IN THE MATTER OF AN OPPOSITION by
Novopharm Limited and Apotex Inc.
to application No. 889,075
for the trade-mark Orange Coloured Circular Shaped Tablet Design
in the name of Purdue Pharma

On September 1, 1998, Purdue Frederick filed an application to register the trade-mark Orange Coloured Circular Shaped Tablet Design. The application is based upon use of the trade-mark in Canada in association with pharmaceutical preparations, namely 60 mg dosage units of sustained release morphine since at least as early as January 1, 1986. The trade-mark is shown below:

The drawing is lined for the colour orange. The trade-mark consists of the colour orange applied to the whole of the visible surface of the tablet. The tablet shown in dotted and solid outline does not form part of the trade-mark.

The application was advertised for opposition purposes in the Trade-marks Journal of May 19, 1999. On July 19, 1999, Novopharm Limited and Apotex Inc. (hereinafter collectively the "opponent") filed a joint statement of opposition. The applicant filed and served a counter statement, which generally denied the grounds of opposition.

On November 16, 2001, the opponent requested leave to amend its statement of opposition. Leave was denied by letter dated January 24, 2002.

As its rule 41 evidence, the opponent filed the affidavits of two doctors, Joan Murphy and Wayne Gold, and two pharmacists, Barbara Cole and Pierre Boudreau, as well as the affidavits of Tanya Visano, John Andonoff, Christine Shaughnessy and Anna Hucman. The applicant obtained orders for the cross-examination of each of these affiants. An affidavit of Lisa Pol Bodetto was filed to replace the affidavits of John Andonoff and Tanya Visano and a second affidavit of Anna Hucman was filed to replace the affidavit of Christine Shaughnessy. Ms. Pol Bodetto is an employee of Apotex Inc. and Ms. Hucman is a law clerk. Transcripts of the cross-examinations of each of the opponent's affiants have been filed and form part of the record. An answer to a question taken under advisement during the cross-examination of Ms. Pol Bodetto has also been filed and forms part of the record.

As rule 42 evidence, the applicant filed the affidavit of John H. Stewart, its Executive Vice President and General Manager. The opponent obtained an order to cross-examine Mr. Stewart and the transcript of his cross-examination is included in the record.

Each party filed a written argument. Purdue Frederick subsequently changed its name to Purdue Pharma.

An oral hearing was held at which both parties were represented.

Preliminary Issue

Before proceeding with a discussion of the opposition issues, I will address the issue of the status of the answers given to undertakings provided during the cross-examination of Mr. Stewart. At the oral hearing, I advised that no answers to any of these undertakings were in the file. I agreed to entertain submissions from the parties as to whether any such answers should in fact be considered to be part of the record and the opponent's agent agreed to file some answers to undertakings that it had received.

Subsequent to the oral hearing, three pieces of correspondence were filed with the Board concerning this matter, namely a letter of March 24, 2005 (with enclosures) from the opponent's agents, a letter of April 4, 2005 (with enclosures) from the applicant's agents, and a letter of April 14, 2005 (with enclosures) from the opponent's agents.

I summarize the relevant sequence of events as follows. The order for cross-examination of Mr. Stewart set a deadline of August 4, 2002 for filing the transcript of cross-examination, any exhibits and any answers to undertakings. This deadline was extended to October 4, 2002 at the request of the opponent. On October 3, 2002, the opponent filed that transcript and Exhibit 1 from the cross-examination. By letter dated December 20, 2002, the applicant sent the opponent a summary of the undertakings and provided answers to some of the undertakings, with an indication that it was still working on compiling further answers. On September 19, 2003, the applicant wrote the opponent again, stating that it noted that some of the undertakings given may not have been answered and providing answers. Neither the December 20, 2002 or September 19, 2003 letters were originally copied to the Board but both have now been sent to the Board under cover of the

applicant's letter of April 4, 2005.

The opponent's position is that none of the answers to the undertakings ought to be considered to be part of the record as they were not provided to the opponent by the deadline set by the Board. The applicant's position is, as I understand it, that 1) it is the opponent's obligation to meet the deadline and the opponent could have requested an extension of time, 2) the opponent did not object to the late provision of the answers until more than a year after they were provided; 3) there would be great prejudice to the applicant and no prejudice to the opponent if the answers are accepted as part of the record, 4) the opponent represented at the oral hearing that it would file the answers, and 5) even if the answers are not part of the record, no negative inferences should be drawn since the applicant did in fact provide the answers, just not in a timely fashion. Regarding point 4, I am not prepared to treat the opponent's statement at the oral hearing that it would file the answers as precluding it from arguing that they should not be part of the record. I believe that at the time, the opponent's agent simply thought that there had been some oversight in not filing the answers and did not realize until after the oral hearing that the reason that the answers had not been filed was because of their late arrival. It is up to me to decide if the answers should be accepted at this late date, *i.e.* whether to effectively grant a retroactive extension of time of more than 2 years.

Regarding points 1 and 2, there was no obligation on the opponent to object to the late provision of the undertakings at any earlier point of time since it was, or should have been, evident to the applicant that they were not being filed with the Trade-marks Office as a result of their tardiness. Nor was there any obligation on the opponent to request a retroactive extension of time when the

answers were ultimately forwarded to it.

I am returning to the applicant the answers to the undertakings that it has forwarded. I am not prepared to accept them at this late stage of the proceedings in the absence of the opponent's consent. The applicant appears to have been aware from the beginning that it was late in providing its answers and yet it took no action to ensure that they became part of the record until this late date. In the present circumstances, I do not see that any prejudice to the applicant outweighs all of the other considerations.

<u>Grounds of Opposition</u>

The grounds of opposition are as follows:

1. **The application is not in compliance with section 30 of the *Trade-marks Act* because**

   (a) The preamble to section 30 provides that the applicant must be applying to register a "trade-mark". Section 2 of the Act provides that a trade-mark is defined as a mark that is used for the purpose of distinguishing or so as to distinguish the applicant's wares from those of others. The applicant has chosen a common colour, shape and size as a trade-mark, which cannot be used to distinguish its wares from those of others, or even for the purpose of distinguishing its wares. Furthermore, the wares of the applicant are all marked with "PF 60". By ensuring that its wares are all so marked, the applicant has admitted and acknowledged that the colour, shape and size of themselves are insufficient to distinguish its wares from other wares in the marketplace;

   (b) Application No. 889,075 does not comply with section 30(a) of the Act in that the application does not contain a statement in ordinary commercial terms of the specific wares in association with which the alleged trade-mark is proposed to be used as the applicant has failed to define in ordinary commercial terms the phrase "sustained release morphine", the specific wares being morphine sulfate;

(c) Application No. 889,075 does not comply with section 30(b) of the Act in that the trade-mark has not been used in Canada from the date claimed. The applicant has never used the mark alone to distinguish its wares from those of others since:

i) at the time of transfer of the property in or possession of the wares in the normal course of trade, the mark is not visible, (the wares being transferred in a package of blister packs, or opaque bottles), so that no notice of association of the mark with the wares is given, or could be given, to the person to whom the property or possession is transferred;

ii) in the alternative to i), if the wares are ever visible at the time of transfer of the property in or possession of the wares, the mark is not marked on the wares so that notice of association is given to the person to whom the property or possession is transferred. The applicant has not given notice of the association with the wares, as the relevant consumer will be unaware that any mark has been applied to the wares, such consumer being generally familiar with orange tablets; and

iii) it is the mark MS CONTIN and the markings "PF 60" on the blister packaging and the tablets that are capable of distinguishing the applicant's wares. The relevant public does not consider that the orange tablet shape is being used as a trade-mark separately from the identifying markings found on the tablet; and

iv) the applicant has never <u>used</u> the applied for trade-mark; if anything, the applicant has always used the colour, shape, size <u>and</u> markings together, so that the consumer would consider the trade-mark to be either the markings "PF 60" alone or the combination of those markings and the colour, shape and size of the tablet.

(d) Application No. 889,075 does not comply with section 30(h) of the Act in that the application does not include an accurate drawing of the alleged trade-mark as used by the applicant. The two drawings filed with the application do not properly define the limits of the trade-mark monopoly being applied for:

i) any alleged trade-mark of the applicant must include the entire mark as perceived by the public, which includes colour, shape, size and markings which are not displayed on the drawings; and

ii) the trade-mark description indicates the mark consists of "the colour orange applied to the whole of the visible surface of the tablet". This suggests that the trade-mark includes the colour, size and shape of the tablet, as it is defined by the tablet itself.

However, the application also indicates "The tablet shown in dotted and solid outline does not form part of the trade-mark." By attempting to avoid the requirements of section 13 of the Act in this way, it is completely unclear what exactly is being claimed. By claiming a particular three-dimensional shape and size of colour, and yet not claiming the shape of the wares, it is unclear if all orange drugs are covered by the application, whatever the shape of the drug, or only orange tablets having the illustrated shape and size. In the latter case, the mark is in actual fact a distinguishing guise; and

(e) Application No. 889,075 does not comply with section 30(i) of the Act in that the applicant could not have been satisfied that it was entitled to use the alleged trade-mark in that pharmaceutical tablets of confusingly similar appearances have been used by others at the relevant time in the Canadian marketplace, namely "the colour orange applied to the whole of the visible surface of the tablet", *inter alia*, the tablets listed in paragraph 3; and

2. The alleged mark is not registrable, in that:

(a) the alleged trade-mark, if it is a mark (which is not admitted), is a distinguishing guise being directed to the shaping of the wares; the wares being a particular colour. A distinguishing guise is defined in section 2 to be a "shaping of wares or their containers" as well as a "mode of wrapping or packaging wares" the appearance of which is used to distinguish. The description in the application confirms the mark cannot be separated from the wares: "the colour orange applied to the whole of the visible surface of the tablet". As a three-dimensional entity defines the trade-mark, it must follow that the trade-mark is for a specific shaping of the wares and is therefore a distinguishing guise. The applicant cannot avoid the requirements of section 13 by adding the element of colour to the shaping of the wares. It is inconsistent to describe the mark as a colour applied to a three-dimensional shape, and then claim that the mark is separate from that shape. Accordingly, the applicant is obliged to meet the requirements under section 13 of the Act; and

(b) Contrary to section 12(1)(e) of the Act, the mark claimed is a prohibited mark within the meaning of section 10 of the Act and therefore is not registrable. Specifically, the mark claimed, if recognized at all, is recognized in Canada:

i) by patients, as designating a kind or type of medication, including its therapeutic effect; and

ii) by pharmacists and other health care professionals, as designating the kind and quantity of the wares, in particular the 60 mg dosage form, as is commonplace in the pharmaceutical industry;

and not as indicative of the source of the wares; as indicated above, it is the words "PF 60" that are written on the tablets that are used to identify the applicant's product from those of others and not the colour, shape and size of the tablet.

3. The applicant's alleged trade-mark is not distinctive in that it does not distinguish, nor is it adapted to distinguish, the applicant's wares from those of others; "orange tablets" were and are at all material times common to the pharmaceutical tablet trade and have been prescribed by physicians, dispensed by pharmacists and taken by patients in Canada along with the applicant's MS CONTIN tablets so that the alleged mark does not actually distinguish the applicant's tablets, nor is it adapted to distinguish the applicant's tablets, having regard to *inter alia*, 71 listed orange tablets.

<u>Onus</u>

The applicant bears the legal onus of establishing, on a balance of probabilities, that its application complies with the requirements of the *Trade-marks Act*. However, there is an initial evidential burden on the opponent to adduce sufficient admissible evidence from which it could reasonably be concluded that the facts alleged to support each ground of opposition exist [see *John Labatt Limited v. The Molson Companies Limited* (1990), 30 C.P.R. (3d) 293 (F.C.T.D.) at 298].

Summary of Evidence

Before addressing the specific grounds of opposition, I will summarize some of the evidence.

The applicant sells sustained release morphine in association with the trade-mark MS CONTIN. The MS CONTIN sustained release morphine is sold in several dosages. The 60 mg dosage is sold in the form intended to be protected by the present application. The 200 mg dosage is sold in the form of a red tablet. The 100 mg dosage is sold in the form of a grey tablet. The 30 mg dosage is sold in the form of a purple tablet. The 15 mg dosage is sold in the form of a green tablet. Each dosage of MS CONTIN is marked on one side with the letters PF. On the obverse side, the dosage is indicated, in the present case by the imprint "60 mg".

The applicant's promotional materials emphasize that different colours are associated with the different dosages. For example, there are the following statements in the promotional materials: "small, colour-coded tablets for dosing convenience and compliance"; "small, colour-coded tablets in a full range of strengths"; "a choice of four colour-coded, easy-to-swallow tablets ensures dosing flexibility, to meet the specific needs of each patient". [exhibits JHS-6 and JHS-9e and h, Stewart affidavit]

The MS CONTIN sustained release morphine is morphine sulfate, which is an opiate analgesic agent. It is used to treat severe pain. MS CONTIN patients typically move from one dosage of MS CONTIN up to another dosage of MS CONTIN and very often also take other medications. [question 139, Stewart cross-examination; paragraphs 14 and 19-21, Murphy affidavit; question 108, Murphy cross-examination] Dr. Gold says that patients may be placed on morphine sulfate

for an indefinite period of time [paragraphs 4 and 5, Gold affidavit], but Dr. Murphy says that patients are usually on MS CONTIN for 3-6 months [paragraph 8, Murphy affidavit].

Sustained release morphine is a controlled pharmaceutical that is kept in a locked storage space in pharmacies. [questions 98-103, Cole cross-examination]

Mr. Boudreau attests at paragraph 5 of his affidavit, "I dispense MS Contin in a standard pharmacy prescription bottle, which is amber in colour to protect medications from light. When any medication, including MS Contin, is placed in its amber container the colour of the medication is no longer visible." However, Mr. Stewart, who is admittedly not a pharmacist, attests at paragraph 25 of his affidavit, "In the case of tablets, pharmacists typically take the product from the manufacturer's stock bottle and dispense them into transparent vials to which labels are attached identifying the active pharmaceutical ingredient."

Ms. Cole attests that her pharmacy purchases MS CONTIN in opaque bottles from their wholesaler. [paragraph 2, Cole affidavit]

<u>The Law re Distinctiveness</u>

The material date for assessing distinctiveness is the date of filing of the opposition, July 19, 1999 [see *Metro-Goldwyn-Meyer Inc. v. Stargate Connections Inc.* (2004), 34 C.P.R. (4th) 317 (F.C.T.D.) at 324; *Re Andres Wines Ltd. and E. & J. Gallo Winery* (1975), 25 C.P.R. (2d) 126 (F.C.A.) at 130; and *Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd.* (1991), 37 C.P.R. (3d) 412 (F.C.A.) at 424].

In *Novopharm Ltd. v. Bayer Inc. et al.* (1999), 3 C.P.R. (4th) 305 (F.C.T.D.) at 321-323, aff'd (2000), 9 C.P.R. (4th) 304 (F.C.A.), Mr. Justice Evans set out some of the legal principles with respect to distinctiveness as applied to pharmaceutical colour/shape/size marks, 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: *Standard Coil Products (Canada) Ltd. v. Standard Radio Corp.*, [1971] F.C. 106 at p. 123, 1 C.P.R. (2d) 155 (F.C.T.D.), *affirmed* [1976] 2 F.C. iv (F.C.A.).**
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> **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 Inc.*, [1992] 3 S.C.R. 120, 44 C.P.R. (3d) 289.**
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> **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.**
>
> **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.**
>
> **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.**

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. Canada (Registrar of Trade Marks)* (1987), 9 F.T.R. 129 (F.C.T.D.), 131.

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 p. 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 Co. v. Maxton & Murray*, [1899] A.C. 326 (H.L.), 346; *Canadian Shredded Wheat Co. v. Kellogg Co. of Canada Ltd.*, [1939] S.C.R. 329.

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.

In addition, Madam Justice Dawson made the following observations concerning the issue of distinctiveness in *Novopharm Ltd. v. AstraZeneca AB et al.* (2003), 28 C.P.R. (4th) 129 (F.C.T.D.) [hereinafter "AstraZeneca (Dawson)"] at pages 133 to 134:

It follows that what is to be determined in this proceeding is whether Astra has met its burden to establish that the proposed trade-marks were distinctive as of the date of opposition. This turns upon the factual question as to whether as of the date of opposition, tablets marketed in an appearance similar to Astra's 5 mg and 10 mg tablets render Astra's marks non-distinctive and thereby preclude registration of the trade-mark.

The term "distinctive" is defined in section 2 of the Act in the following terms:

"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	**« distinctive » Relativement à une marque de commerce, celle qui distingue véritablement les marchandises ou services en liaison avec lesquels elle est employée par son**

services of others or is adapted so to distinguish them.

propriétaire, des marchandises ou services d'autres propriétaires, ou qui est adaptée à les distinguer ainsi.

As the Court of Appeal wrote in *AstraZeneca AB v. Novopharm Ltd.*, 2003 FCA 57 at paragraph 16:

[...] A mark actually distinguishes by acquiring distinctiveness through use, resulting in distinctiveness in fact. A mark that is "adapted so to distinguish" is one that does not depend upon use for its distinctiveness because it is inherently distinctive. A coined or invented word mark falls into this category: Standard Coil Products (Canada) Ltd. v. Standard Radio Corp., [1971] F.C. 106 (T.D.), at 115; The Molson Companies Limited v. Carling O'Keefe Breweries of Canada Limited, [1982] 1 F.C. 175 (T.D.), at 278-79.

Principles to be applied when considering this issue are:

1. The trade-mark applicant must satisfy the tripartite test enunciated in *Phillip Morris v. Imperial Tobacco Ltd.* (1985), 7 C.P.R. (3d) 254 (F.C.T.D.) at page 270. See: *AstraZeneca v. Novopharm, supra* at paragraph 19. The third part of the tripartite test requires that the association between the mark and the product enables the owner of the mark to distinguish his product from that of others.

2. Colour alone has not been viewed as being inherently distinctive. See: *AstraZeneca v. Novopharm,* at paragraph 18.

3. Proof of actual distinguishment is not an easy burden to discharge. See: *AstraZeneca v. Novopharm,* at paragraph 20.

4. Where the active ingredient in the pharmaceutical product is not claimed as the trade-mark, and the trade-mark sought to be registered is the colour and shape of the tablet, the applicant must show that the colour and shape distinguishes the tablet from the tablets of other manufacturers. See: *AstraZeneca v. Novopharm,* at paragraph 22.

5. It is incumbent on the trade-mark applicant 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. Astra Aktiebolag* (2000), 6 C.P.R. (4th) 16 (F.C.T.D.); aff'd (2001) 15 C.P.R. (4th) 327 (F.C.A.).

6. 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. As Mr. Justice Evans, as he then was, wrote in *Novopharm Ltd. v. Bayer Inc.* (1999), 3 C.P.R. (4th) 305 at paragraph 79; aff'd (2000) 9 C.P.R. (4th) 304 (F.C.A.):

> **[...] 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.**

Relevant Market to be Considered re Distinctiveness

The current case law makes it clear that the relevant market to be considered with respect to distinctiveness for trade-mark applications such as the present one is all pharmaceuticals. [see *AstraZeneca AB v. Novopharm Ltd. et al.* (2003), 24 C.P.R. (4th) 326 (F.C.A.); *Novopharm Ltd. v. AstraZeneca AB et al.* (2003), 28 C.P.R. (4th) 129 (F.C.T.D.); *Novopharm Ltd. v. Astra Aktiebolag* (2004), 36 C.P.R. (4th) 158 (T.M.O.B.)] It is evident from the affidavit of Mr. Stewart and the written argument of the applicant that the applicant was of the view that its trade-mark need only distinguish its sustained release morphine from the sustained release morphine of others. Whether or not this may have been the appropriate test at an earlier time, it is not the test at the present time.

I will also add that at the oral hearing, the applicant's agent suggested that the appropriate market to consider in this case is pharmaceuticals that are controlled substances. However, I do not accept this limitation.

Other "Orange Tablets"

In its statement of opposition, the opponent has listed more than 70 orange tablets, which it alleges "were and are at all material times common to the pharmaceutical tablet trade and have been prescribed by physicians, dispensed by pharmacists and taken by patients in Canada along with the Applicant's MS CONTIN tablets."

For the purposes of the oral hearing, and with the applicant's agent's consent, the opponent kindly provided a table identifying each orange tablet referred to in the pleadings and the evidence, with an indication of the evidence relating to each. This summation of the evidence was much appreciated, as it was both useful and extremely timesaving.

In her affidavit of March 24, 2000, Ms. Cole has provided a list of orange coloured prescription medicines that she has dispensed and which she knew were being sold in Canada since at least as early as December 31, 1996. [paragraph 3, Cole affidavit] She has also provided a list of orange over-the-counter drugs that she has dispensed since at least December 31, 1996. [paragraph 7, Cole affidavit]

Mr. Boudreau, in his affidavit of March 27, 2000, attests that since he began practicing pharmacy in 1993, he has dealt with "many orange pills, both prescription and non-prescription", and provides a list of eight such pills that he has dispensed frequently over those years. [paragraph 6, Boudreau affidavit]

Ms. Pol Bodetto has provided Canadian sales figures for various orange tablets sold by her company.

Affiants from both sides have provided copies of excerpts from the Compendium of Pharmaceuticals and Specialties (CPS). They agree that the CPS is a listing of pharmaceutical

products available in Canada. [paragraph 14, Stewart affidavit; paragraph 10, Boudreau affidavit]

I am satisfied from the evidence that at least the following orange, circular tablets were in the Canadian marketplace as of the material date of July 19, 1999:

1. **DILAUDID 2 mg (based, *inter alia*, on its appearance in the 1999 CPS);**
2. **PROVERA 2.5 mg (based on its appearance in the 1999 CPS and Ms. Cole's paragraph 3);**
3. **HYTRIN 2 mg (based on its appearance in the 1999 CPS and Ms. Cole's paragraph 3 and Exhibit "B");**
4. **SYNTHROID 25 µg (based on its appearance in the 1999 CPS, Ms. Cole's paragraph 3, and Mr. Boudreau's paragraph 8);**
5. **ZESTRIL 20 mg (based on its appearance in the 1999 CPS and Mr. Boudreau's paragraph 8);**
6. **GRAVOL 50 mg (based on its appearance in the 1999 CPS);**
7. **Alti-Medroxyprogesterone 2.5 mg (based on Ms. Cole's paragraph 3 and Exhibit "B");**
8. **Apo-Allopurinol 300 mg (based on Ms. Cole's paragraph 3 and Exhibit "B");**
9. **Apo-Terazosin 2 mg (based on Ms. Pol Bodetto's paragraph 5 and Exhibits "A" and "C" and Ms. Cole's paragraph 3 and Exhibit "B");**
10. **Apo-Trazodone 50 mg (based on Ms. Pol Bodetto's paragraph 5 and Exhibits "A" and "C" and Ms. Cole's paragraph 3 and Exhibit "B");**
11. **Apo-Amitriptyline 75 mg (based on Ms. Pol Bodetto's paragraph 5 and Exhibits "A" and "C");**

12. **Apo-K 600 mg (based on Ms. Pol Bodetto's paragraph 5 and Exhibits "A" and "C"; Ms. Cole's paragraph 7);**
13. **Apo-Pen VK 300 mg (based on Ms. Pol Bodetto's paragraph 5 and Exhibits "A" and "C");**
14. **Apo-Propranolol 10 mg (based on Ms. Pol Bodetto's paragraph 5 and Exhibits "A" and "C");**
15. **Apo-Ibuprofen 400 mg (based on its appearance in the 1999 CPS, Ms. Cole's paragraph 3 and Exhibit "B" and Ms. Pol Bodetto's paragraph 5 and Exhibits "A" and "C");**
16. **DESYREL 50 mg (based on its appearance in the 1999 CPS and Ms. Cole's paragraph 3 and Exhibit "B");**
17. **DICETEL 50 mg (based on its appearance in the 1999 CPS and Ms. Cole's paragraph 3 and Exhibit "B");**
18. **LOZIDE 1.25 mg (based on its appearance in the 1999 CPS and Ms. Cole's paragraph 3 and Exhibit "B");**
19. **PMS-Clonazepam 0.5mg (based on Ms. Cole's paragraph 3 and Exhibit "B");**
20. **VibraTab 100 mg (based on its appearance in the 1999 CPS and Ms. Cole's paragraph 3 and Exhibit "B");**
21. **COMBRANTIN 125 mg (based on Ms. Cole's paragraph 7 and Exhibit "C");**
22. **SLOW K 600 mg (based on Ms. Cole's paragraph 7 and Exhibit "C");**
23. **SENOKOT S (based on Ms. Cole's paragraph 7 and Exhibit "C").**

I conclude on the basis of this evidence that the opponent has met its evidential burden to show that orange tablets were common to the pharmaceutical trade as of the material date. [*Motel 6, Inc. v. No. 6 Motel Ltd*. (1981), 56 C.P.R. (2d) 44 at 58 (F.C.T.D.)]

I would add that there is also evidence that a number of non-circular orange pills were in the Canadian marketplace as of the material date. These pills are also relevant based on Mr. Justice Evans' comments at page 300 in *Novopharm Ltd. v. Bayer Inc. et al.* (1999), 3 C.P.R. (4th) 305 (F.C.T.D.), where he said:

> **This evidence, it is true, does not always address both the colour *and* the shape and size of medication other than ADALAT. However, in my opinion it tends to negate Bayer's claim that the colour and shape of ADALAT are distinctive of the product, especially since the colour pink as applied to a small round biconvex pill can hardly be said to be inherently distinctive: *Novopharm Ltd. v. Searle Canada Inc.* (1995), 60 C.P.R. (3d) 400 (T.M.O.B.).**

Before proceeding, I should mention that Ms. Pol Bodetto also provided Canadian sales figures for a number of third party orange tablets. These were obtained through a database created by Intercontinental Medical Statistics Canada, a company that monitors the pharmaceutical industry and provides sales information to its clients. The admissibility of the figures relating to third parties' tablets has been challenged by the applicant on the basis that they are hearsay. However, I need not deal with the issue of the admissibility of the third party sales figures given that the opponent has met its initial burden based on other evidence and my decision in this matter does not rely in any way on those figures.

<u>Applicant's Burden - Evidence of Use of Applicant's Mark as of the Date of Opposition</u>

Sales of the applicant's MS CONTIN 60 mg Orange Coloured Circular Shaped tablets began in Canada at least as early as January 1986. Sales have risen over the years and as of the end of 1998, sales had amounted to $20,740,000. [paragraph 18, Stewart affidavit] The number of tablets that these sales account for has not been provided. In any event, "impressive sales figures alone do not

satisfy the burden on an applicant for a trade-mark of proving distinctiveness." [*Novopharm Ltd. v. Astra Aktiebolag* (2000), 6 C.P.R. (4th) 16 (F.C.T.D.) at 25, affirmed 15 C.P.R. (4th) 327]

Conclusion re Distinctiveness Ground of Opposition

According to paragraph 22 of *AstraZeneca (Dawson)*, the proper question is: what does an orange pill mean to a pharmacist? It is clear to me that in the present case, the answer is not "medication from one particular source".

Overall, I do not find that the evidence from the health professionals in this case differs significantly from many previous cases where a colour/size/shape mark was held to not distinguish one source's pharmaceutical preparation. For example, at paragraph 22 of his affidavit Mr. Boudreau states, "If I was presented with a blank orange pill, I would not and could not identify it because I use the markings on pills in my identification process as outlined above. Even if it was the exact colour and shape as another pill, if the markings that are there don't match, or if there are no markings on the sample pill I have been asked to identify, I will not make a positive identification." Similarly, at paragraph 18 of her affidavit, Dr. Murphy states, "If I was presented with a round orange pill that had no markings on it, I would be certain it was not MS Contin, given that I am sure that MS Contin pills bear markings identifying them as such."

Regarding patients, as stated by Mr. Justice Evans in *Novopharm Ltd. v. Bayer Inc.* (*supra*) at page 331, it is not necessary to file direct evidence to show that patients associate the applied-for mark with a single source, but the absence of such evidence "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 that regard, I note that Mr. Boudreau states, "My patients refer to their medication according to therapeutic effect … The majority of my customers don't care who makes their medication, as long as the medication works… it is this severe pain that they are concerned about treating and not what company makes their little orange pill that helps relieve pain." [paragraphs 24-28, Boudreau affidavit] Dr. Gold states, "In my experience, patients are not concerned about the colour or shape of a new medication that they have been prescribed… It is my experience that patients believe that drugs that look different have different active ingredients and different effects even if it is the same drug compound… Patients associate the appearance of their medication with the indication for the medication; i.e. the yellow tablet is a *water pill* for my heart failure." [paragraphs 9-16, Gold affidavit] (It is noted that these two individuals rely on their everyday interaction with patients to reach these conclusions, as opposed to any formalized survey.)

I acknowledge that Mr. Stewart's view is that "[p]hysicians, pharmacists and patients recognize that the appearance (i.e. colour and shape) of different pharmaceutical products may serve to identify the product(s) of a particular party"[paragraph 31, Stewart affidavit] but, to paraphrase Rothstein J.A. in *John Labatt Ltd. et al. v. Molson Breweries, a Partnership* (2000), 5 C.P.R. (4th) 180 (F.C.A.) at 205, I do not see how self-serving evidence of the applicant's executive can have probative value. Despite Mr. Stewart's many years in the pharmaceutical industry, the applicant would have been better off providing affidavits from the relevant individuals, namely pharmacists, physicians and patients, rather than relying on its own employee to speak to their perceptions.

The opponent submits that individuals must use something other than the colour and shape to distinguish the applicant's product from other orange, circular tablets, and the applicant has not satisfied me that it is reasonable to conclude otherwise.

The fact that others use a similar look for products in the same general class of wares, *i.e.* pharmaceutical preparations, means that the applicant ought not to be given the exclusive right to monopolize this look through registration. The applicant has not satisfied the burden on it to show that, on a balance of probabilities, the applied for trade-mark was distinctive of its wares as of the material date. As stated in *Novopharm Ltd. v. Astra Aktiebolag* (2000), 6 C.P.R. (4th) 101 (T.M.O.B.) at 112, "Given the inherent weakness of such a mark, it was incumbent on the applicant to clearly show that many consumers recognize it as a mark and not just as an ornamental or functional element of the product."

The non-distinctiveness ground of opposition (ground 3) therefore succeeds.

<u>Section 30 Grounds of Opposition</u>

Ground 1(a)

To the extent that this ground appears to be pleading non-distinctiveness, I dismiss it because distinctiveness is properly dealt with under ground 3. To the extent that it is pleading that the application is deficient because the markings "PF 60" do not appear in the drawing, I dismiss it in view of the case law that indicates that markings need not be included in trade-marks such as this. [*Novopharm Ltd. v. Bayer Inc. et al.* (1999), 3 C.P.R. (4th) 305 (F.C.T.D.); *Novopharm Ltd. v. Astra*

Aktiebolag **(2004), 36 C.P.R. (4th) 158 (T.M.O.B.);** ***Novopharm Limited v. Eli Lilly and Company*** **November 9, 2004 unreported decision re application No. 783,742 (T.M.O.B.)]**

Ground 1(b)

I do not accept that the present application is not in compliance with subsection 30(a) of the Act. Although I agree that the applicant's wares can be more specifically defined as morphine sulfate, this does not mean that its description as sustained release morphine is insufficiently specific. The opponent's own affiants did not appear to have any difficulty understanding what the applicant's wares comprise. Moreover, the Trade-marks Office Practice Notice of August 6, 2003 entitled "Compliance with Paragraph 30(a) of the *Trade-marks Act* – Pharmaceuticals" specifically indicates that statements of wares such as "pharmaceutical preparations, namely antibiotics" are acceptable, even though I have no doubt that more specific terminology would appear in the CPS for any antibiotic. I therefore dismiss ground 1(b).

Ground 1(c)

This ground of opposition does not plead that the applicant itself has not used the applied for mark. Instead it questions if the applied for colour and shape has ever functioned as an independent trade-mark and whether such mark is ever seen at the time of transfer of the property in or possession of the wares. In support of the first point, I understand the opponent to be arguing that on first impression, the public would perceive the mark as including the imprinted letters PF. The opponent relies in this regard on the unreported decision of *Brouillette Kosie Prince v. Andres Wines Ltd.*, [2004] F.C.J. No. 1000, but I consider that case to be distinguishable on its facts. Regarding the second point, I consider both parties' evidence to be sketchy with

respect to how the wares are transferred to consumers. That said, I do not intend to address this ground further as the opposition has already succeeded on another ground.

Ground 1(d)

This pleading reiterates the recurring theme of whether the colour and shape of the applicant's wares functions as a trade-mark. In addition, it submits that the written description of the mark is contradictory and that the mark is in fact a distinguishing guise. All I will say is that it has been the practice of the Trade-marks Office to accept wording of the type used by the present applicant.

Ground 1(e)

This ground fails because the opponent did not plead that the applicant was aware of the orange tablets of others. In the absence of such knowledge, there is no basis on which to conclude that the applicant could not have been satisfied that it was entitled to register the applied for mark.

<u>Registrability Grounds of Opposition</u>

Ground 2(a) - Failure to Comply with Section 13

The opponent has pleaded that the applicant's alleged trade-mark is, if anything, a distinguishing guise. However, the case law is against the opponent. In general, the decision in *Smith, Kline & French v. Registrar of Trade-marks*, [1987] 2 F.C. 633 forms the basis for the Canadian Intellectual Property Office's position that a trade-mark consisting only of one or more colours applied to the whole of the visible surface of a particular three-dimensional object is considered to be an ordinary trade-mark, not a distinguishing guise. Ground 2(a) therefore fails.

Ground 2(b) - Applied For Mark is Prohibited Under Section 10

The opponent seems to be arguing that the Orange, Circular Tablet Design has by ordinary *bona fide* commercial usage become recognized in Canada as designating the wares set out in the applicant's statement of wares. However, given the other medications that are sold in orange, circular tablets, discussed above, I do not see how such a conclusion can be reached. I therefore dismiss opposition ground 2(b).

Disposition

Having been delegated by the Registrar of Trade-marks by virtue of subsection 63(3) of the *Trade-marks Act,* I refuse the applicant's application pursuant to subsection 38(8) of the Act.

DATED AT TORONTO, ONTARIO THIS 13th DAY OF MAY 2005.

Jill W. Bradbury
Member
Trade-marks Opposition Board