

LE REGISTRAIRE DES MARQUES DE COMMERCE THE REGISTRAR OF TRADE-MARKS

Citation: 2015 TMOB 145 Date of Decision: 2015-08-27

IN THE MATTER OF AN OPPOSITION

Lowe-Martin Company Inc. Opponent

and

GMD Distribution Inc. Applicant

1,433,621 for GMD PHARMASOLUTIONS

Application

[1] On April 6, 2009 GMD Distribution Inc. (the Applicant) filed an application for registration of the trade-mark GMD PHARMASOLUTIONS (the Mark) subject to application No. 1,433,621 based on proposed use in association with (the Services):

Wholesaling and distributing pharmaceutical products and cold chain products; consulting activities directed towards the distribution and administration of pharmaceuticals and cold chain products; consulting activities directed towards the distribution and administration of pharmaceuticals and cold chain products, namely, consulting activities in the fields of regulation and pricing of pharmaceuticals and cold chain products; consulting activities directed towards the distribution and administration of pharmaceuticals and cold chain products, namely, clinical research, patient/pharmaceutical management programs, drug information services and pharmacovigilance.

[2] The application was advertised in the November 28, 2012 issue of the *Trade-marks Journal*.

- [3] The statement of opposition was filed on April 29, 2013. It raises four grounds of opposition under section 38 of the *Trade-marks Act*, RCS 1985, c T-13 (the Act) which can be summarised as follows:
 - 1. Pursuant to sections 38(2)(a) and 30(i) of the Act, the Applicant could not have been satisfied that it was entitled to use the Mark in Canada in association with the Services in view of the Applicant's knowledge of the prior use and registration of the Opponent's trade-mark PHARMASOLUTIONS.
 - 2. Pursuant to sections 38(2)(b) and 12(1)(d) of the Act, the Mark is not registrable because it is confusing with the Opponent's trade-mark PHARMASOLUTIONS (TMA734,423) registered for use in association with the following services:

Warehousing, inventory management, fulfillment, kitting and distribution of promotional and information literature in the medical and pharmaceutical fields and of marketing materials namely medical and pharmaceutical samples; warehousing, inventory management, fulfillment, kitting and distribution of medical instruments used in the treatment, diagnosis or prevention of disease or abnormal physical conditions; printing of promotional literature, catalogues, brochures, leaflets and product information literature in the medical and pharmaceutical fields; printing of medical and pharmaceutical materials namely promotional literature, catalogues, leaflets, brochures, product information literature; providing online ordering and online management of customer inventories for the warehousing, inventory management, fulfillment, kitting and distribution of promotional literature, and of marketing materials namely medical and pharmaceutical samples; providing online ordering and inventory management services namely online ordering services and online management of customer inventories of promotional literature, catalogues, brochures, leaflets and product information literature, medical and pharmaceutical samples, and medical instruments.

3. Pursuant to sections 38(2)(c) and 16(3)(a) of the Act, the Applicant is not the person entitled to registration of the Mark in that as of April 6, 2009 (the filing date), the Mark was confusingly similar with the Opponent's trade-mark which was previously used in Canada by the Opponent in association with the services set out above.

- 4. Pursuant to sections 38(2)(d) and 2 of the Act, the Mark does not distinguish and is not adapted to distinguish the Services from those of others, and particularly from the services of the Opponent as the Mark is confusing with the Opponent's mark.
- [4] The Applicant filed and served a counter statement denying all grounds of opposition.
- [5] In support of its opposition the Opponent filed a certified copy of registration No. TMA734,423.
- [6] In support of its application, the Applicant filed three affidavits, namely:
 - 1. Katherine Lam, dated May 8, 2014 with Exhibit A
 - 2. Sandro Romeo, dated May 7, 2014; and
 - 3. Caroline D'Amours, dated May 7, 2014 with Exhibit CD-1
- [7] Only the Applicant filed a written argument and was represented at a hearing.

Onus and Material Dates

- [8] The Applicant bears the legal onus of establishing, on a balance of probabilities, that its application complies with the requirements of 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 its ground of opposition exist [see *John Labatt Limited v The Molson Companies Limited* (1990), 30 CPR (3d) 293 (FCTD) at 298].
- [9] The material dates that apply to the grounds of opposition are as follows:
 - 1. sections 38(2)(a)/30 the date of filing the application [see *Georgia-Pacific Corp v Scott Paper Ltd* (1984), 3 CPR (3d) 469 at 475 (TMOB) and *Tower Conference Management Co v Canadian Exhibition Management Inc* (1990), 28 CPR (3d) 428 at 432 (TMOB)];
 - 2. sections 38(2)(c)/16(3) the date of filing the application [section 16(3) of the Act];
 - 3. sections 38(2)(d)/2 the date of filing of the opposition [see *Metro-Goldwyn-Mayer Inc v Stargate Connections Inc* (2004), 34 CPR (4th) 317 (FC)].

Section 30(i) of the Act

[10] Where an applicant has provided the statement required by section 30(i), a section 30(i) ground should only succeed in exceptional cases such as where there is evidence of bad faith on the part of the applicant [see *Sapodilla Co Ltd v Bristol-Myers Co* (1974), 15 CPR (2d) 152 (TMOB) at 155]. The Applicant has provided the necessary statement and this is not an exceptional case; the section 30(i) ground is accordingly dismissed.

Non-registrability Grounds – Section 12(1)(d) of the Act

- [11] An opponent's initial onus is met with respect to a section 12(1)(d) ground of opposition if the registration(s) relied upon is in good standing as of the date of the opposition decision. The Registrar has discretion to check the register in order to confirm the existence of the registration(s) relied upon by an opponent [see *Quaker Oats of Canada Ltd/La Compagnie Quaker Oats du Canada Ltée v Menu Foods Ltd* (1986), 11 CPR (3d) 410 (TMOB)].
- [12] I have exercised my discretion and note that the registration for the Opponent's PHARMASOLUTIONS trade-mark remains extant and thus the Opponent has met its initial evidential burden.
- [13] 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 goods or services associated with those trade-marks are manufactured, sold, leased, hired or performed by the same person, whether or not the goods or services are of the same general class.
- [14] In applying the test for confusion, the Registrar must have regard to all the surrounding circumstances, including those specifically enumerated in section 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 goods, 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 CPR (4th) 321 (SCC) and *Masterpiece Inc v Alavida Lifestyles Inc* (2011), 96 CPR (4th) 361 (SCC).]

Section 6(5)(a) – inherent distinctiveness and the extent to which the marks have become known

- [15] Both parties' marks feature the PHARMA element which as evidenced in the Lam affidavit is an abbreviation for "pharmaceutical". Specifically, the definitions in the Lam affidavit are as follows: "1) a pharmaceutical company; 2) pharmaceutical companies, considered collectively" (Lam affidavit, Exhibit A).
- [16] Given the nature of the parties' services, which relate to pharmaceuticals and the pharmaceutical industry generally, the PHARMA element is descriptive of the associated services and thus possess a low degree of inherent distinctiveness.
- [17] The element SOLUTIONS is an ordinary dictionary word which when combined with PHARMA, creates a term (PHARMASOLUTIONS) which is highly suggestive of both parties' pharmaceutical industry related services.
- [18] The Mark includes the additional element GMD, which has no particular meaning and thus serves to increase the inherent distinctiveness of the Mark over that of the Opponent's Mark.
- [19] The strength of a trade-mark may be increased by means of it becoming known in Canada through promotion or use. I will now turn to the extent to which the trade-marks have become known in Canada.
- [20] The application for the Mark is based on proposed use and the Applicant has not provided any evidence of use of the Mark since the filing date. As a result, I can only infer that the Mark has not become known to any extent.
- [21] The mere existence of registration No. TMA734,423 can establish no more than *de minimis* use of the Opponent's PHARMASOLUTIONS trade-mark [see *Entre Computer Centres, Inc v Global Upholstery Co* (1991), 40 CPR (3d) 427 (TMOB)]. As a result, I am unable to infer that the Opponent's mark has become known to any extent.

[22] Based on the foregoing, I find that this factor favours the Applicant by virtue of the higher degree of inherent distinctiveness possessed by the Mark.

Section 6(5)(b) – the length of time each has been in use

[23] As discussed above in the analysis of the section 6(5)(a), neither party has provided evidence of use of their respective trade-marks such that this factor does not favour either party.

Section 6(5)(c) and (d) – the nature of goods, services or business and trade

- [24] In its written argument and at the hearing, the Applicant submitted that the Opponent's Services are directed to pharmaceutical manufacturers. The Applicant submits that it can be inferred from a reading of the statement of services in the Opponent's registration that the Opponent is hired by marketing personnel associated with pharmaceutical manufacturers to ship literature and marketing materials to physicians and pharmacists to promote the sales of pharmaceuticals.
- [25] By contrast, the Applicant submits that it can be inferred from a reading of the statement of the Applicant's services that the Applicant provides wholesaling services for pharmaceutical and cold chain products such that the average consumers would be pharmacists, physicians and individual patients.
- [26] Based on the foregoing, the Applicant submits that there is no overlap between the goods shipped by both parties; in other words that there is no overlap in the nature of the parties' services. Furthermore, the Applicant submits that the average consumers of both parties differ and would be cautious and intelligent and in a position to carefully review the marks prior to purchase.
- [27] I agree with the Applicant that there is no direct overlap in the nature of the parties' services, business or channels of trade. The only area of similarity arises from the parties' respective connections to the pharmaceutical industry.

- 6(5)(e) the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them
- [28] When considering the degree of resemblance, the law is clear that the trade-marks must be considered in their totality. It is not correct to lay them side by side and compare and observe their similarities or differences among the elements or components of the trade-marks. It is nevertheless possible to focus on particular features of a mark that may have a determinative influence on the public's perception of it [see *United Artists Pictures Inc v Pink Panther Beauty Corp* (1998), 80 CPR (3d) 247 (FCA) at 263]. The preferable approach when comparing trademarks is to begin by determining whether there is an aspect of the trade-mark that is particularly striking or unique [see *Masterpiece* at para 64].
- [29] Both parties' marks share the suggestive element PHARMASOLUTIONS. In the case of the Mark, I am of the view that the term "GMD", which has no meaning, and is also the first portion of the mark, is the dominant component given that it has a higher degree of inherent distinctiveness.
- [30] Aside from the inclusion of the suggestive element PHARMASOLUTIONS, there is no other similarity in either appearance, sound or ideas suggested between the parties' marks.
- [31] At the hearing, the Applicant pointed me to two decisions of the Board where a finding of no likelihood of confusion was made where the only commonality between trade-marks at issue was the inclusion of a non-distinctive element [see *London Drugs Ltd v Coast Fashions Ltd* (2014), 122 CPR (4th) 331 (TMOB); *Perks Coffee Ltd v Blue Tree Hotels Investment (Canada) Ltd* (2006), 51 CPR (4th) 462 (TMOB)]. These findings were made even in the existence of, in one case, significant evidence of use and reputation for the Opponent's registered trade-mark [see *London Drugs*]. While each case must be determined on their own facts, I do find these two decisions to support the Applicant's position.
- [32] Confusion will be unlikely in situations where marks share common features but also feature dominant differences [see *Foodcorp Ltd v Chalet Bar B Q (Canada) Inc* (1982), 66 CPR (2d) 56 at 73 (FCA)]. Furthermore, when assessing confusion as between two inherently weak trade-marks, it is fair to say that even small differences will often be sufficient to distinguish

between them [Kellogg Canada Inc v Weetabix of Canada Ltd (2002), 20 CPR (4th) 17 (FC); and American Cyanamid Co v Record Chemical Co Inc (1972) 7 CPR (2d) 1 (FCTD)].

[33] When the marks are viewed in their entirety, although there are some similarities between the parties' marks owing to the inclusion of then suggestive element PHARMASOLUTIONS, the degree of resemblance is not significant as a whole.

Additional Surrounding Circumstance: state of the register

- [34] State of the register evidence will only be relevant insofar as one can make inferences from it about the state of the marketplace. Inferences about the state of the marketplace can only be drawn where large numbers of relevant registrations are located [see *Ports International Ltd v Dunlop Ltd* (1992), 41 CPR (3d) 432; *Del Monte Corporation v Welch Foods Inc* (1992), 44 CPR (3d) 205 (FCTD); *Kellogg Salada Canada Inc v Maximum Nutrition Ltd* (1992), 43 C.P.R. (3d) 349 (FCA)] or where evidence of use of the marks in the marketplace.
- [35] The Applicant has filed state of the register evidence for the terms PHARMA and SOLUTIONS through the Romeo and D'Amours affidavits. At the hearing, the Applicant conceded that the state of the register evidence is not particularly informative with the exception of the fact that the evidence does show a significant number of businesses adopting the terms PHARMA and SOLUTIONS as portions of their business names.
- [36] I do not find that this additional surrounding circumstance favours either party.

Conclusion

- [37] Having considered all of the surrounding circumstances, I am satisfied that the Applicant has discharged its burden of showing, on a balance of probabilities, that there is no reasonable likelihood of confusion between the Mark and the Opponent's Mark and thus I reject the ground of opposition based on section 12(1)(d) of the Act.
- [38] I wish to note that evidence of use and reputation for its registered PHARMASOLUTIONS trade-mark may have been sufficient to result shift the balance of probabilities in the Opponent's favour, or to result in an even balance of probabilities.

Non-entitlement Ground – Section 16(3)(a) of the Act

- [39] The Opponent is under an initial burden of establishing use of its pleaded PHARMASOLUTIONS trade-mark prior to the filing date for the application for the Mark (April 6, 2009) as well as non-abandonment of its pleaded mark at the date of advertisement (November 28, 2012).
- [40] As discussed further above in the analysis of the 12(1)(d) ground of opposition, reference to use in the Opponent's registration is not sufficient to satisfy the Opponent's evidential burden under section 16(3)(a) of the Act [see *Rooxs, Inc v Edit-SRL* (2002), 23 CPR (4th) 265 (TMOB)].
- [41] Based on the foregoing, the ground of opposition based on section 16(3)(a) is dismissed on account of the Opponent's failure to meet its evidential burden.

Non-distinctiveness Ground – section 38(2)(d) of the Act

- [42] While there is a legal onus on the Applicant to show that the Mark is adapted to distinguish or actually distinguishes its and services from those of others throughout Canada [see *Muffin Houses Incorporated v The Muffin House Bakery Ltd* (1985), 4 CPR (3d) 272 (TMOB)], there is an initial evidential burden on the Opponent to establish the facts relied upon in support of the ground of non-distinctiveness.
- [43] Pursuant to its evidential burden, the Opponent is under an obligation to show that, as of the filing of the statement of opposition, its pleaded PHARMASOLUTIONS trade-mark had become known sufficiently to negate the distinctiveness of the Mark [see *Bojangles' International, LLC v Bojangles Café Ltd* (2004), 40 CPR (4th) 553, affirmed (2006), 48 CPR (4th) 427 (FC)].
- [44] As the Opponent has not filed any evidence that meets its initial burden, this ground of opposition is dismissed.

Disposition

[45] Pursuant to the authority delegated to me under section 63(3) of the Act, I reject the opposition under section 38(8) of the Act.

Andrea Flewelling Member Trade-marks Opposition Board Canadian Intellectual Property Office

Hearing Date: 2015-08-20

<u>Appearances</u>

No one appearing For the Opponent

Steven H. Leach For the Applicant

Agents of Record

Gowling, Lafleur Henderson LLP For the Opponent

Ridout & Maybee LLP For the Applicant