



LE REGISTRAIRE DES MARQUES DE COMMERCE
THE REGISTRAR OF TRADEMARKS

Citation: 2019 TMOB 117
Date of Decision: 2019-10-31

IN THE MATTER OF AN OPPOSITION

Madenco Biosciences Inc. **Opponent**

and

Harrow Health, Inc. **Applicant**

1,740,909 for SSP TECHNOLOGY **Application**

INTRODUCTION

[1] On August 7, 2015, Imprimis Pharmaceuticals, Inc. filed application No. 1,740,909 (the Application) to register the trademark SSP TECHNOLOGY (the Mark), claiming priority to United States application No. 86/530,228 filed on February 10, 2015.

[2] The Application is in association with “Drug delivery agents in the form of solutions that facilitate the delivery of ophthalmological pharmaceutical preparations” (the Goods) and “Fabricating ophthalmological drugs, compositions and preparations to the order and specification of others” (the Services). The Application is based on proposed use of the Mark in Canada in association with the Goods and Services, and use and registration of the Mark in the United States in association with the Services.

[3] Imprimis Pharmaceuticals, Inc. subsequently changed its corporate name to Harrow Health, Inc., and this name change was recorded by the Registrar on February 26, 2019. My reference in this decision to “the Applicant” should therefore be understood as referring to Imprimis Pharmaceuticals, Inc. which later changed its name to Harrow Health, Inc.

[4] The Application was advertised for opposition purposes in the *Trademarks Journal* on January 11, 2017.

[5] On April 7, 2017, Madenco Biosciences Inc. (the Opponent) filed a statement of opposition against the Application pursuant to section 38 of the *Trademarks Act*, RSC 1985, c T-13 (Act). This Act was amended on June 17, 2019. All references are to the Act as amended, with the exception of references to the grounds of opposition which refer to the Act as it read before it was amended (see section 70 of the Act which provides that section 38(2) of the Act as it read prior to June 17, 2019 applies to applications advertised prior to that date).

[6] The grounds of opposition are based on registrability under section 12(1)(d), entitlement under sections 16(2)(b) and 16(3)(b), distinctiveness under section 2, and compliance with sections 30(d) and 30(i) of the Act. The primary issue in the opposition is whether there is a likelihood of confusion between the Mark and the Opponent’s trademark SP TECHNOLOGY which is the subject of registration No. TMA961,355. The application for the trademark SP TECHNOLOGY which matured to registration No. TMA961,355 was filed by the Opponent’s predecessor in title, Quest PharmaTech Inc.

[7] On May 18, 2017, the Applicant filed a counter statement denying the grounds of opposition.

[8] The Opponent’s evidence consists of the affidavit of Dr. Ragupathy Madiyalakan sworn September 6, 2017 (the Madiyalakan Affidavit). The Applicant’s evidence consists of the affidavit of Jennifer MacDonald sworn January 12, 2018 (the MacDonald Affidavit). Neither affiant was cross-examined.

[9] Both parties filed a written argument. An oral hearing was not requested.

OVERVIEW OF THE EVIDENCE

The Opponent's evidence – The Madiyalakan Affidavit

[10] Dr. Madiyalakan is the Chief Executive Officer (CEO) of Quest PharmaTech Inc. (“Quest Pharma”), a publicly traded pharmaceutical company based in Canada. He holds a Master's degree in chemistry and Ph.D. in Biochemistry and has been CEO of Quest Pharma since August 2006 [paras 2 and 4].

[11] Dr. Madiyalakan is also the CEO of the Opponent, a wholly owned Canadian subsidiary of Quest Pharma [para 3].

[12] As noted above, Quest Pharma is the Opponent's predecessor-in-title in respect of application No. 1,699,464 for the trademark SP TECHNOLOGY, which later issued to registration No. TMA961,355, and on which the Opponent now relies.

[13] Dr. Madiyalakan describes the Opponent as a global consumer health company focused on commercialising validated consumer health products around the world, through development, licensing and acquisition. He indicates that the Opponent is focused on bringing products to the consumer health and pharmaceutical markets using its proprietary transdermal delivery and nanoparticle formulation technologies. Dr. Madiyalakan describes the Opponent's product categories as including innovative cosmetics, natural health products and prescription pharmaceuticals [paras 6 and 7].

[14] The Madiyalakan Affidavit includes a certified copy of the Opponent's registration No. TMA961,355 for the trademark SP TECHNOLOGY. The particulars included with the registration certificate indicate that application No. 1,699,464 for the trademark SP TECHNOLOGY was filed on October 23, 2014 and issued to registration on January 30, 2017. The goods and services covered under the registration are as follows:

Goods

(1) Peptides and peptide reagents for delivering bioactive chemicals and macromolecules into the skin for use in the manufacture of skin care products.

Services

- (1) Developing and manufacturing of skin care products.
- (2) Developing and manufacturing of peptides and peptide reagents for delivering bioactive chemicals and macromolecules into the skin for use in the manufacture of skin care products.
- (3) Consulting services in the field of the development and manufacturing of skin care products.

[15] Dr. Madiyalakan asserts that the trademark SP TECHNOLOGY has been continuously used in Canada since at least as early as January 2017 in association with a delivery technology, namely transdermal skin penetrative active reagents to facilitate the delivery of bioactive chemicals and macromolecules, for cosmetics, dermatology and pharmaceutical applications [para 10].

[16] The Madiyalakan Affidavit includes multiple examples of the display of the trademark SP TECHNOLOGY on advertising material promoting the Opponent's technology, including a brochure [Exhibit O-4], websites [Exhibits O-2 and O-3] and press releases [Exhibits O-6], as well as a representative example of product packaging for a skin rejuvenation serum bearing the trademark SP TECHNOLOGY along with the primary brand name Bellus Skin [Exhibit O-5].

[17] Based on a review of these exhibits, in conjunction with the statements in the body of the Madiyalakan Affidavit, it is apparent that the trademark SP TECHNOLOGY is displayed by the Opponent in association with a biochemical technology platform which purports to enhance the delivery of active chemical ingredients into the skin cells of the human body. The first application of this technology platform appears to have been its incorporation into a skin rejuvenation serum sold under the Bellus Skin brand; however, it is apparent from the Opponent's marketing materials that it promotes its technology platform as having broader medical applications, including its incorporation into products that promote wound healing and recovery from dermatology procedures [see Exhibits O-2 and O-3].

[18] Dr. Madiyalakan asserts that the "launch of the SP TECHNOLOGY trademark was largely promoted in Canada", including through the CISION PR Newswire website *www.prnewswire.com*, which he describes as the largest distribution network in the commercial news distribution industry. In particular, Dr. Madiyalakan includes two press releases published

on November 14, 2016 and May 18, 2017 which advertise products and product development incorporating the Opponent's SP TECHNOLOGY platform [para 20].

[19] The November 14, 2016 press release advertises the introduction of the Bellus Skin Rejuvenation Serum incorporating the SP TECHNOLOGY platform, and identifies a launch event for the product to be held on November 17, 2016 at the Alberta DermaSurgery Centre in collaboration with a physician [Exhibit O-6].

[20] The May 18, 2017 press release is titled "Madenco Biosciences Creates New Line of Cosmeceuticals to Complement Bellus Skin™ Serum for Anti-Aging" [Exhibit O-6]. It states in part as follows:

The SP-DERM line is based on Madenco's proprietary SP-Technology™ platform that creates topically deliverable molecules with superior properties in terms of skin permeability or topical absorption. These molecules are also known as protein transduction domain (PTD) or cell-penetrating peptides/proteins (CPP).

Utilizing SP-Technology™ and with guidance from Dr. Jaggi Rao MD, FRCPC, a respected Edmonton dermatologist and cosmetic surgeon, the following three products will mark the entry of the SP-DERM line: (i) SP-DERM Recovery, a post-procedural cream for promoting recovery after intensive laser treatments and/or other procedures that leave the skin barrier compromised, (ii) SP-DERM Maintenance, a maintenance cream for prolonging the effects of cosmetic procedures and (iii) SP-DERM Acne, a serum to minimize the appearance of acne scars.

[...]

Madenco has previously introduced Bellus Skin™ Serum to the Canadian market, a clinically validated anti-aging skin serum proven to reduce the appearance of wrinkles and signs of aging using SP-Technology™ to deliver fusion proteins targeting growth factors into the skin. Bellus Skin™ Serum is available for purchase online at www.belluskin.com.

[21] Despite including examples of advertising material and a representative example of product packaging bearing the Opponent's trademark SP TECHNOLOGY, I note that the Madiyalakan Affidavit does not provide any sales figures for products in association with the Opponent's mark, any distribution figures for the advertising material, or any attendance figures for the November 17, 2016 launch event discussed above.

The Applicant's evidence – The MacDonald Affidavit

[22] Ms. MacDonald is a paralegal employed by the agent for the Applicant. Her affidavit includes results from searches she conducted on January 12, 2018 on the Canadian Intellectual Property Office (CIPO) website for active trademark applications and registrations that include the element “SP”, in association with goods in Nice classifications 1, 3 and 5.

ONUS AND MATERIAL DATES

[23] The Applicant bears the legal onus of establishing, on a balance of probabilities that the Application complies with the requirements of the Act. This means that if a determinate conclusion cannot be reached in favour of the Applicant after a consideration of all of the evidence, then the issue must be decided against the Applicant. 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 CPR (3d) 293 (FCTD) at 298].

[24] The material dates with respect to the grounds of opposition are as follows:

- Sections 38(2)(a)/30 of the Act - the filing date of the Application, namely, August 7, 2015 [*Georgia-Pacific Corp v Scott Paper Ltd* (1984), 3 CPR (3d) 469 (TMOB) at 475];
- Sections 38(2)(b)/12(1)(d) of the Act - the date of my decision [*Park Avenue Furniture Corporation v Wickes/Simmons Bedding Ltd and The Registrar of Trade Marks* (1991), 37 CPR (3d) 413 (FCA)];
- Sections 38(2)(c)/ 16(2)(b) and 16(3)(b) of the Act – the priority filing date of the Application, namely, February 10, 2015 [*Earthrise Farms v Saretzky* (1997), 85 CPR (3d) 368 (TMOB); *Fisons Pharmaceuticals Ltd v Sales Affiliates Inc* (1973), 10 CPR (2d) 123 (TMOB)]; and
- Sections 38(2)(d) of the Act - the filing date of the opposition, namely, April 7, 2017 [*Metro-Goldwyn-Mayer Inc v Stargate Connections Inc*, 2004 FC 1185, 34 CPR (4th) 317].

GROUNDS OF OPPOSITION SUMMARILY DISMISSED

Section 30(d) ground of opposition

[25] The Opponent pleads that the application does not comply with section 30(d) of the Act because the Mark had not been used in the United States in association with the Services as of the filing date of the Application.

[26] In its written argument at paragraph 71, the Opponent argues that “[n]o evidence of use in the United States of America has been adduced by the Applicant in order to defend against this ground of opposition”. While that may be the case, the Applicant was under no obligation to adduce such evidence unless the Opponent first met its initial evidential burden with respect to this ground [*Kingsley v Ironclad Games Corp*, 2016 TMOB 19].

[27] As there is no evidence of record that supports this ground of opposition, the section 30(d) ground of opposition is dismissed on the basis that the Opponent has not met its initial burden.

Section 30(i) ground of opposition

[28] The Opponent pleads that, contrary to section 30(i) of the Act, the Applicant could not have been satisfied of its entitlement to use the Mark, because at the date of filing the Application the Applicant was aware or should have been aware of the Opponent’s predecessor-in-title’s intention to adopt a confusingly similar trademark in Canada, by virtue of the previously filed application No. 1,699,464 for the trademark SP TECHNOLOGY filed by the Opponent’s predecessor-in-title Quest Pharma on October 23, 2014.

[29] Section 30(i) of the Act requires an applicant to include a statement in the application that the applicant is satisfied that it is entitled to use the trademark in Canada. Where an applicant has provided the required statement, the jurisprudence suggests that non-compliance with section 30(i) of the Act can be found only where there are exceptional circumstances that render the applicant’s statement untrue, such as evidence of bad faith or non-compliance with a federal statute [see *Sapodilla Co Ltd v Bristol-Myers Co* (1974), 15 CPR (2d) 152 (TMOB) at 155; and *Canada Post Corporation v Registrar of Trade-marks* (1991), 40 CPR (3d) 221 (FCTD)]. Mere

knowledge of the existence of an opponent's trademark is not sufficient to support a section 30(i) ground of opposition [see *Woot Inc v WootRestaurants Inc*, 2012 TMOB 197].

[30] In the present case, the Application contains the requisite statement and there is no evidence that this is an exceptional case involving bad faith or the violation of a federal statute.

[31] Accordingly, the section 30(i) ground of opposition is dismissed.

REMAINING GROUNDS OF OPPOSITION

Section 12(1)(d) ground of opposition

[32] The Opponent pleads that the Mark is not registrable because it is confusing with the Opponent's registered trademark SP TECHNOLOGY (TMA961,355).

[33] The Madiyalakan Affidavit includes a certified copy of registration No. TMA961,355. This certified copy is sufficient to meet the Opponent's initial burden under the section 12(1)(d) ground of opposition, and I have exercised my discretion to check the Register to confirm that the registration remains extant. The Opponent has therefore met its initial evidential burden with respect to this ground of opposition. As a result, the Applicant bears the legal burden of demonstrating on a balance of probabilities that there is no likelihood of confusion between the Mark and the Opponent's registered trademark.

Test for confusion

[34] The test to determine the issue of confusion is set out in section 6(2) of the Act where it is stipulated that the use of a trademark causes confusion with another trademark if the use of both trademarks in the same area would likely lead to the inference that the goods and services associated with those trademarks are manufactured, sold, leased, hired or performed by the same person, whether or not the goods and services are of the same general class or appear in the same class of the Nice Classification. In making such an assessment, I must take into consideration all the relevant surrounding circumstances, including those listed in section 6(5) of the Act: the inherent distinctiveness of the trademarks and the extent to which they have become known; the length of time the trademarks have been in use; the nature of the goods and services or business;

the nature of the trade; and the degree of resemblance between the trademarks in appearance, or sound or in the ideas suggested by them.

[35] These criteria are not exhaustive and different weight will be given to each one in a context specific assessment [see *Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée*, 2006 SCC 23, 49 CPR (4th) 401; *Mattel, Inc v 3894207 Canada Inc*, 2006 SCC 22, [2006] 1 SCR 772 (SCC) at para 54]. I also refer to *Masterpiece Inc v Alavida Lifestyles Inc*, 2011 SCC 27, 92 CPR (4th) 361 (SCC) at para 49, where the Supreme Court of Canada states that section 6(5)(e), the resemblance between the marks, will often have the greatest effect on the confusion analysis. In the present case, I will consider the degree of resemblance factor first.

Degree of resemblance

[36] It is preferable to begin the confusion analysis by determining whether there is an aspect of each trademark that is “particularly striking or unique” [*Masterpiece, supra*, at paragraph 64].

[37] With respect to the Opponent’s trademark, in my view, the dominant element is the term “SP”. This is the first element of the trademark when read and spoken, and in my view is more striking and unique as compared to the highly suggestive word “TECHNOLOGY”. In this regard, I note that the word “TECHNOLOGY” is defined in the *Oxford Reference Dictionary* as “the application of scientific knowledge for practical purposes, especially in industry.” [see *Tradall SA v Devil's Martini Inc*, 2011 TMOB 65 at para 29 which provides that the Registrar can take judicial notice of dictionary definitions].

[38] With respect to the Applicant’s Mark, I similarly consider the term “SSP” to be the dominant element of the Mark, for the same reasons set out above with respect to the Opponent’s trademark.

[39] I consider the elements “SP” and “SSP” to bear a reasonable degree of resemblance, given that the sole difference is the duplicated first letter “S”. The degree of resemblance is increased when one considers the parties’ marks as a whole (SP TECHNOLOGY vs. SSP TECHNOLOGY), since the Applicant’s Mark incorporates the entirety of the Opponent’s trademark, but for the duplicated first letter “S”, which leads to a high degree of similarity between the marks when viewed and sounded.

[40] With respect to the ideas conveyed by the parties' marks, I note that neither party's trademark incorporates or makes evident the meaning of "SP" or "SSP" nor is there any evidence of record to suggest that the terms "SP" or "SSP" are known descriptive terms that would convey a readily understood meaning to relevant customers. With this in mind, I anticipate the terms "SP" and "SSP" would be perceived as acronyms or abbreviations.

[41] The Madiyalakan Affidavit at paragraph 23 indicates that "SP" is intended by the Opponent to reference "the expression 'skin permeable' or 'superior penetration'". Other promotional material included in the Madiyalakan Affidavit suggests that "SP" may refer to "Superior Permeability" [see Exhibit O-6]. However, regardless of which of these meanings may have been intended by the Opponent, in my view, there is nothing in the evidence to demonstrate that relevant Canadian customers would readily understand "SP" to have any of those meanings.

[42] Ultimately, with respect to the ideas suggested, in my view, the parties' trademarks are similar in that they both convey a certain type of scientific knowledge or expertise (i.e. "TECHNOLOGY") associated with a particular acronym ("SP" or "SSP") having been incorporated into the goods and services.

[43] In view of the above, when considering the parties' trademarks as a whole, in my view they bear a high degree of resemblance in terms of appearance, sound and ideas suggested.

[44] Accordingly, I find the section 6(5)(e) factor strongly favours the Opponent.

The inherent distinctiveness of the trademarks and the extent to which they have become known

[45] Generally, trademarks consisting of initials or acronyms are considered to be "weak" marks with a low degree inherent distinctiveness [see *GSW Ltd v Great West Steel Industries Ltd* (1975), 22 CPR (2d) 154 (FCTD) at 163-164; and *Gemological Institute of America Inc v Gemology Headquarter International LLC*, 2014 FC 1153, 127 CPR (4th) 163].

[46] In the present case, the parties' trademarks are not comprised solely of acronyms, because both parties' marks also include the term "TECHNOLOGY". However, as noted above, the term "TECHNOLOGY" is highly suggestive of scientific knowledge or expertise, and so does not significantly add to the inherent distinctiveness of either of the parties' trademark.

[47] Thus, in my view, both parties' trademarks possess a fairly low degree of inherent distinctiveness.

[48] The strength of a trademark may be increased by it becoming known through promotion or use. With the Applicant's Mark in the present case, there is no evidence that it has been used or become known to any extent in Canada.

[49] With respect to the Opponent's trademark SP TECHNOLOGY, in my view, the Opponent has demonstrated, at best, minimal use of its mark, which in the present case is insufficient to conclude that its trademark is known to any significant extent in Canada. The Madiyalakan Affidavit includes a certified copy of the Opponent's registration No. TMA961,355; however, this permits the Registrar to assume only *de minimis* use of the Opponent's trademark [see *Red Carpet Food Systems Inc. v Furgale*, [2003] TMOB 52; and *Entre Computer Centers, Inc v Global Upholstery Co* (1991), 40 CPR (3d) 427 (TMOB)]. While the Madiyalakan Affidavit includes multiple examples of advertising material bearing its mark, which appear to have been directed to a Canadian audience, the Opponent has not provided any evidence by which to assess the number of Canadians which would have seen this advertising material. Similarly, no sales figures are provided for products bearing the Opponent's trademark.

[50] Consequently, I find that the overall consideration of the section 6(5)(a) factor, which involves a combination of inherent and acquired distinctiveness of the parties' trademarks, does not favour either party.

The length of time the trademarks have been in use

[51] With respect to the Applicant's Mark, the Application is based on proposed use and there is no evidence that use of the Mark has commenced in Canada.

[52] With respect to the Opponent's trademark SP TECHNOLOGY, as discussed above, the certified copy of registration No. TMA961,355 permits the Registrar to assume *de minimis* use of the mark in Canada. In addition, although weak evidence, the Madiyalakan Affidavit includes advertising material bearing the mark which suggests that some use of the mark has taken place in Canada, at least in respect of the services "[d]eveloping and manufacturing of peptides and

peptide reagents for delivering bioactive chemicals and macromolecules into the skin for use in the manufacture of skin care products”.

[53] Accordingly, I find the section 6(5)(b) factor favors the Opponent, but only to a slight degree.

The nature of the goods, services or business; and the nature of the trade

[54] When considering the goods and services of the parties, it is the statement of goods and services in the parties’ trademark application and registrations that govern the issue of confusion arising under section 12(1)(d) [*Mr Submarine Ltd v Amandista Investments Ltd* (1987), 19 CPR (3d) 3 (FCA); and *Miss Universe Inc v Bohna* (1994), 58 CPR (3d) 381 (FCA)]. However, those statements must be read with a view to determining the probable type of business or trade intended by the parties rather than all possible trades that might be encompassed by the wording. In this regard, evidence of the actual trades of the parties can be useful, particularly where there is an ambiguity as to the goods or services covered in the application or registration at issue [*McDonald’s Corp v Coffee Hut Stores Ltd* (1996), 68 CPR (3d) 168 (FCA); *Procter & Gamble Inc v Hunter Packaging Ltd* (1999), 2 CPR (4th) 266 (TMOB); and *American Optical Corp v Alcon Pharmaceuticals Ltd* (2000), 5 CPR (4th) 110 (TMOB)].

[55] The description of the goods and services in the Opponent’s registration No. TMA961,355 is as follows:

Goods

- (1) Peptides and peptide reagents for delivering bioactive chemicals and macromolecules into the skin for use in the manufacture of skin care products.

Services

- (1) Consulting regarding product development of skin care products, and peptides and peptide reagents for delivering bioactive chemicals and macromolecules into the skin for use in the manufacture of skin care products.
- (2) Developing and manufacturing of peptides and peptide reagents for delivering bioactive chemicals and macromolecules into the skin for use in the manufacture of skin care products.
- (3) Consulting services in the field of the development and manufacturing of skin care products.

[56] The description of goods and services in the Application is as follows:

Goods

(1) Drug delivery agents in the form of solutions that facilitate the delivery of ophthalmological pharmaceutical preparations.

Services

(1) Fabricating ophthalmological drugs, compositions and preparations to the order and specification of others.

[57] The Applicant in its written argument seeks to distinguish the parties' goods and services by suggesting that they target different specialized markets (skin care vs ophthalmological pharmaceuticals) and different target consumers (consumers seeking skin care products vs consumers seeking ophthalmological pharmaceuticals).

[58] However, in my view, the nature of the respective parties' goods and services and their likely channels of trade are not as disparate as the Applicant contends, particularly considering the evidence filed by the Opponent as to the nature of its business, and given the absence of any evidence from the Applicant speaking to its business and channels of trade.

[59] The parties' goods and services overlap to certain degree as they both relate to technologies whose purpose is to deliver active chemical ingredients into the human body. In this regard, I note that the goods listed in the Opponent's registration are not skin care products *per se*, but "Peptides and peptide reagents for delivering bioactive chemicals and macromolecules into the skin for use in the manufacture of skin care products". The Opponent's evidence indicates that it displays its trademark in association with a technology platform for the delivery of active chemical ingredients into the human body that is marketed and developed, in part, for medical purposes and in conjunction with medical professionals. Similarly, the description of goods in the Application is not ophthalmological pharmaceuticals *per se*, but "drug delivery agents in the form of solutions that facilitate the delivery of ophthalmological pharmaceutical preparations".

[60] In this context, it is not so much a question of whether a retail consumer would think that a skin care product and ophthalmological pharmaceutical come from the same source. The more relevant question is whether an individual with a vague recollection of the Opponent's trademark

SP TECHNOLOGY used in association with a technology platform for delivering bioactive chemicals into skin cells, might think that the Applicant's drug delivery agents in the ophthalmological field under the mark SSP TECHNOLOGY come from the same source.

[61] In view of the above, and particularly in the absence of any evidence from the applicant speaking to the nature of its goods, services and channels of trade, I am unable to conclude that the parties' goods and services would not potentially travel through the same channels of trade and be directed, at some point, to the same types of customers, such as pharmaceutical manufacturers, doctors, medical clinics, hospitals, pharmacies or patients.

[62] As a final point, I note that the Applicant at paragraph 82 of its written argument relies on *Distribution Prosol PS Ltd v Custom Building Products Ltd*, 2015 FC 1170, wherein the Federal Court found no likelihood of confusion between a series of FUSION PRO trademarks in association with grout for flooring and the trademarks FUSION FORCE and FUSION PATCH in association with adhesives for flooring, in part because of differences between the parties' goods and channels of trade. However, I do not consider that decision to be on point with the present case. First, *Distribution Prosol* involved an application to expunge existing trademark registrations which were presumed valid, and thus the legal burden was on the party seeking to expunge the marks due to an alleged likelihood of confusion, whereas in the present case the legal burden is on the Applicant. Second, in *Distribution Prosol* the Court had the benefit of evidence from both parties speaking to the nature of their respective goods and channels of trade, from which the Court was able to conclude that the goods and channels of trade were sufficiently distinct. In this case, there is no evidence from the Applicant speaking to those issues. Finally, in *Distribution Prosol*, the evidence demonstrated that multiple third parties used the word "Fusion" in the flooring business in Canada. As discussed in further detail, below, there is no equivalent evidence in the present case. For these reasons, in my view, *Distribution Prosol* does not assist the Applicant.

[63] Accordingly, I find the sections 6(5)(c) and 6(5)(d) factors favour the Opponent. However, I note that my conclusion regarding these two factors might have been different if the Applicant had provided evidence shedding more light on the nature of its goods, services and channels of trade.

Additional surrounding circumstances

Trademarks in the pharmaceutical field

[64] The Opponent in its written argument refers to the importance of “Preventing confusion and mistakes in the pharmaceutical field” as a surrounding circumstance which supports the refusal of the Application. In particular, at paragraph 41 of its written argument the Opponent states:

Health and safety concerns when assessing confusion between pharmaceutical preparations and drug names for trademark registration purposes are all the more relevant in the case at hand when facing two trademarks that are almost identical, with only one letter to distinguish them, as highlighted above.

[65] I do not find this to be a surrounding circumstance which assists the Opponent in the present case. To the extent that the Opponent is suggesting that a different legal standard applies when analyzing the issue of confusion when the trademarks are in the pharmaceutical or medical field, I refer to the Board’s decision in *SmithKline Beecham Corp v Pierre Fabre Médicament* [1998] TMOB 141, in which the application of the statutory standard stated in section 6(2) of the Act in the pharmaceutical field was considered. In that case, it was held that there is only one statutory standard under section 6(2) of the Act, and the essential question to be determined is expressly related to the source of the products. In other words, the standard for assessing confusion in opposition proceedings relating to pharmaceuticals is not different than that applicable to other goods [see also *Servier Canada Inc v American Home Products Corporation* (1997), 1997 CanLII 15763 (TMOB); *Biofarma v NPS Pharmaceuticals Inc* (2008), 2008 CanLII 88288 TMOB); and *Ferring, Inc v Apotex Technologies, Inc*, 2013 TMOB 225].

[66] Consequently, I do not consider the Opponent’s arguments relating to medication error to be a surrounding circumstance which assist the Opponent in this case.

Trademark Examiner’s report

[67] The Opponent submits that another surrounding circumstance in its favour is the fact that, during the prosecution of the Application prior to advertisement, the trademark Examiner raised a confusion objection based on the previously filed application for the trademark SP

TECHNOLOGY. In this regard, Exhibit O-8 to the Madiyalakan Affidavit is a copy of an Examiner's report dated February 2, 2016, wherein the Examiner objected to the Application on the basis that the Mark was confusing with the trademark SP TECHNOLOGY that was the subject of application No. 1,699,464.

[68] I do not consider this to be a relevant surrounding circumstance that assists the Opponent. An objection raised by an Examiner is not binding on the Opposition Board because the onus - and often the evidence - before the Opposition Board differ from that before the Examiner [*Thomas J Lipton Inc v Boyd Coffee Co* (1991), 40 CPR (3d) 272 (TMOB) at 277 and *Procter & Gamble Inc v Morlee Corp* (1993), 48 CPR (3d) 377 (TMOB) at 386].

State of the register

[69] In its written argument at paragraph 49, the Applicant submits that "there are several "SP" trademarks that co-exist on the Canadian Trademark Register in association with goods related to pharmaceutical preparations and beauty care preparations", and that this speaks to the lack of inherent distinctiveness of the Opponent's trademark SP TECHNOLOGY.





[70] State of the register evidence can be introduced to show that a mark or portion of a mark is common among different traders, and thus that consumers are accustomed to distinguishing between the marks based on relatively small differences. However, state of the register evidence is only relevant insofar as inferences may be made from it concerning the state of the marketplace in Canada, and inferences about the state of the marketplace can only be drawn when a *significant* number of pertinent registrations are located [see *Ports International Ltd v Dunlop Ltd* (1992), 41 CPR (3d) 432 (TMOB); *Welch Foods Inc v Del Monte Corp* (1992), 44 CPR (3d) 205 (FCTD); and *Maximum Nutrition Ltd v Kellogg Salada Canada Inc* (1992), 43 CPR (3d) 349 (FCA)].

[71] In the present case the Applicant has introduced state of the register evidence by way of the MacDonald Affidavit, which contains printouts of search results of active trademark applications and registrations including the element "SP" in association with goods in the following three Nice classifications: Class 1 – Chemicals and adhesives; Class 3 – Bleaching,

cleaning preparations and non-medicated cosmetics; and Class 5 – Pharmaceuticals and herbicides.

[72] The search results in the MacDonald Affidavit are not limited to registered trademarks, as the results also include pending applications and official marks. I also note that complete particulars are only included for five trademark registrations, one of which has since been expunged (TMA340,763). I have disregarded the search results for which the particulars of the application/registration (including ownership and the list of goods and services) have not been provided, as without those particulars it is not possible to determine the relevance of the application/registration.

[73] Ultimately, this leaves the following four trademark registrations on which the Applicant relies in its written argument:

Trademark	Registration Number	Owner	Goods/Services
	TMA486,769	Schering-Plough Canada Inc.	[...] preparations for treating ingrown nails, anti-fungal preparations, moisturizing and/or softening lotions, [...] medicinal preparations, namely laxative preparations, analgesic preparations, preparations for the treatment of coughs and/or colds and/or sore throats and/or allergies, mineral oils, [...]
	TMA520,764	Schering-Plough Canada Inc.	Pharmaceutical preparations namely, dermatological preparations, topical dermatologies, psychopharmaceutical preparations, antibiotic preparations, ophthalmic preparations, otic preparations, steroid preparations [...]
	TMA767,863	Standard Process Inc.	[...] pharmaceutical preparations for the treatment of dry skin [...]
	TMA867,410	HFC Prestige International Holding Switzerland Sàrl	Hair care preparations, namely shampoos and hair conditioners; hair styling and finishing products, namely hair sprays, creams, lotions and hair and scalp treatments, namely, restructurizers and

			scalp conditioners
--	--	--	--------------------

[74] The above-referenced four trademark registrations, alone, are insufficient to allow me to draw any inferences regarding the state of the marketplace in Canada with respect to trademarks which incorporate “SP” in association with relevant goods and services. Further, the Applicant has not provided any evidence of use in the marketplace of any of these third party trademarks.

[75] Accordingly, the state of the register evidence does not assist the Applicant.

Conclusion regarding the Section 12(1)(d) ground

[76] The issue to be decided is whether a consumer who has a vague recollection of the Opponent's trademark SP TECHNOLOGY, upon seeing the trademark SSP TECHNOLOGY, would be likely to think that the parties' goods and services share a common source. Having considered all of the surrounding circumstances, I conclude that the Applicant has not satisfied the burden on it to show that there is no reasonable likelihood of confusion between the parties' trademarks. I reach this conclusion because of the significant degree of resemblance between the parties' trademarks in terms of appearance, sound and ideas suggested, the fact that both parties' goods and services appear to relate to technology platforms for delivering active chemicals to the human body, and the fact that the Applicant has not filed any evidence to refute the potential overlap between the parties' goods, services and channels of trade.

[77] In view of the above, the section 12(1)(d) ground of opposition succeeds.

Sections 16(2)(b) and 16(3)(b) grounds of opposition

[78] The Opponent pleads that the Applicant is not the person entitled to registration of the Mark because it is confusing with the Opponent's trademark SP TECHNOLOGY which was the subject of the previously filed application No. 1,699,464 (which later issued to registration No. TMA961,355).

[79] With the section 16(2)(b) and 16(3)(b) grounds of opposition, the Opponent has the initial evidential burden of establishing that the application for the trademark SP TECHNOLOGY was filed prior to the priority filing date of the Applicant's Application, and remained pending at the date of advertisement of the Applicant's Application [section 16(4) of the Act].

[80] Based on my review of the certified copy of registration No. TMA961,355 included with the Madiyalakan Affidavit, I confirm that application No. 1,699,464 for the trademark SP TECHNOLOGY was filed on October 23, 2014, prior to the Application priority filing date of February 10, 2015. Further, application No. 1,699,464 was pending as of the date of advertisement of the Application (January 11, 2017), since application No. 1,699,464 did not proceed to registration until January 30, 2017. Consequently, the Opponent has met its initial evidential burden.

[81] As the Opponent has met its burden, it is incumbent on the Applicant to prove, on a balance of probabilities, that there is no reasonable likelihood of confusion between the parties' trademarks. With the section 16(2)(b) and 16(3)(b) grounds of opposition, the material date is the priority filing date of the Application, namely, February 10, 2015.

[82] In my view, the earlier material date for the non-entitlement grounds of opposition does not significantly alter the confusion analysis set out above for the section 12(1)(d) ground of opposition. With the material date of February 10, 2015, I am precluded from considering any evidence of the use or display of the Opponent's trademark SP TECHNOLOGY which might weigh in the Opponent's favour under sections 6(5)(a) and (b). However, as discussed above, the Opponent's evidence regarding the extent of its use of its trademark is weak in any event, and the finding of a likelihood of confusion in this case turns primarily on the degree of resemblance between the marks and the nature of the goods, services and potential channels of trade.

[83] Accordingly, the section 16(2)(b) and 16(3)(b) grounds of opposition are also successful.

Section 2 ground of opposition

[84] As I have already found in favour of the Opponent with respect to the section 12(1)(d) and section 16(2)(b) and 16(3)(b) grounds of opposition, I do not consider it necessary to discuss the remaining ground of opposition.

DISPOSITION

[85] In view of the above, pursuant to the authority delegated to me under section 63(3) of the Act, I refuse the application pursuant to section 38(12) of the Act.

Timothy Stevenson
Member
Trademarks Opposition Board
Canadian Intellectual Property Office

**TRADEMARKS OPPOSITION BOARD
CANADIAN INTELLECTUAL PROPERTY OFFICE
APPEARANCES AND AGENTS OF RECORD**

No Hearing Held

AGENTS OF RECORD

BENOÎT & CÔTÉ INC.

For the Opponent

MBM INTELLECTUAL PROPERTY LAW LLP

For the Applicant