

**IN THE MATTER OF AN OPPOSITION by  
Cytokinetics Inc. to application No. 1,114,316 for  
the trade-mark COFLUOXETINE Label Design  
filed by Cobalt Pharmaceuticals Inc.**

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On August 30, 2001, Cobalt Pharmaceuticals Inc. (the “Applicant”) filed an application to register the trade-mark COFLUOXETINE Label Design (the “Mark”), which is shown below.



Colour is claimed as a feature of the Mark. The left portion of the background design with the lettering CO is lime green. The lettering of CO is white with royal blue outline whereas the lettering of FLUOXETINE is white. The right portion of the background design with the lettering FLUOXETINE is royal blue.

The right to the exclusive use of all reading matter with the exception of the terms (words and designs for) COFLUOXETINE, CO and COBALT is disclaimed apart from the Mark.

The application is based upon proposed use of the Mark in Canada in association with pharmaceutical preparations, namely antidepressants.

The application was advertised for opposition purposes in the Trade-marks Journal of February 18, 2004.

On July 16, 2004, Cytokinetics, Inc. (the “Opponent”) filed a statement of opposition.

The Applicant filed and served a counter statement in which it denied the Opponent's allegations.

In support of its opposition, the Opponent filed the affidavits of Amy Yablonski and Heather Boyd. The Applicant cross-examined each of these individuals on their affidavits and transcripts of the cross-examinations have been filed.

In support of its application, the Applicant filed the affidavits of Linda Victoria Thibeault and Terry Fretz.

Each party filed a written argument and participated in an oral hearing.

#### Preliminary Issue

The Applicant submitted in its written argument that the Opponent's affidavits are not admissible because they have been tendered by members of the agency firm that represents the Opponent. It is true that Ms. Yablonski was a paralegal at such firm and Ms. Boyd a trade-mark agent. However, that does not automatically render their evidence inadmissible. Ms. Yablonski merely provides a certified copy of the Opponent's trade-mark application and so her evidence is totally non-contentious. Ms. Boyd provides printouts of various pages from the Internet that she was instructed to obtain.

Board Member Martin dealt with a similar objection to evidence in *Mr. Lube Canada Inc. v. Denny's Lube Centre Inc.* 2008 CarswellNat 2282 at paragraph 11, as follows:

11 At the oral hearing, the opponent's agent submitted that, in view of the decision in *Cross-Canada Auto Body Supply (Windsor) Ltd. v. Hyundai Auto Canada* (2006), 53 C.P.R. (4th) 286 (F.C.A.); affg. (2005), 43 C.P.R. (4th) 21 (F.C.), the Nemeth affidavit should not be considered because it was sworn by an employee of the applicant's trade-mark agent. However, the *Cross-Canada* case dealt with the application of Rule 82 of the Federal Court Rules to evidence submitted before the Court by a party's solicitor. In the present case, the parties are represented by registered trade-mark agents and there is no equivalent provision in the Trade-marks Regulations governing the conduct of such agents. Furthermore, if there is a remedy available to the opponent in this case, presumably it would have been by way of motion before the Federal Court seeking to substitute a new registered trade-mark

agent for the one currently of record as was done in the *Cross-Canada* case. Thus, even if there is merit in the opponent's argument, it would not necessarily mean the removal of the Nemeth affidavit from the record. Finally, the Nemeth affidavit does not comprise contentious opinion evidence of the type adduced in the *Cross-Canada* case. Consequently, I have given full consideration to that affidavit.

For similar reasons, I will give full consideration to both of the Opponent's affidavits. (As will become evident from my discussion below, the outcome of this opposition would in any event not differ if I did not consider the Opponent's evidence, bearing in mind that it is the Registrar's practice to exercise her discretion to check the register to confirm the status of an application relied upon in a s. 16 ground: *Royal Appliance Mfg. Co. v. Iona Appliances Inc.* (1990), 32 C.P.R. (3d) 525 (T.M.O.B.) at 529.)

### Onus

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*, R.S.C. 1985, c. T-13 (the "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].

### Section 16(3) Grounds of Opposition

The Opponent has pleaded that the Applicant is not the person entitled to register the Mark under two grounds:

- 1) s. 16(3)(a): as of the date of the filing of the application, the Mark was confusing with the Opponent's mark C & Block Design, which the Opponent had previously used in Canada, and
- 2) s. 16(3)(b): as of the date of the filing of the application, the Mark was confusing with the Opponent's mark C & Block Design, which is the subject of a prior application No. 1,112,187.

The Opponent's C & Block Design mark is shown below:



Application No. 1,112,187 was filed on August 9, 2001 but has a convention priority filing date of April 11, 2001. It is currently pending. It was filed based on proposed use in association with the following wares and on use in Canada since at least as early as May 2001 in association with the following services:

wares:

oncologic and ophthalmological pharmaceuticals; pharmaceutical preparations for the treatment of cardiovascular diseases and disorders; pharmaceutical preparations for the treatment of neurologic diseases and disorders, namely, brain injury, spinal cord injury, seizure disorders, Alzheimer disease, Huntington disease, Parkinson disease, cerebral palsy and encephalitis; pharmaceutical preparations for the treatment of infectious diseases, namely, respiratory infections, eye infections; pharmaceutical preparations, namely, anti-inflammatories; computer software and associated hardware for use in screening cellular assays and for patient diagnosis; computer software used in the collection, analysis and presentation of medical, diagnostic and patient information in the field of pharmaceutical drug development.

services:

technical consulting and research in the field of cellular assay screening, pharmaceutical discovery and development and patient diagnosis.

In order to meet its initial burden under s. 16(3)(a), the Opponent must establish use of its mark in Canada prior to August 30, 2001, as well as non-abandonment of its mark as of February 18, 2004 (s. 16(5)). The Opponent has not met either requirement. Although Ms. Yablonski filed a certified copy of application No. 1,112,187, which refers to use of the Opponent's mark in Canada since at least as early as November 1998, that is insufficient to meet the Opponent's initial burden [see *Entre Computer Centers, Inc. v. Global Upholstery Co.* (1991), 40 C.P.R. (3d) 427 (T.M.O.B.)]. The s. 16(3)(a) ground is accordingly dismissed.

In order to meet its initial burden under s. 16(3)(b), the Opponent must establish that its application was pending as of August 30, 2001, as well as of February 18, 2004 (s. 16(4)). The certified copy of the Opponent's application is dated April 11, 2005 and so the Opponent has met its initial burden under this ground. I will therefore proceed with an analysis of the likelihood of confusion between the parties' marks under s. 16(3)(b).

*test for confusion*

The test for confusion is one of first impression and imperfect recollection. Section 6(2) of the Act indicates that use of a trade-mark causes confusion with another trade-mark if the use of both trade-marks in the same area would be likely to lead to the inference that the wares or services associated with those trade-marks are manufactured, sold, leased, hired or performed by the same person, whether or not the wares or services are of the same general class.

In applying the test for confusion, the Registrar must have regard to all the surrounding circumstances, including those specifically enumerated in s. 6(5) of the Act, namely: a) the inherent distinctiveness of the trade-marks and the extent to which they have become known; b) the length of time each has been in use; c) the nature of the wares, services or business; d) the nature of the trade; and e) the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them. These enumerated factors need not be attributed equal weight. [See, in general, *Mattel, Inc. v. 3894207 Canada Inc.* (2006), 49 C.P.R. (4th) 321 (S.C.C.).]

*s. 6(5)(a) - inherent distinctiveness of the marks and the extent to which each has become known*  
Each of the parties' marks is inherently distinctive.

There is no evidence that either mark had acquired distinctiveness through use or promotion as of the material date of August 30, 2001.

Accordingly, s. 6(5)(a) favours neither party.

The Applicant has submitted in its written argument that the Opponent must establish a reputation as a pre-requisite for the proceedings to continue. This is not so; the Opponent's reputation is just one consideration among many in the assessment of the likelihood of confusion.

*s. 6(5)(b) - the length of time each mark has been in use*

There is a claim in the Opponent's application that it has used its mark in association with its services since at least as early as May 2001. The Applicant has sold its wares in association with its Mark since October 2001 (Fretz affidavit, paragraph 12), but of course that postdates the date that is material with respect to this ground.

*s. 6(5)(c) and (d) - the nature of the wares, services or business; the nature of the trade*

The parties' wares overlap to the extent that they both include pharmaceutical preparations. However, the nature/purpose of the two parties' pharmaceutical preparations are not the same: the Applicant's pharmaceutical wares are for depression whereas the Opponent's are oncologic, cardiovascular, infectious disease, neurologic, anti-inflammatory, and ophthalmological pharmaceuticals. (The Opponent also includes computer software and hardware used in screening cellular assays and for patient diagnosis, etc. in its wares.)

Mr. Fretz, the Applicant's President, attests that the Applicant has never provided the services that are listed in the Opponent's application, namely technical consulting and research in the field of cellular assay screening pharmaceutical discovery and development and patient diagnosis. [Fretz affidavit, paragraph 17]

Mr. Fretz explains that the Applicant's wares can only be purchased in Canada pursuant to a physician's prescription. It is pharmacists who make the ultimate decision as to whether to fill a prescription with the Applicant's wares and the Applicant's Mark is never seen by the ultimate consumer of the wares, only by the pharmacist who fills the prescription, because the Mark appears on large volume containers that are used to fill individuals' prescriptions. The Applicant's wares travel from the Applicant's warehouse, to wholesalers' warehouses and then to pharmacists throughout Canada. At all times, the wares are labeled with the Mark. [Fretz

affidavit, paragraphs 6-12]

Prescription drugs cannot be marketed directly to the public in Canada and so the Applicant markets its wares primarily to pharmacists. [Fretz affidavit, paragraph 14]

The channels of trade that would be travelled by the Opponent's wares have not been evidenced, but it is reasonable to conclude that they could overlap with those of the Applicant.

*s. 6(5)(e) - the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them*

In *Polo Ralph Lauren Corp. v. United States Polo Association et al.* (2000), 9 C.P.R. (4th) 51 (F.C.A.), Malone J.A. stated at page 59:

With respect to the degree of resemblance in appearance, sound or ideas under subparagraph 6(5)(e), the trade-marks at issue must be considered in their totality. As well, since it is the combination of elements that constitutes a trade-mark and gives distinctiveness to it, it is not correct to lay the trade-marks side by side and compare and observe similarities or differences among the elements or components of the marks when applying the test for confusion. In addition, trade-marks must not be considered in isolation but in association with the wares or services with which they are used.

The Opponent's mark comprises two features: a Design and the word CYTOKINETICS. It is difficult to determine which feature may dominate: when spoken, presumably it would be the pronounceable portion, *i.e.* the word CYTOKINETICS.

The Applicant's Mark comprises multiple features: the word(s) CO FLUOXETINE; a Design; various colours; the number 20; the word COBALT, etc. Visually, the Design, the colours and CO FLUOXETINE dominate; aurally, CO FLUOXETINE would presumably dominate.

The parties seem to agree that each of their marks can be described as including a stylized C Design, and the Applicant suggests that this is because each party's name begins with the letter C. Whether an ordinary purchaser would respond to the designs on first impression as incorporating a C Design, as opposed to a New Moon Design or a Boomerang Design, is unclear.

Regarding the idea suggested by the word in the Opponent's mark, I note that "cytology" is "the microscopic study of cells, esp to detect and identify disease" and that "kinetics" is "the branch of physical chemistry or biochemistry concerned with measuring and studying the rates of chemical or biochemical reactions". [*Oxford Canadian Dictionary*]

Regarding the idea suggested by the words in the Applicant's Mark, FLUOXETINE (fluoxetine hydrochloride) is a drug used to treat depression, as well as disorders such as obsessive-compulsive behaviour, bulimia and autism. [Fretz affidavit, paragraph 4] The Applicant appears to use "CO" in front of the generic names of the drugs that it sells, presumably as an abbreviated reference to the first word of its corporate name, Cobalt. [Fretz affidavit, paragraphs 5 and 6, Exhibits B and C]

The idea suggested by the design portions of each of the parties' marks may be that of a stylized C.

The Opponent submits that the colours claimed by the Applicant are not a relevant consideration since the application relied upon by the Opponent contains no colour restrictions, meaning that it is entitled to use its mark in any colour.

The Opponent also submits that most of the wording in the Mark does not serve to distinguish it from the Opponent's mark because the Applicant has disclaimed the right to the exclusive use of such words. However, regardless of disclaimers, marks must be considered in their totalities in determining whether there is a likelihood of confusion between them. [*American Cyanamid Co. v. Record Chemical Co. Inc.* (1972), 7 C.P.R. (2d) 1 at 5 (F.C.T.D.); *Fiesta Barbeques Limited v. General Housewares Corporation* (2003), 28 C.P.R. (4<sup>th</sup>) 60 (F.C.T.D.)]

*other surrounding circumstances*

Ms. Thibeault, a trade-mark searcher, conducted a search of the Trade-marks Register in 2006 directed to locating "a sample listing of trade-marks similar in design features to application



numbers 1,114,316 and 1,112,187 in connection with wares covered by class 5 of the Nice International Classification of Goods and Services.” The Applicant’s written argument did not rely on this evidence. At the oral hearing, I understood the Applicant to rely on this evidence to show that a C Design is not original to the Opponent, partially in response to the Opponent’s extreme claim that it begs incredulity to think that the design features of the two parties could be designed independently. As pointed out by the Applicant, this is not a copyright infringement case. In any event, I doubt that any evidence needs to be presented to support the general proposition that a stylized C Design is not an inherently strong mark or feature.

*conclusion regarding likelihood of confusion*

“Realistically appraised it is the degree of resemblance between trade marks in appearance, sound or in ideas suggested by them that is the most crucial factor, in most instances, and is the dominant factor and other factors play a subservient role in the over-all surrounding circumstances.” [*Beverley Bedding & Upholstery Co. v. Regal Bedding & Upholstery Ltd.* (1980), 47 C.P.R. (2d) 145 (F.C.T.D.) at 149, affirmed 60 C.P.R. (2d) 70]

Having considered all the surrounding circumstances, I find that on a balance of probabilities there is not a likelihood of confusion between the two marks. The marks must be considered as a whole and the marks as a totality are significantly different. The resemblance between the inherently weak stylized C design portions of each mark is insufficient by itself to make confusion reasonably likely. It is further noted that there is no evidence that the Opponent’s mark has acquired any reputation that might increase the scope of protection to which its mark might be entitled.

The s. 16(3)(b) ground accordingly fails.

Distinctiveness Ground of Opposition

In order to meet its initial burden under this ground, the Opponent must show that its trade-mark had become known sufficiently as of July 16, 2004 to negate the distinctiveness of the Mark [*Motel 6, Inc. v. No. 6 Motel Ltd.* (1981), 56 C.P.R. (2d) 44 at 58 (F.C.T.D.)]. The Opponent has

not done so and therefore this ground is dismissed.

#### Section 30(e) Ground of Opposition

The material date that applies to this ground of opposition is the filing date of the application [see *Georgia-Pacific Corp. v. Scott Paper Ltd.* (1984), 3 C.P.R. (3d) 469 (T.M.O.B.) at 475]. There is no evidence concerning the Applicant's intent as of August 30, 2001.

The Opponent has introduced evidence that lists Dr. Reddy's Laboratories Inc. in association with the drug product Co Fluoxetine 20 mg as of April 8, 2005 (Boyd affidavit, Exhibit A-2), but there is no evidence or explanation as to the meaning of such evidence.

The Applicant's affiant, Mr. Fretz, has provided as Exhibit A packaging bearing the Mark that reads in part:

Manufactured by: Reddy Cheminor Ltd.

Distributed by: Cobalt Pharmaceuticals Inc.

This suggests that the Applicant may have intended to use the Mark as a distributor's mark, rather than as a manufacturer's mark, but it is not evidence that the Applicant did not intend to use the Mark.

Overall, I find that the Opponent has not met its initial burden to show that as of August 30, 2001 the Applicant did not intend to use the Mark. I am therefore dismissing the s. 30(e) ground. In so doing, I note the following comments of Board Member Folz in *Fossil Inc. v. Emeny*, 2005 CarswellNat 453, which appear to apply equally to the present case:

13 The present case can be distinguished from the decision in *Green Spot Co.* [(1986), 13 C.P.R. (3d) 206 (T.M.O.B.)] because the applicant in the present case filed evidence, and that evidence was of potential relevance to the sub-section 30(e) issue. Accordingly, I do not consider that the opponent's burden would be less than would otherwise be the case in an ordinary situation. The opponent had the opportunity to scrutinize the applicant's evidence and to find out about the applicant's intentions to use its applied for mark by asking Mr. Emeny directly through cross-examination but it chose not to do so. I therefore do not consider the opponent's evidence sufficient to meet its evidential burden of showing that the applicant had no intention of using the applied for mark as of the date of filing its application. Consequently, this ground of opposition is unsuccessful.

Section 30(i) Ground of Opposition

Where an applicant has provided the statement required by s. 30(i), a s. 30(i) ground should only succeed in exceptional cases such as where there is evidence of bad faith on the part of the applicant. [*Sapodilla Co. Ltd. v. Bristol-Myers Co.* (1974), 15 C.P.R. (2d) 152 (T.M.O.B.) at 155] As this is not such a case, I am dismissing this ground of opposition.

Disposition

Having been delegated by the Registrar of Trade-marks by virtue of s. 63(3) of the Act, I reject the opposition pursuant to s. 38(8) of the Act.

DATED AT TORONTO, ONTARIO, THIS 22nd DAY OF SEPTEMBER 2008.

Jill W. Bradbury  
Member  
Trade-marks Opposition Board