

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

> Citation: 2015 TMOB 91 Date of Decision: 2015-05-26

IN THE MATTER OF AN OPPOSITION by Euro-Pharm International Canada Inc. to application No. 1,488,958 for the trade-mark EUROFARMA & Logo in the name of Eurofarma Laboratórios Ltda.

[1] Euro-Pharm International Canada Inc. (the Opponent) opposes registration of the trade-mark EUROFARMA & Logo (the Mark), shown below, that is the subject of application No. 1,488,958 by Eurofarma Laboratórios Ltda. (the Applicant).



[2] The application is based on proposed use of the Mark in Canada in association with the following goods and services:

Goods:

(1) Medicines for human use and pharmaceuticals preparations that act upon the endocrine system and metabolism, namely: homoeopathic medicines for the treatment of endocrine system diseases; immuno-suppressive medicines for the treatment of endocrine system diseases; anti-inflammatory, detoxicating and antiallergic medicines; ophthalmological and otological medicines; medicines for the treatment of skin diseases due to or associated with endocrine disorders; medicines for the treatment of skin disorders which can be treated with hormones or with compounds with hormone-like activity; and medicines for the treatment of skin disorders which occur as adverse events of hormone treatment or of treatment with compounds exhibiting a hormone-like effect. Services:

(1) Retail sales, distribution and manufacturing of medicines for human use and of pharmaceuticals preparations.

[3] The Opponent alleges that: (i) the application does not comply with the requirements of section 30 of the *Trade-marks Act*, RSC 1985, c T-13 (the Act); (ii) the Applicant is not the person entitled to registration of the Mark under section 16(3) of the Act; and (iii) the Mark is not distinctive under section 2 of the Act.

[4] For the reasons that follow, I refuse the application.

The Record

[5] The Opponent filed a statement of opposition June 21, 2013 and, with leave from the Registrar, filed an amended statement of opposition on September 18, 2013. The amended statement of opposition was further amended by an interlocutory ruling dated October 2, 2013. The Applicant then filed its counter statement on October 25, 2013, denying all of the grounds of opposition.

[6] In support of its opposition, the Opponent filed the affidavit of Emanuele Caltagirone, President and Chief Executive Officer of the Opponent. Mr. Caltagirone was not crossexamined. The Applicant did not file any evidence in the present proceeding.

[7] Both parties filed a written argument; only the Opponent was represented at an oral hearing.

The Parties' Respective Burden or Onus

[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 each ground of opposition exist [see *John Labatt Ltd v Molson Companies Ltd* (1990), 30 CPR (3d) 293 (FCTD) at 298].

[9] I will now consider the grounds of opposition, starting with the non-entitlement ground.

Was the Applicant the person entitled to registration of the Mark?

[10] In its amended statement of opposition, which was further amended by the interlocutory ruling of October 2, 2013, the Opponent alleges that the Applicant is not the person entitled to registration of the Mark pursuant to section 16(3)(a) of the Act, on the ground that it is confusing with the trade-mark EURO-PHARM which has been previously used or made known in Canada by the Opponent or its predecessors in title (or for their benefit by licensees) in association with, inter alia:

Pharmaceutical preparations and over-the-counter medicine for adults and children; dietary supplements and natural health products; vitamins; the operation of a business for the manufacture, distribution and sale of medicine products and pharmaceutical preparations, dietary supplements and natural health products; research and development in the physical, engineering and life sciences.

[11] The Opponent further alleges that the Applicant is not the person entitled to registration of the Mark pursuant to section 16(3)(c) of the Act, on the ground that it is confusing with the Opponent's trade-name EURO-PHARM which has been previously used in Canada by the Opponent or its predecessors in title (or for their benefit by licensees) in association with, inter alia:

The operation of a business for the manufacture, distribution and sale of medicine products and pharmaceutical preparations, dietary supplements and natural health products; research and development in the physical, engineering and life sciences.

[12] The material date for considering this ground of opposition is the filing date of the subject application, namely July 16, 2010.

[13] For the reasons that follow, this ground of opposition is successful.

The Opponent's Initial Evidential Burden

[14] The Opponent has the initial burden of proving that the alleged trade-mark was used or made known in Canada, and that the alleged trade-name was used in Canada, prior to the material date, namely July 16, 2010, and had not been abandoned at the date of advertisement of the application for the Mark, namely April 24, 2013 [section 16(5) of the Act].

[15] In his affidavit, Mr. Caltagirone states that that the Opponent has been developing, manufacturing and distributing high-quality pharmaceutical products for adults and children in Canada in association with the trade-mark EURO-PHARM since 1996.

[16] According to Mr. Caltagirone, the Opponent offers a variety of pharmaceutical preparations and over-the-counter medicine in Canada for adults and children, including mineral supplements, vitamins, analgesic/anti-inflammatory, analgesic/antipyretic, antiflatulent, laxatives, treatment of gout, antihistamines, and herbal drugs, in association with the trade-mark EURO-PHARM. Attached as Exhibit EC-2 is a sampling of 40 packaging proofs for a variety of EURO-PHARM products from 2001 to 2013, said to be representative of the manner in which the trade-mark EURO-PHARM has been associated with these products since as early as 1996. I note that the trade-mark EURO-PHARM appears on each of the packaging proofs, many of which are seen as part of the following designs:



[17] Trade-mark and trade-name usage are not necessarily mutually exclusive [see *Consumers Distributing Company Limited v Toy World Limited*, 1990 CarswellNat 1398 (TMOB) and *Road Runner Trailer Manufacturing Ltd. v Road Runner Trailer Co* (1984), 1 CPR (3d) 443 (CFTD)]. In the present case, I am of the view that any evidence of use of the above designs would qualify as use of the Opponent's trade-mark EURO-PHARM as the public would perceive the written component EURO-PHARM as use of the trade-mark *per se* [see also *Registrar of Trade-marks v Compagnie Internationale pour l'Informatique CII Honeywell Bull* (1985), 4 CPR (3d) 523 (FCA) and *Promafil Canada Ltee v Munsingwear Inc* (1992), 44 CPR (3d) 59 (FCA)].

[18] In terms of services, Mr. Caltagirone states that the Opponent has been using the trademark EURO-PHARM in association with the manufacturing, distribution and sale of medicine products and pharmaceutical preparations, as well as research and development in the physical, engineering and life sciences. Attached as Exhibit EC-3 is a sampling of invoices dated between 2001 and 2013. I note that the invoices bear the trade-mark EURO-PHARM on the upper left hand corner, and that they are all for the sale of medicine products and pharmaceutical preparations to entities in Canada.

[19] In terms of the opponent's normal course of trade, Mr. Caltagirone states that the Opponent has been selling medicine products and pharmaceutical preparations associated with the trade-mark EURO-PHARM to distributors in the pharmaceutical industry since at least as early as 1996, who in turn sell them to the Canadian public. These distributors include Familiprix, McKesson Canada Corporation, Ministry of Health (Ontario), Shoppers Drug Mart Inc., Le Groupe Jean Coutu (PJC) Inc. and Sandoz Inc.

[20] In terms of sales, Mr. Caltagirone provides the annual wholesale figures for medicine products and pharmaceutical preparations associated with the trade-mark EURO-PHARM from 2000 to 2013 for the Canadian market, which range from a minimum of \$1 million (in 2000-01) to a minimum of \$15 million (in 2012-13), for a total of more than \$119 million for that period of time.

[21] In terms of advertising, Mr. Caltagirone states that the Opponent has continuously invested in the promotion and publicity of the trade-mark EURO-PHARM, with annual expenditures that range from \$332,004 (in 2006-07) to more than \$1.5 million (in 2012-13), for a total of more than \$6.8 million from 2004 to 2013. Types of publicity and promotion highlighted by Mr. Caltagirone include printed ads in magazines dated between 2000 and 2013 (Exhibit EC-4), ads and products shown in pharmacy circulars dated between 2002 and 2005 (Exhibit EC-5), television and radio commercials since at least as early as 2004, a 2002 documentary shown to future parents who attended pre-natal classes given at the local community service centers in Quebec (Exhibit EC-6), communication releases dated between 2004 and 2005 for pharmacists regarding new products (Exhibit EC-7), as well as sample products (since at least as early as 2003) and prescription papers (2012) distributed to health care professionals (Exhibits EC-9, EC-10 and EC-11). The trade-mark EUROP-PHARM can be seen in many of the attached exhibits, at times as part of the packaging of the Opponent's products.

[22] Mr. Caltagirone further states that the Opponent participates in various fairs, events, sport tournaments, trade shows, and health care events such as being the official provider of a cream

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for joints pain for "Les Alouettes de Montréal". Photos of sample promotional materials, brochures, flyers, posters and panels, dated between 2002 and 2012, showing the trade-mark EURO-PHARM are attached as Exhibits EC-14 and 15.

[23] Finally, attached as Exhibit EC-16 are extracts of webpages from the Opponent's website located at *www.euro-pharm.com* bearing the trade-mark EURO-PHARM, said to be in operation since at least as early as February 19, 2001. According to Mr. Caltagirone, the website received more than 82,000 page views worldwide in 2013, including Canada.

[24] When the Opponent's evidence is viewed in its entirety, I am satisfied that the trade-mark EURO-PHARM have been used in association with medicine and pharmaceutical preparations, and sales thereof, in Canada prior to the material date, and that such use has not been abandoned as of April 24, 2013.

[25] Since the Opponent has satisfied its initial evidential burden, the issue becomes whether the Applicant has met its legal burden to establish, on a balance of probabilities, that there is no reasonable likelihood of confusion between the Mark and the Opponent's trade-mark EURO-PHARM at the filing date of the subject application.

The test for confusion

[26] 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.

[27] 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

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attributed equal weight. [See *Mattel, Inc v 3894207 Canada Inc* (2006), 49 CPR (4th) 321 (SCC); *Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée et al* (2006), 49 CPR (4th) 401 (SCC); and *Masterpiece Inc v Alavida Lifestyles Inc* (2011), 92 CPR (4th) 361 (SCC) for a thorough discussion of the general principles that govern the test for confusion.]

[28] I will now turn to the assessment of the section 6(5) factors.

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

[29] The overall consideration of the section 6(5)(a) factor involves a combination of inherent and acquired distinctiveness of the parties' trade-marks. I assess the Mark to have a slightly higher degree of inherent distinctiveness than that of the Opponent, owing to the addition of the globe design in the Mark, even though I do not consider the design to be particularly distinctive. Moreover, I do not consider either party's trade-mark to have a high degree of inherent distinctiveness given their suggestive nature to pharmaceutical goods and services, with a reference to Europe.

[30] In its written argument, the Applicant submits that the terms EURO and PHARM lack inherent distinctiveness given their suggestive nature. It further contends that these terms are "descriptive of the goods/services of the Applicant and deceptively misdescriptive of the goods/services of the Opponent". I would simply note that the Applicant did not substantiate nor elaborate further on any of these allegations.

[31] The strength of a trade-mark may be increased by means of it becoming known in Canada through promotion or use.

[32] As per my review of Mr. Caltagirone's affidavit, I am satisfied that the Opponent has shown substantial sales and promotion of medicine and pharmaceutical goods in Canada in association with the trade-mark EURO-PHARM for a significant period of time. However, I agree with the Applicant that the manners of use and advertising of the trade-mark EURO-PHARM with medicine and pharmaceutical products diminish somewhat the measure of reputation that the Opponent can claim in it. In this regard, while the trade-mark EURO-PHARM appears to be used prominently for the sale of medicine products and pharmaceutical preparations, I note that the trade-mark always appears in association with other trade-marks that are shown in a significantly more prominent fashion on the packaging of the Opponent's medicine products and pharmaceutical products [see *Leon's Furniture Ltd v Bad Boy Furniture Warehouse Ltd* (2010), 87 CPR (4th) 356 (TMOB) and *Simmons IP Inc v Park Avenue Furniture Corp* (1996), 74 CPR (3d) 404 (TMOB)]. Consequently, the reputation which would accrue to the Opponent's trade-mark EURO-PHARM on its own is therefore somewhat diminished with respect to its goods.

[33] Even so, as there is no evidence of promotion or use of the Mark in Canada by the Applicant to date, it can only be concluded that the Opponent's trade-mark EURO-PHARM have become known in Canada to a greater extent than the Mark.

[34] In the end, while the Mark has a higher degree of inherent distinctiveness, the Opponent's trade-mark has more acquired distinctiveness. Accordingly, the 6(5)(a) factor does not significantly favour either party.

Section 6(5)(b) – the length of time the trade-marks have been in use

[35] As per my review of Mr. Caltagirone's affidavit, the overall consideration of the section 6(5)(b) factor clearly favours the Opponent as there is no evidence of use of the Mark by the Applicant in Canada to date.

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

[36] The sections 6(5)(c) and (d) factors, which involve the nature of the goods, services, trade and business of the parties, also favour the Opponent.

[37] In its written argument, the Applicant submits that the parties' goods and services are largely of a different nature and that they are sold through different channels. In particular, the Applicant argues that its applied for goods are "expected to be sold only from behind the counter and via prescription" and that these goods would "normally be marketed directly to physicians" and that it "intends to carry on a retail store service, as well as distribution and manufacturing of medicines and pharmaceuticals". In comparison, the Applicant argues that the Opponent's goods

are sold through normal retail channels and are marketed to pharmacists and public health nurses.

[38] I disagree.

[39] Both the Applicant and the Opponent are pharmaceutical companies that develop, manufacture, and distribute drug products for human use, albeit for different purposes for the most part. However, to the extent that both comprise of medicine and pharmaceutical preparations, I consider them to be related. In terms of services, in view of Mr. Caltagirone's affidavit and the Applicant's applied for statement of services, there is clear overlap between the parties' services as both are in the business of manufacturing, distribution and retail sale of medicine and pharmaceutical preparations for human use.

[40] In terms of channels of trade, Mr. Caltagirone states that the Opponent's EURO-PHARM products are sold to distributors in the pharmaceutical industry such as Familiprix, Shoppers Drug Mart Inc, Le Group Jean Coutu (PJC) Inc., who in turn sell them to the Canadian public. In comparison, the Applicant's applied for statements of goods and services do not contain any restrictions in terms of channels of trade. I would add that the Applicant did not provide any evidence in support of its submissions to the effect that (1) its applied for goods, which include such products as "homoeopathic medicines", are only available behind the counter via prescription, that (2) they are marketed to a different group of health care professionals, and that (3) they would only be available in its own retail stores.

[41] In the absence of evidence from the Applicant and given that the parties' goods and services are either related or overlap, for the purpose of assessing confusion, I conclude that there is potential for overlap between the parties' channels of trade.

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

[42] 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 similarities or differences among the elements or components of the trade-marks. While the first component of a trade-mark is often considered more important for the purpose of distinction [*Conde Nast Publications Inc v Union des Editions Modernes* (1979), 46 CPR (2d) 183 (FCTD) and *Park Avenue Furniture Corp v Wickes/Simmons Bedding Ltd* (1991), 37 CPR (3d) 413 (FCA)], the preferable approach 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].

[43] In the present case, I find the written component to be the relatively more striking aspect of the Mark given its relative size and prominence, as I do not consider the globe design to be particularly striking or unique.

[44] In terms of appearance and sound, there are clear similarities between the Opponent's trade-mark and the written component of the Mark, which is also its dominant component, EUROFARMA and EURO-PHARM. Likewise, there are similarities in the ideas suggested as both trade-marks evoke the idea of goods and services in the field of pharmaceuticals, with a reference to Europe.

[45] Accordingly, this factor favours the Opponent.

Conclusion in the likelihood of confusion

[46] In applying the test for confusion, I have considered it as a matter of first impression and imperfect recollection. Having considered all of the surrounding circumstances including the length of time that the Opponent's trade-mark EURO-PHARM has been used in Canada, the close connection and overlap between the parties' goods and services, the potential for overlap between the channels of trade, and clear similarities between the parties' trade-marks, I am not 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 trade-mark EURO-PHARM.

[47] As I find that comparing the Mark with the trade-mark EURO-PHARM effectively decided the outcome of this ground of opposition, it is not necessary to consider whether the Opponent has discharged its evidential burden for the trade-name EURO-PHARM.

Non-distinctiveness Ground of Opposition

[48] The Opponent has pleaded that the Mark does not actually distinguish the Applicant's goods and services from those of the Opponent, nor is it adapted so to distinguish them, in view of the provisions of section 2 of the Act.

[49] In order to meet its initial burden, the Opponent is required to show that its trade-mark or its trade-name had become known sufficiently in Canada, as of the filing date of the statement of opposition, to negate the distinctiveness of the Mark [see *Metro-Goldwyn-Mayer Inc v Stargate Connections Inc* (2004), 2004 FC 1185 (CanLII), 34 CPR (4th) 317 (FC); *Motel 6, Inc v No 6 Motel Ltd* (1981), 56 CPR (2d) 44 (FCTD); and *Bojangles' International LLC v Bojangles Café Ltd* (2006), 2006 FC 657 (CanLII), 48 CPR (4th) 427 (FC)].

[50] Even though the material date for the non-distinctiveness ground of opposition falls later than the filing date of the subject application, that is the filing date of the statement of opposition, namely, June 21, 2013, the different dates do not result in a different outcome [see *Metro-Goldwyn-Mayer Inc*, supra].

[51] The evidence summarized above with respect to the use and promotion of the trade-mark EURO-PHARM is sufficient to meet the Opponent's burden under this ground of opposition. For the reasons set out with the non-entitlement ground of opposition, there is a reasonable likelihood of confusion between the Mark and the trade-mark EURO-PHARM; this ground therefore succeeds.

Remaining Grounds of Opposition

[52] Since I have already refused the application under two grounds, I do not consider it necessary to address the remaining grounds of opposition.

Disposition

[53] Pursuant to the authority delegated to me under section 63(3) of the Act, I refuse the application under section 38(8) of the Act.

Pik-Ki Fung Member Trade-marks Opposition Board Canadian Intellectual Property Office