

IN THE MATTER OF AN OPPOSITION
by Novopharm Ltd.
to application No. 722,181
for the trade-mark **NOVACET** filed
by Genderm Canada Inc. _____

On February 5, 1993, the applicant, Genderm Canada Inc., filed an application to register the trade-mark **NOVACET** based on proposed use in Canada in association with "Topical lotion for the control of acne". The application was advertised for opposition purposes on August 11, 1993.

The opponent, Novopharm Ltd., filed a statement of opposition on October 12, 1993, a copy of which was forwarded to the applicant on December 8, 1993. The first ground of opposition is that the applied for trade-mark is not registrable pursuant to Section 12(1)(d) of the Trade-marks Act (hereinafter "the Act") as it is confusing with the opponent's trade-marks:

NOVOCLOPATE	TMA 276,966
NOVOCIMETINE	TMA 276,826
NOVO-CLOXIN	TMA 396,675
NOVO-CIMETINE	TMA 407,928

The second ground of opposition is that the applicant is not the person entitled to registration pursuant to Section 16(3)(a) of the Act because, as of the applicant's filing date, the applied for trade-mark was confusing with a list of trade-marks used or made known in Canada by the opponent prior to that date. The third ground of opposition is that the applicant is not the person entitled to registration pursuant to Section 16(3)(b) of the Act because, as of the applicant's filing date, the applied for trade-mark was confusing with the following trade-marks in respect of which applications had been previously filed by the opponent:

NOVO-METHACIN	667,126
NOVO-NAPROX	667,127
NOVO-TRIMEL	667,149
NOVO-MED SYSTEM	707,327

The fourth ground of opposition is that the applicant is not the person entitled to registration pursuant to Section 16(3)(c) of the Act because, as of the applicant's filing date, the applied for trade-mark was confusing with the trade name of the opponent, Novopharm Inc. The fifth ground of opposition is that the applied for trade-mark is not distinctive in view of the fact that "the applicant and the opponent both sell pharmaceuticals...and the use by the applicant of the said trade-mark is likely to lead to the inference that the opponent's wares, and those of the applicant, are sold by the same person." The sixth ground of opposition is that the applied for trade-mark is not adapted to distinguish, nor does it distinguish, the applicant's wares from those of others.

The applicant filed a counter statement on March 10, 1994, stating that the opponent's grounds of opposition were "ill-founded", and that the applicant's mark is registrable, distinctive, and that the applicant is the person entitled to registration. As its evidence, the opponent filed the affidavit of Leslie Dan. The applicant filed the affidavits of Harvey C. Levine, Harald J. Wehner and Louise N. Gendron. The applicant's affiants were all cross-examined on their affidavits, and the transcripts of these cross-examinations form part of the record of this proceeding. The opponent

and applicant each filed a written argument, but only the opponent attended an oral hearing.

The first ground of opposition is with respect to the issue of confusion between the applicant's mark and the opponent's registered trade-marks. The material time for considering the circumstances respecting the issue of confusion with a registered trade-mark is the date of my decision (see **Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd.** (1991), 37 C.P.R. (3d) 413 (F.C.A.)). The legal burden is on the applicant to show no reasonable likelihood of confusion exists between the marks at issue. 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 that issue exist. (see **John Labatt Ltd. v. Molson Companies Ltd.** (1990), 30 C.P.R. (3d) 293 at 298 (F.C.T.D.)). The opponent did not file certified copies of the register pages of the registered trade-marks. However, since the Registrar is charged with the care of the register, the Registrar has the discretion to review the register and determine whether a particular registration exists (see **Quaker Oats Co. of Canada Ltd. v. Menu Foods Ltd.** (1986), 11 C.P.R. (3d) 410 (T.M.O.B.)). Having consulted the register, I have confirmed that the opponent's trade-marks are registered at the material date.

In applying the test for confusion set forth in Section 6(2) of the Act, consideration is to be given to all the surrounding circumstances including those set out in Section 6(5) of the Act:

- 6.(5) In determining whether trade-marks or trade-names are confusing, the court or the Registrar, as the case may be, shall have regard to all the surrounding circumstances including
- (a) the inherent distinctiveness of the trade-marks or trade-names and the extent to which they have become known;
 - (b) the length of time the trade-marks or trade-names have 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 or trade-names in appearance or sound or in the ideas suggested by them.
- R.S., c. T-10, s. 6.

Considering Section 6(5)(a) of the Act, the opponent's registered trade-marks **NOVOCLOPATE**, **NOVOCIMETINE**, **NOVO-CLOXIN** and **NOVO-CIMETINE** possess some measure of inherent distinctiveness. I have inferred from the Dan affidavit that these marks are comprised of the name of a drug or the contraction of the name of a drug, combined with the prefix NOVO. The marks are thus somewhat suggestive, to the extent that they may imply the name of a particular drug to pharmacists, doctors and knowledgeable consumers. The applicant's mark **NOVACET** would appear to be a coined word and therefore is inherently distinctive. With respect to the extent that the marks have become known, the opponent's registered trade-marks are not referred to in Mr. Dan's affidavit, and I can only infer *de minimis* use from the fact that they are registered. As the applicant's mark is not yet in use, and the opponent has not shown its marks to be in use, the extent to which the marks have become known is not a relevant consideration. For the same reason, the length of time that the trade-marks have been in use in Canada is also not a relevant consideration.

With respect to the nature of the wares and the channels of trade, the applicant's mark

NOVACET is proposed to be used in association with “Topical lotion for the control of acne”. The opponent’s marks are used in association with the following wares:

NOVO-CIMETINE	pharmaceutical preparations namely cimetidine
NOVO-CLOXIN	pharmaceutical preparations namely cloxacillin
NOVOCLOPATE	pharmaceutical preparations namely an anti-anxiety agent
NOVOCIMETINE	pharmaceutical preparations namely for control or treatment of ulcers

No evidence was filed with respect to the nature or purpose of the wares described as “cloxacillin”. However, the Merck Index (Version 12.1 CD Rom, 1996) describes cloxacillin as an oral antibiotic. It is apparent from the cross-examinations that the applicant’s wares are intended to be a prescription antibiotic, but the applicant is not so restricted by their statement of wares. Although the applicant’s wares and the wares used in association with the opponent’s mark **NOVO-CLOXIN** could generally be described as pharmaceutical preparations, and the applicant’s wares will likely be a prescription antibiotic, the opponent’s wares would appear to be administered orally, as opposed to the applicant’s topical lotion. In addition, it would appear that the opponent’s marks **NOVOCIMETINE** (and presumably **NOVO-CIMETINE**) for controlling ulcers, and **NOVOCLOPATE**, an anti-anxiety agent, are used for very different purposes than the applicant’s wares. In any event, as both parties wares serve a medicinal purpose, they would be expected to travel in the same channels of trade.

Section 6(5)(e) of the Act considers the resemblance between the marks at issue in appearance, sound and in the ideas suggested. Although both marks commence with the letters NOV, when considered in their entireties, the marks bear relatively little similarity either in appearance or in sound. The ideas suggested differ as the opponent’s marks may suggest to some consumers, doctors or pharmacists the trade-name of the opponent in combination with the name or contraction of the name of a particular drug. The applicant’s coined mark does not appear to suggest any such thing.

As a surrounding circumstance, the opponent submits that Novopharm Ltd. is the owner of a series or family of marks consisting of the prefix “NOV”, followed by the name of a drug or the contraction of the name of a drug. It is the opponent’s contention that the existence of such a family of marks increases the likelihood of confusion. However, an opponent relying on a family of marks must evidence use of those marks (see McDonald’s Corporation v. Yogi Yogurt Ltd. (1982), 66 C.P.R. (2d) 101 (F.C.T.D.)). I do not find Mr. Dan’s bare allegation of use to be sufficient for this purpose. Although Mr. Dan has listed sixty-two trade-marks in his affidavit as comprising the opponent’s family of trade-marks, the opponent’s evidence is far from satisfactory in establishing actual use of this family of marks. The Dan affidavit merely states “All of these marks have been used throughout Canada since at least as early as 1989, but some of them have been used as early as 1969.” It is difficult to know from this statement when the use of the individual marks took place. I am left to conclude that these marks could all have been used at least a few years prior to 1989, and possibly not since 1969, thereby minimizing the current reputation for any of those marks. Although sales of pharmaceutical products under the trade-name Novopharm apparently

exceed \$500 million annually, Mr. Dan does not provide a breakdown of sales by individual mark, or even indicate that the sales in question took place in association with any of the specific marks in the family of marks listed in his affidavit. There is no evidence indicating how any of these marks are used, or identifying the wares associated with these marks. As the opponent did not evidence any use of the “family” members, I find that it has failed to establish its alleged family of marks.

The applicant’s state of the register evidence appears to point to there being a number of NOVO-prefixed marks standing in the name of the opponent, as well as a number of third party marks on the register. However, as noted above, I have concluded that the opponent’s evidence has not established the existence of such a family, and the applicant’s state of the register evidence supports that conclusion. While a family of marks might be inferred in certain cases from state of the register evidence (see for example, Board Member Martin’s treatment of this issue in **Wyant & Co. v. LaCour (Canada) Inc.** 67 C.P.R. (3d) 111 at p. 115 (T.M.O.B.)), I am not prepared to do so in this case.

In applying the test for confusion, I have considered that it is a matter of first impression and imperfect recollection. Notwithstanding the fact that the marks commence with the letters NOV, when considered in their entireties, the marks bear relatively little similarity in appearance or in sound. The ideas suggested by the marks are different, as the opponent’s marks refer to the opponent’s trade-name and may suggest the name or contraction of the name of a drug to some consumers. The wares do not appear to be used in a similar manner, or against similar ailments. Finally, the opponent has not shown any use or reputation of its registered marks being considered here. In my opinion, notwithstanding their similarities in appearance or sound, use of the opponent’s trade-marks in the same area as the applicant’s mark would not likely lead to the inference that the wares associated with these trade-marks are manufactured by the same person. As a result, the first ground of opposition is unsuccessful.

The second ground of opposition is that the applicant is not the person entitled to registration pursuant to Section 16(3) of the Act because, as of the applicant’s filing date, the applied for trade-mark was confusing with a list of trade-marks used or made known in Canada by the opponent prior to that date including three marks with the prefix NOVA, namely **NOVAMILOR**, **NOVAMOXIN**, **NOVASEN**, and more than fifty trade-marks with the prefix “NOVO - ”. The burden is on the opponent to evidence use of one or more of its trade-marks prior to the applicant’s filing date, and non-abandonment of that mark and name as of the applicant’s advertisement date, as required by Sections 16(5) and 17(1). The opponent has not provided any evidence of how these marks were used in Canada prior to the material date, or of the wares with which they are in use. No labels or packaging were provided which would show the manner in which the opponent used these trade-marks, and nothing was filed to verify continuous sales in Canada in the ordinary course of trade. Consequently, there is no evidence that at the applicant’s filing date, these marks

were in use or made known in Canada. As the opponent's initial evidential burden has not been met, this ground of opposition is unsuccessful.

The third ground of opposition is that the applicant is not the person entitled to registration pursuant to Section 16(3)(b) of the Act because, as of the applicant's filing date, the applied for trade-mark was confusing with trade-marks in respect of which the following applications had been previously filed by the opponent:

NOVO-METHACIN	667,126
NOVO-NAPROX	667,127
NOVO-TRIMEL	667,149
NOVO-MED SYSTEM	707,327

The opponent did not file certified copies of the register pages for these trade-marks. However, applying the principle in Quaker Oats (*supra*), I have had regard to the trade-marks register to confirm that these applications were pending at the date the application was filed, namely, February 5, 1993. It would appear that the mark **NOVO-TRIMEL** was abandoned on March 3, 1992. As this mark was not pending at the relevant date, it will not be considered (see Section 16(4) of the Act). With respect to the remaining marks, as the issue of entitlement is in effect a test of confusion, the onus or legal burden is on the applicant to show no reasonable likelihood of confusion. In applying the test for confusion set forth in Section 6(2) of the Act, consideration is to be given to all of the surrounding circumstances, including those set forth in Section 6(5) of the Act: (see above)

The opponent's trade-marks **NOVO-METHACIN**, **NOVO-NAPROX**, and **NOVO-MED SYSTEM** possess some measure of inherent distinctiveness, except to the extent that they would appear to be a combination of the prefix NOVO with the name of a drug or the contraction of the name of a drug, or in the case of **NOVO-MED SYSTEM**, the prefix NOVO combined with vaguely descriptive wording. The applicant's mark **NOVACET** would appear to be coined and thus is inherently distinctive. I cannot infer from the filing of trade-mark applications that any of the opponent's marks were in use at the relevant date. In addition, there is no evidence of the use of these marks in Canada, and they do not appear on Exhibit A to the Dan affidavit where he lists the opponent's alleged family of trade-marks. As the applicant's mark is not yet in use in Canada, the extent to which the marks have become known is not a relevant consideration. For the same reason, the length of time that the marks have been in use is also not a relevant consideration.

With respect to the nature of the wares and the channels of trade, the applicant's mark **NOVACET** is intended for use in association with a "Topical lotion for the control of acne", and as indicated above, the applicant's wares are intended to be a prescription antibiotic. However, no such restriction is found in the applicant's description of wares. The opponent's wares are:

NOVO-METHACIN	pharmaceutical preparations namely indomethacin
NOVO-NAPROX	pharmaceutical preparations namely naproxen
NOVO-MED SYSTEM	pre-packaged disposable blister medication card

It would appear that the applicant's wares and the wares used in association with the marks **NOVO-**

METHACIN and **NOVO-NAPROX** are pharmaceutical preparations. It would appear that **NOVO-MED SYSTEM** although not a pharmaceutical itself, is used in the delivery or storage of medication. No evidence was filed with respect to the nature or purpose of the wares described by the opponent as “indomethacin” or the wares “naproxen”. However, the Merck Index (supra) describes indomethacin as an antipyretic (anti-fever) analgesic and a prostaglandin inhibitor. Naproxen is described as an anti-inflammatory analgesic and antipyretic. Thus, it could be said that although the applicant’s and the opponent’s wares could generally be described as pharmaceutical preparations they do not appear to treat the same ailments. In addition, the opponent’s wares could be expected to be administered orally, as opposed to the applicant’s topical lotion. Without evidence to the contrary, it is expected that there would be at least some overlap in the channels of trade.

With respect to the degree of resemblance between the marks, there is some obvious similarity between the marks in appearance and sound, as they commence with the letters NOV. However, when considered in their entireties, the marks bear relatively little similarity in appearance or sound. The ideas suggested by the marks differ as the applicant’s mark would appear to be coined, while the opponent’s marks may suggest to some consumers a particular drug, or delivery system, combined with a contraction of the opponent’s trade name.

In applying the test for confusion, notwithstanding the degree of resemblance between the marks, I find that there are even less similarities between these marks in appearance or sound than in the above analysis for the first ground of opposition. Thus, with the other factors being for the most part equal, this ground of opposition is also unsuccessful.

The fourth ground of opposition is that the applicant is not the person entitled to registration pursuant to Section 16(3)(c) of the Act because, as of the applicant's filing date, the applied for trade-mark was confusing with the trade-name of the opponent, Novopharm Inc. The opponent is Novopharm Ltd. The opponent indicated at the oral hearing that the inclusion of the identifier “Inc.” was a typographical error in the pleadings and was erroneously reproduced in the opponent’s written argument. Even if I were to accept that the use of “Inc.” instead of “Ltd.” was a typographical error, I would not have found the opponent to have met its burden in this regard. In determining whether a trade-name is in use, the principles relating to trade-mark use in Sections 2 and 4(1) of the Act apply. Such use would have to be in the normal course of trade (see Mr. Goodwrench Inc. v. General Motors Corp. (1994), 55 C.P.R. (3d) 508 at pp. 511-512 (F.C.T.D.)). Although the evidence indicates that sales in association with the trade name “Novopharm” are significant, the opponent’s bald statement of use does not indicate how the trade-name is in use in Canada in the ordinary course of trade. As a result, I do not believe that its burden has been met. This ground of opposition is also unsuccessful.

The fifth and sixth grounds of opposition concern the distinctiveness of the applicant's mark. In both of these grounds the legal burden is on the applicant to show that its mark is adapted to distinguish or actually distinguishes its services from those of the opponent and others throughout Canada (see **Muffin Houses Inc. v. The Muffin House Bakery Ltd.** (1985), 4 C.P.R. (3d) 272 (T.M.O.B.)). There is an initial evidential burden on the opponent to adduce sufficient evidence which would support the truth of its allegations relating to the alleged non-distinctiveness of the applicant's mark. The material date for assessing the likelihood of confusion in respect of non-distinctiveness is the date of the filing of the opposition, October 12, 1993. (see **Cellular One Group, a partnership v. Brown, now standing in the name of Bell Mobility Cellular Inc.** (1996), 69 C.P.R. (3d) 236 at 243 (T.M.O.B.)). The difference in the material date from that with respect to confusion would not have any significant impact on the determination of the issue of distinctiveness, except with respect to minor differences in the state of the register evidence. As the opponent has not clearly evidenced any actual use of their trade-marks in Canada, I do not believe that they have met the onus to put the distinctiveness of the applicant's mark at issue. In addition, although the applicant's state of the register evidence would appear to show that the opponent was the owner of a significant number of NOVO-prefixed trade-marks at the material time, there are a number of NOVO and NOVA- prefixed third party marks on the register. Further, I do not consider the applicant's state of the register evidence alone is sufficient to bring the distinctiveness of the applicant's mark into question. At best, I can only infer that some of the opponent's marks may be in use in Canada. I cannot infer the extent of that use, or the reputation of the individual marks. As opponent's initial burden has not been met, these last two grounds are unsuccessful.

Having been delegated by the Registrar of Trade-marks pursuant to Section 63(3) of the Trade-marks Act, I reject the opponent's opposition.

DATED AT HULL, QUEBEC, THIS 24th DAY OF FEBRUARY 1998.

Peter C. Cooke
Member
Trade Marks Opposition Board