Citation: 2010 FCA 110

Present: TRUDEL J.A.

BETWEEN:

GLAXO GROUP LIMITED

Appellant

and

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

Respondents

and

REGISTRAR OF TRADE-MARKS

Respondent

Dealt with in writing without appearance of parties.

Order delivered at Ottawa, Ontario, on April 21, 2010.

REASONS FOR ORDER BY:

TRUDEL J.A.

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REASONS FOR ORDER

TRUDEL J.A.

[1] An Order of the Federal Court [2010 FC 291] provides that trade-mark 687,313, owned by the appellant, Glaxo Group Limited, is expunged. This trade-mark registration covers two-tone purple colours applied to the visible surfaces of an inhaler for the administration of pharmaceuticals. The Colour Purple Mark is used in Canada in association with Advair® Diskus® inhalers. The judge of the Federal Court concluded that, *inter alia*, the Colour Purple Mark is not distinctive.

[2] The appellant commenced an appeal from the judgment of the Federal Court and now seeks a stay pending disposition of the appeal to prevent the registration of the Colour Purple Mark from being struck from the Trade-marks Register.

[3] The appellant and its licensee, GlaxoSmithKline Inc., have undertaken to refrain from commencing any action for infringement of the trade-mark registration at issue until this Court can render its decision on appeal.

[4] The relevant test to be applied to an application for stay is set out in *RJR-MacDonald Inc. v. Canada (Attorney General)*, [1994] 1 S.C.R. 311. At the first stage, the applicant must demonstrate a serious question to be tried, but the threshold is low; at the second stage, the applicant must demonstrate that it will suffer irreparable harm if the relief is not granted; and, the third stage requires an assessment of the balance of convenience.

Serious Issue

[5] In my view, the grounds of appeal raise serious questions to be tried and are sufficient for meeting the threshold for granting a stay.

Irreparable Harm

[6] Firstly, the appellant argues that the purpose of the stay pending appeal is to prevent the loss of its legal right in the case that its trade-mark would be re-instated by Order of this Court. The appellant states that the nature of the harm is irreparable since it is incapable of being compensated through a later award of damages “from any parties that infringe the trade-mark registration during the period of time that the registration is absent from the Register” (appellant’s motion record, at page 66, paragraph 22).

[7] Secondly, the appellant raises its concern regarding its promotional materials, which refer to the Colour Purple Mark as a registered trade-mark. It argues that “absent a stay of the Order, there will be financial expense and non-financial resources incurred in order to revise and approve promotional material for Advair® Diskus® inhalers, to ensure the material accurately reflects whether the Colour Purple Mark is registered” (*ibidem*, at paragraph 34). Supplementary costs would also be incurred to reverse the situation if the appeal is successful.

[8] After considering the submissions of the parties, I am satisfied that the appellant meets the test for irreparable harm.

Balance of convenience

[9] I have already found that the appellant will suffer the greater harm from the granting or refusal of the stay. The respondents considered the second element of the *RJR-Macdonald* test as dispositive of the motion. Consequently, they did not show that they will suffer irreparable harm if a stay is not granted.

[10] For these reasons, the stay will be granted until disposition of the pending appeal with costs in the cause.

"Johanne Trudel"

J.A.

FEDERAL COURT OF APPEAL

NAMES OF COUNSEL AND SOLICITORS OF RECORD

DOCKET: A-111-10

STYLE OF CAUSE: Glaxo Group Limited v. Apotex Inc.
and others

MOTION DEALT WITH IN WRITING WITHOUT APPEARANCE OF PARTIES

REASONS FOR ORDER BY: TRUDEL J.A.

DATED: April 21, 2010

WRITTEN REPRESENTATIONS BY:

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