



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

Citation: 2014 TMOB 73
Date of Decision: 2014-03-27

**IN THE MATTER OF OPPOSITIONS by
Medcases Canada Inc. to application
Nos. 1,462,574 and 1,462,578 for the
trade-marks AXON and AXON Design in
the name of Le Cabinet de Relations
Publiques National Inc./National Public
Relations Inc.**

[1] Medcases Canada Inc. (the Opponent) opposes registration of the trade-marks AXON and AXON Design (shown below) that are the subject of application Nos. 1,462,574 and 1,462,578 respectively by Le Cabinet de Relations Publiques National Inc./National Public Relations Inc. (the Applicant):



Application No. 1,462,578

[2] Filed on December 11, 2009, each application is based on use in Canada since 2003 with services that may be generally described as medical education services, clinical research services, as well as public relation and business consultation services for the healthcare sector. Each application also claims proposed use of the trade-mark with additional clinical research

services. Both statements of services and the details of the claims are reproduced in their entirety in Schedule “A” to this decision.

[3] In each case, the Opponent alleges that: (i) the application does not conform to section 30(i) of the *Trade-marks Act*, RSC 1985, c T-13 (the Act); (ii) the trade-mark is not registrable under section 12(1)(d) of the Act; (iii) the Applicant is not the person entitled to registration of the trade-mark under sections 16(1)(a), 16(3)(a), 16(1)(b) and 16(3)(b) of the Act; and (iv) the trade-mark is not distinctive under section 2 of the Act.

[4] At the oral hearing, the Opponent advised that it was withdrawing its opposition to each application with respect to the services other than those listed below (the Opposed Services):

(2) Medical education services, namely strategic planning of physician communications, developing and managing key opinion leader identification and development programs; medical education services, namely writing and materials development for health care audiences; medical education services, namely developing and delivery of investigator education and training;

(4) Medical education services, namely, sales force education and training programs; and
(5) Medical education services, namely, developing and implementing patient recruitment programs for clinical research.

[5] Since the Opponent has withdrawn its opposition to the registration of the Marks in association with the remaining services, including those based on proposed use, the sections 16(3)(a) and 16(3)(b) grounds of opposition with respect to each application are moot.

[6] My decision will therefore focus on the Opposed Services.

[7] For the reasons that follow, the applications ought to be refused, but only with respect to the Opposed Services.

The Record

[8] The Opponent filed its statements of opposition to application Nos. 1,462,578 and 1,462,574 on February 1, 2011 and May 12, 2011 respectively; the Applicant filed and served its counter statements denying all of the grounds of opposition alleged in each statement of opposition on March 8, 2011 and July 6, 2011 respectively.

Opponent's Evidence

[9] The Opponent filed substantially the same evidence in support of each opposition. In each case, the Opponent filed the affidavit of Richard Allard, Director of Finance of the Opponent, certified copies of registration Nos. TMA714,288 and TMA714,359 for the Opponent's trade-marks I.C. AXON and THE I.C. AXON EVALUATOR, and certified copy of the file wrapper of the Applicant's application for the trade-mark at issue. Mr. Allard was cross-examined and his cross-examination transcript and replies to undertakings form part of the record.

Applicant's Evidence

[10] In support of each application, the Applicant filed the essentially identical affidavit of Chuck Johnston, Partner and Healthcare Practice Leader of Axon, a division of the Applicant, as well as the affidavit of Martin McKendry, a student-at-law of the Applicant's trade-mark agent. The McKendry affidavit introduces into evidence a copy of a letter from the Registrar of Trade-marks. The letter confirms the expungement of the Opponent's trade-mark THE I.C. AXON EVALUATOR of registration No. TMA714,359 on July 19, 2012, along with a printout of the expunged registration from the Canadian Intellectual Property Office's trade-marks database.

Written Arguments and Oral Hearing

[11] Both parties filed written arguments in each case; an oral hearing for both opposition proceedings was held in which both parties were represented.

The Parties' Respective Burden or Onus

[12] The Applicant bears the legal onus of establishing, on a balance of probabilities, that each of its applications 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].

Grounds of Opposition Summarily Dismissed

[13] The grounds of opposition raised under sections 30(i) and 16(1)(b) of the Act against each application are summarily dismissed for the reasons that follow.

[14] 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 trade-mark 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 [see *Sapodilla Co Ltd v Bristol-Myers Co* (1974), 15 CPR (2d) 152 (TMOB) at 155]. There is no such evidence here.

[15] Section 16(4) of the Act requires that an application relied upon pursuant to section 16 be pending at the date of advertisement of the application at issue. In the present case, the applications for the trade-marks I.C. AXON and THE I.C. AXON EVALUATOR alleged in support of the grounds of opposition based on section 16(1)(b) of the Act had already proceeded to registrations at the date of advertisement of each of the Applicant's trade-mark applications [see *Governor and Co of Adventurers of England trading into Hudson's Bay v Kmart Canada Ltd* (1997), 76 CPR (3d) 526 (TMOB)]. The grounds of opposition based on section 16(1)(b) of the Act are therefore dismissed for being improperly pleaded.

Analysis of the Remaining Grounds of Opposition

[16] The remaining grounds revolve around the likelihood of confusion between the Applicant's applied for trade-marks AXON and AXON Design, and the Opponent's registered trade-marks I.C. AXON and THE I.C. AXON EVALUTOR, with respect to the Opposed Services. I will analyse each of the grounds in turn.

[17] As the parties' respective evidence and submissions in each proceeding are essentially the same and there is no significant difference between the two proceedings, I will consider both applications together in analyzing the remaining grounds of opposition. I will refer to the Applicant's trade-marks collectively as "the Marks" and distinguish between them where

necessary. Also, I will use the singular form in my consideration of the essentially identical affidavits filed by Richard Allard, Chuck Johnston, and Martin McKendry, in each proceeding.

Are the Marks Registrable?

[18] The material date for considering this issue, which arises from the section 12(1)(d) grounds of opposition, is the date of my decision [see *Park Avenue Furniture Corporation v Wickes/Simmons Bedding Ltd and The Registrar of Trade Marks* (1991), 37 CPR (3d) 413 (FCA)]. For the reasons that follow, I accept the section 12(1)(d) ground of opposition with respect to the Opposed Services, based on registration No. TMA714,288 for the trade-mark I.C. AXON, and decide this issue in favour of the Opponent with respect to each application.

[19] Having exercised the Registrar's discretion, I confirm that the Opponent's registration No. TMA714,288 for the trade-mark I.C. AXON is in good standing. The particulars of the registration are reproduced in Schedule "B" to this decision. However, registration No. TMA714,359 for the trade-mark THE I.C. AXON EVALUATOR was expunged on July 19, 2012. I therefore dismiss the registrability ground of opposition with respect to each application to the extent that it is based upon registration No. TMA714,359.

The test for confusion

[20] Since the Opponent has satisfied its initial evidential burden with respect to the registration No. TMA714,288 for the trade-mark I.C. AXON, 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 Marks and the Opponent's registered trade-mark I.C. AXON with respect to the Opposed Services.

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

[22] 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 wares, services or business; (d) the nature of the trade; and (e) the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them. These enumerated factors need not be attributed equal weight [see *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].

[23] In *Masterpiece*, the Supreme Court of Canada discussed the importance of section 6(5)(e) in conducting an analysis of the likelihood of confusion. Specifically, the Court noted that the degree of resemblance is the statutory factor that is often likely to have the greatest effect on the confusion analysis; the other factors become significant only once the marks are found to be identical or very similar.

[24] I will now turn to the assessment of the section 6(5) factors starting with the degree of resemblance between the Marks and I.C. AXON.

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

[25] 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. Moreover, while the first word of a trade-mark may be the most important for purposes of distinctiveness in some cases, the preferable approach when comparing trade-marks 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]. For the reasons that follow, this factor favours the Opponent.

[26] There is necessarily a high degree of resemblance in appearance, sound and ideas suggested between the parties' marks owing to the identical term "AXON", which according to

The Canadian Oxford Dictionary, is defined as “a long threadlike part of a nerve cell, conducting impulses from the cell body”. Even though it is not the first portion of the mark, I consider the term “AXON” to be the distinctive element of the Opponent’s mark as letters are not inherently distinctive and the initials “I.C.” do not have any apparent meaning [*GSW Ltd v Great West Steel Industries Ltd* (1975), 22 CPR (2d) 154 (FC)]. Similarly, the term “AXON” is also the distinctive element of the Applicant’s Marks as it is the sole feature of the word mark and it is the dominant feature of the design mark, notwithstanding the stylized representation of the letter “X”.

[27] When considered in their entirety, I find the parties’ marks to have a high degree of resemblance in appearance, sound and ideas suggested due to their identical distinctive element “AXON”. Accordingly, the section 6(5)(e) factor favours the Opponent.

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

[28] The overall consideration of the section 6(5)(a) factor, which involves a combination of inherent and acquired distinctiveness of the parties’ trade-marks, favours the Applicant.

Inherent Distinctiveness – Both Parties’ Trade-marks

[29] I assess the inherent distinctiveness of both parties’ marks to be similar since they all share the same distinctive element, the term “AXON”. In the case of the Opponent’s mark, the addition of initials also somewhat contributes to its overall inherent distinctiveness.

[30] The strength of a trade-mark may be increased by means of it becoming known in Canada through promotion or use. In this regard, both parties provided evidence of promotion and use of their trade-marks. I shall begin with the review of the Opponent’s evidence.

Acquired Distinctiveness – I.C. AXON

[31] In his affidavit, Mr. Allard explains that the Opponent is a medical education e-learning company that develops education and training programs for pharmaceutical, biopharmaceuticals, and medical device industries. Users of such services include pharmaceutical sales representatives, medical science liaisons, and executives. It also develops promotional education

programs for physicians and various healthcare professionals, as well as medical websites with clinical information for medical professionals.

[32] In terms of use of the mark, Mr. Allard states that “the Opponent has continuously used in Canada, in the normal course of trade, its trade-mark I.C. AXON in association with *Computer based training services in the field of health* since at least as early as July 31, 1995”. In this regard, Mr. Allard attaches as Exhibit “RA-1” a copy of a 2011 brochure and a copy of the May 2007 “Content Library Catalog” promoting various learning modules and training services offered by the Opponent in the field of healthcare. Historical snapshots of webpages located at *www.icaxon.com* as they appeared in 2007 and 2008 are also attached in the same exhibit. While the mark “ic·axon” appears in all three exhibits, there is no indication that the documents were circulated or distributed in Canada, or that Canadians have visited the Opponent’s website.

[33] Screenshots of a program identified as “eValuator ic·axon”, described as an online training assessment tool in the field of pharmaceuticals, are attached as Exhibit “RA-2” to the Allard affidavit. I note that the mark “ic·axon” is shown as a separate trade-mark on the first page of the program. Attached as Exhibit “RA-3” to the Allard affidavit are three invoices bearing the mark “ic·axon” dated between September 2002 and November 2004. The invoices are issued in Canadian dollars by the Opponent to an entity located in Quebec for the sale of the program. Given the nature of the product in question, I am prepared to accept these exhibits as evidence of use of the mark I.C. AXON in association with computer based training services in the field of health in Canada.

[34] In terms of sales, Mr. Allard further provides sample invoices and the approximate volume of sales for services rendered in association with the mark I.C. AXON from 1995 to 2011. Attached as Exhibit “RA-4” to the Allard affidavit are five invoices bearing the mark “ic·axon”, dated between January 2009 and January 2011, with reference to projects described as “eLearning”, “coaching kits”, “modules localization”, and “curriculum maintenance”.

[35] The Applicant submits that these invoices do not evidence of use of the mark in Canada as they are issued to entities outside of Canada. I disagree. During cross-examination, Mr. Allard explained that the Opponent creates custom training solutions for clients in the healthcare

industry but that the training does not take place at the Opponent's office [see Q39 of the Allard transcript]. Instead, once the Opponent develops the content and the training platform, it is up to the client to deliver the training to its employees [see Q28 to 38 of the Allard transcript].

Mr. Allard also confirmed that all of the work is done in the Opponent's office in Montreal [see Q129 of the Allard transcript], which is consistent with the Opponent's Canadian contact information shown in the sample invoices next to their provincial and federal tax numbers. Based on a fair reading of Mr. Allard's affidavit, I am satisfied that the Opponent has performed computer based training services in the field of health in Canada, and that the mark I.C. AXON has been used in association with the said services within the meaning of section 4(2) of the Act.

[36] Mr. Allard indicates that there were approximately \$25 million dollars of sales from 1995 to 2004, and between \$4.5 and 7.5 million dollars of annual sales from 2005 to 2011. Further to cross-examination, Mr. Allard made two clarifications. Firstly, these figures include "a lot" of computer based training services, "but not exclusively", as they include training services using other methods [see Q152 of the Allard transcript]. Secondly, the overall sales figures from 1995 to 2004, as well as the annual sales figures for 2005 and 2006, pertain to sales associated with both marks, I.C. AXON and THE I.C. AXON EVALUATOR, whereas the annual figures from 2007 to 2011 pertain to sales associated with the mark I.C. AXON exclusively [see Answer to Undertaking 9 of the Allard cross-examination]. No breakdown of the sales figures per mark was provided. However, given the fact that the claimed date of first use of the trade-mark THE I.C. AXON EVALUATOR is September 2002, which corresponds to the earliest sample invoice provided [see Exhibit "RA-3" discussed above], I find it reasonable to infer that the bulk of the sales figures provided pertain to services associated with the mark I.C. AXON, including computer based training services.

[37] In terms of promotion, Mr. Allard states that "[t]he advertising of the Opponent's products and services in Canada in relation to the Opponent's Marks is done through various means, namely, Internet, trade print." He further states that the Opponent's advertising expenditures for the marks I.C. AXON and THE I.C. AXON EVALUATOR vary between \$7,500 and \$15,000 dollars per year "since at least as early as July 31, 1995". No additional breakdown of the advertising figures per mark was provided.

[38] Attached as Exhibit “RA-5” to the Allard affidavit is a single sample ad that appeared in the spring 2011 edition of a trade magazine promoting the Opponent’s participation in a 2011 trade show in Orlando [see Q169 to 174 of the Allard transcript]. Again, there is no indication that the magazine was circulated or distributed in Canada.

[39] Finally, Mr. Allard provides “a list of recent awards and articles showing the growing reputation of the Opponent” from 2001 and onward as Exhibit “RA-6” to his affidavit. The list includes the Opponent’s nomination in the top 50 fastest growing Canadian technology companies by Deloitte & Touche in 2001, and an award for the development of an online medical education system called *mypatient.com* presented by OCTAS, organized by La Fédération de l’informatique du Québec, also in 2001. I note that the Opponent is identified by its trade-name “I.C. Axon” in these articles, however there is no mention of the Opponent’s trade-mark in association with the registered services.

[40] While the Opponent puts forth substantial sales figures and some advertising expenditures for services offered and performed in association with its mark over an extended period of time, it appears that not all of those figures pertain to the Opponent’s presence in the Canadian market. In addition to invoices issued to an entity in Canada for the sale of the “eValuator” training assessment program, Mr. Allard also includes invoices issued to entities located in the United States and abroad, suggesting that the Opponent’s sales figures include, to a certain degree, services performed for clients outside of Canada. As noted by the Applicant, the only sample ad introduced into evidence by Mr. Allard pertains to the Opponent’s participation in a trade show in the United States, suggesting that the Opponent’s advertising expenditures include, to a certain degree, promotion of its mark outside of Canada as well.

[41] When the Opponent’s evidence is viewed in its entirety, I am unable to determine the extent to which the Opponent’s mark I.C. AXON would have acquired distinctiveness in Canada.

Acquired Distinctiveness – AXON and AXON Design

[42] At the outset of the analysis, I consider that any evidence of use of the mark AXON Design qualifies as use of the word mark AXON as the Applicant is not under any restriction to use the word mark in any particular format.

[43] In his affidavit, Mr. Johnston explains that the Applicant is the largest public relations and communication firm in Canada; it offers a broad range of services such as branding, corporate communications, government relations, employee engagement, crisis management, media strategy, research & evaluation, social media, and writing & editorial services.

Mr. Johnston further states that the Applicant has developed expertise in various sectors including sports & entertainment, transportation, public-private partnerships, consumer goods, and manufacturing.

[44] In terms of use of the Marks, Mr. Johnston states that in 2002, the Applicant decided to create a specialized division in the healthcare, pharmaceutical and biotech sectors (the AXON group). According to Mr. Johnston, the AXON group provides a variety of services, including the Opposed Services, in association with the Marks since 2003. Clients include international pharmaceutical, medical research and development, and healthcare companies. In this regard, Mr. Johnston attaches as Exhibit “B” to his affidavit more than 30 invoices bearing the mark AXON Design dated between 2003 and 2012. Most of the sample invoices are addressed to clients located in Canada and are in Canadian dollars. There are also several invoices addressed to entities in the United States, Denmark and Switzerland. Descriptions of the services performed include project management, program development, presentation development, presentation trainer recruitment and liaison, catalogue design and production, patient recruitment strategies, advertising, event planning, etc.

[45] In terms of sales, Mr. Johnston states that the Applicant’s applied for services rendered in association with the Marks generated over \$32 million dollars from 2003 to mid 2012, with annual sales figures varying between \$1.9 and 4.8 million dollars. No additional breakdown of the figures was provided per type of service rendered.

[46] In terms of promotion, Mr. Johnston states that the Applicant and the AXON group market and promote the Applicant’s services primarily through face-to-face sales meetings with potential clients. A list of over 30 such meetings that took place in Canada between 2009 and 2012 is attached as Exhibit “C” to the Johnston affidavit; potential clients listed include Abbott Canada, Pfizer, Novartis, Merck Canada, etc. Services promoted include “medical education”, “communications program” and “clinical research program”. Attached as Exhibit “D” to the

Johnston affidavit is a sample presentation, representative of those distributed to potential clients during these meetings, with the AXON Design mark prominently displayed. According to the presentation, some of the services offered by the Applicant include “peer-to-peer education”, “medical writing”, “web-based learning”, “communication skills training”, “educational activities”, and “sales force support materials”.

[47] Mr. Johnston states that the Applicant also advertises the applied for services through the website *www.axon-com.com*; undated screenshots of the website are attached as Exhibit “E” to his affidavit. According to the screenshots, the Applicant’s “medical communications” services include “medical education”, described as “education events and materials includ[ing] sales force training and material for patients”, and “integrated digital and social media initiatives”, described as “e-learning and medical portals”. As in the case of the Opponent’s website evidence, there is no indication that Canadians have visited the Applicant’s website.

[48] Mr. Johnston further states that print ads have been placed in industry publications such as the Canadian pharmaceutical trade journal “*p.r.n. Directory*” since 2002. Sample copies of the Applicant’s advertisements bearing the AXON Design mark said to have appeared in Canadian and international pharmaceutical trade magazines, as well as direct mail campaigns, between 2003 and 2007 are attached as Exhibit “F” to the Johnston affidavit. Articles with reference to the Applicant from an industry publication called “PRWeek”, dated between June 2009 and February 2011, are also attached as the same exhibit. No information regarding the circulation or the distribution of the magazines or the direct mail campaigns in Canada has been provided.

[49] Based on a fair reading of Mr. Johnston’s affidavit, including the Applicant’s sales figures dating as far back as 2003, I am satisfied that there has been significant sales and some advertising for the services performed and offered in association with the Marks, including the Opposed Services, since 2003.

[50] In the end, even though both parties presented evidence of promotion and use of their marks, I am unable to determine the extent to which the Opponent’s sales and advertising expenditures would have contributed to the acquired distinctiveness of its mark in Canada whereas the Applicant has presented clear evidence of sales of its applied for services, including

the Opposed Services, in association with the Marks in Canada. In view of the above, I find that the Applicant's Marks have acquired distinctiveness to a greater extent than that the Opponent's mark in Canada.

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

[51] The section 6(5)(b) factor which involves the length of time of use of the marks slightly favours the Opponent.

[52] The mere existence of a registration can establish no more than *de minimis use* and cannot give rise to an inference of significant and continuous use of the mark [see *Entre Computer Centers, Inc v Global Upholstery Co* (1991), 40 CPR (3d) 427 (TMOB)]. Even though the Opponent has put forth continuous sales figures and advertising expenditures associated with its mark I.C. AXON from 1995 to 2011, it has not provided any evidence with respect to the manner in which the mark was used prior to 2002 within the meaning of section 4(2) of the Act. As per my review of the Allard affidavit, the earliest documentary evidence in which the mark I.C. AXON is shown is a set of three invoices, dated between September 2002 and November 2004, issued by the Opponent to an entity located in Quebec for the “eValuator” program (Exhibit “RA-3”).

[53] In the absence of any indication that the documentary evidence submitted by Mr. Allard is representative of the manner in which the mark has been used by the Opponent in association with the registered services prior to 2002, I can only conclude that the Opponent has shown actual use of its mark I.C. AXON in association with “computer based training in the field of health” within the meaning of section 4(2) of the Act in Canada since 2002.

[54] In comparison, the Applicant has shown use of the Marks in association with the applied for services, including the Opposed Services, since 2003.

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

[55] Sections 6(5)(c) and (d) factors, which involve the nature of the services, trade and business, favour the Opponent.

[56] When considering sections 6(5)(c) and (d) of the Act, it is the statement of services as defined in the Opponent's registration No. TMA714,288 and in the application for the each of the Marks that govern the assessment of the likelihood of confusion under section 12(1)(d) of the Act [see *Henkel Kommanditgesellschaft auf Aktien v Super Dragon Import Export Inc* (1986), 12 CPR (3d) 110 (FCA); and *Mr Submarine Ltd v Amandista Investments Ltd* (1987), 19 CPR (3d) 3 (FCA)]. Moreover, services need not be identical in order for there to be a reasonable likelihood of confusion between trade-marks.

[57] There is clear overlap between the Opponent's registered services and the Applicant's Opposed Services, and the parties' channels of trade. The Opponent's mark is registered with "computer based training services in the field of health". In his affidavit, Mr. Allard explains that in addition to developing training programs for pharmaceutical sales representatives, the Opponent also develops educational programs for physicians as well as medical websites that provide clinical information for medical professionals. Clients identified on sample invoices include Abbott Laboratories, Pfizer Inc. and Novartis Pharmaceuticals Corporation.

[58] In comparison, the Applicant's Marks are applied for use in association with various medical education services in the healthcare sector, including strategic planning of physician communications, developing materials and training programs in the field of health, sales force training, and developing and implementing patient recruitment programs for clinical research, all of which overlap with the Opponent's registered services. Some of the services identified in the representative sample presentations attached as Exhibit "D" to the Johnston affidavit are described as "peer-to-peer education", "medical writing", "web-based learning", "communication skills training", "educational activities", and "sales force support materials". Some of the potential clients visited by the Applicant appear to be affiliated with those of the Opponent's, including Abbott Canada, Pfizer, and Novartis.

[59] The Applicant contends that in view of the fact that both parties offer expensive services to sophisticated commercial clients using methods that ensure complete understanding of the identity and credentials of the provider of those services, the clients are likely to be more alert and discerning regarding the source of the services that they are purchasing, which leads to a

lower likelihood of confusion. In support, the Applicant cites the case of *Atomic Energy of Canada Ltd v Areva NP Canada Ltd* (2009) 78 CPR (4th) 113.

[60] Each case must be decided based upon its own merit. I have difficulties drawing parallels between the nature of the wares and services and the channels of trade discussed in *Atomic Energy* and those in the present proceedings. In particular, there are little similarities between the purchase of nuclear reactors and nuclear services in a highly regulated market by government entities, and that of education services in the healthcare sector such as the development of a pharmaceutical sales force training program.

[61] In the present case, there is no evidence to suggest that either party's education and training services are highly regulated or that they are rare multi-million dollar purchases offered only to specialised individuals in a limited and sophisticated market comparable to that of the nuclear industry. Moreover, there is no indication that the parties' services go through rigorous and prudent procurement processes that require numerous reviews and approvals over an extended period of time prior to purchase.

[62] In any event, Mr. Justice Rothstein confirms in *Masterpiece* that although consumers in the market for expensive goods may be less likely to be confused, the test is still one of first impression. Justice S n gal of the Superior Court of Qu bec in *De Grandpr  Joli-Coeur v De Grandpr  Chait* (2011) 94 C.P.R. (4th) 129 summarizes the Supreme Court of Canada's discussion on this point in *Masterpiece* as follows at para 97-98:

[TRANSLATION]

In *Masterpiece*, the Supreme Court stated that it is an error to believe that, since consumers of expensive goods and services generally take considerable time to inform themselves about the source of those goods and services, there is a reduced likelihood of confusion. Confusion must instead be assessed from the perspective of the first impression of the consumer approaching a costly purchase when he or she encounters the trade-mark. It is not relevant that consumers are unlikely to make choices based on first impressions or that they will generally take considerable time to inform themselves about the source of expensive goods and services. Careful research which may later remedy confusion does not mean that no confusion ever existed or that it will not continue to exist in the minds of consumers who did not carry out that research.

In the view of the Supreme Court, consideration must be limited to how a consumer with an imperfect recollection of a business's mark would have reacted upon seeing the other company's mark. The question of cost is unlikely to lead to a different conclusion in cases where a strong resemblance suggests a likelihood of confusion and the other factors set out in subsection 6(5) of the Act do not point strongly against a likelihood of confusion.

[my emphasis]

[63] In the present case, the parties offer overlapping services in similar channels of trade, using marks with a strong resemblance. While the Applicant might use methods to ensure complete understanding of its identity and credentials through detailed face-to-face meetings, information provided subsequent to the consumer's first impression of the Marks encountered in the marketplace, such as upon seeing one of the Applicant's print ads in a trade publication, is irrelevant.

[64] In the end, I conclude that the section 6(5)(c) and (d) factors significantly favour the Opponent.

Additional Surrounding Circumstance

[65] The Opponent submits that the fact that the Registrar issued a notice pursuant to section 37(3) of the Act serves as a relevant surrounding circumstance favourable to a finding of a likelihood of confusion. I disagree. As noted by the Applicant, a decision by an examiner of the Canadian Intellectual Property Office has no precedential value for the Board because both the onus and evidence before an Examiner differs from that before the Board [*see 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].

[66] The Applicant submits that the Registrar has previously concluded that the Opponent's mark was not confusing with an identical mark due to its low distinctiveness in a completely unrelated opposition proceeding. I would simply note that each case must be decided based upon its own merit.

[67] As yet another surrounding circumstance, the Applicant submits that there has been no evidence of actual cases of confusion between the marks despite almost ten years of co-existence

in Canada. In support, the Applicant relies on Mr. Allard's cross-examination during which he responded that the Opponent has never received any communications from third parties who thought there was a relationship between the Opponent and the Applicant.

[68] Absence of evidence of actual confusion over a relevant period of time, despite an overlap in the parties' services and channels of trade, may entitle the Registrar to draw a negative inference about the likelihood of confusion [see *Mattel, supra* at p 347.] Nevertheless, the Opponent is under no obligation to submit evidence of instances of actual confusion. Moreover, the absence of such evidence does not necessarily raise any presumptions unfavourable to the Opponent for the burden is on the Applicant to demonstrate the absence of likelihood of confusion.

[69] As per my review of the parties' evidence, the lack of confusion might be the result of the geographically distinct areas in which the parties have been operating and advertising thus far. I am therefore not prepared to draw a negative inference about the likelihood of confusion under these circumstances. In any event, I would point out that there is no indication that Mr. Allard, acting as the Director of Finance of the Opponent, would have been made aware of any instances of confusion between the marks.

Conclusion in the likelihood of confusion

[70] To the extent that it revolves around confusion with the Opponent's mark I.C. AXON and the Applicant's marks AXON and AXON Design, the non-registrability ground of opposition is successful with respect to each application. 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 similarities between the parties' marks, as well as clear overlap between the parties' services and their channels of trade, 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 parties' marks when used in association with the Opposed Services.

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

[71] The material date for considering this ground of opposition is the alleged date of first use of the Marks, namely March 2003 for medical education services (2) and (5), and December 2003 for medical education services (4). For the reasons that follow, I accept this ground of opposition and decide this issue in favour of the Opponent with respect to each application.

[72] The Opponent has the initial burden of proving that the trade-mark alleged in support of this ground of opposition was used in Canada prior to the material date and had not been abandoned at the date of advertisement of the application for the Marks [section 16(5) of the Act]. I note that the Opponent has relied upon the mark I.C. AXON exclusively in support of the section 16(1)(a) ground of opposition in each case.

[73] As per my review of the Allard affidavit under the section 12(1)(d) analysis, I am satisfied that the trade-mark I.C. AXON has been used in association with computer based training services in the field of health in Canada prior to 2003, and that it has not been abandoned as of December 1, 2010 or March 30, 2011. Further, assessing each of the section 6(5) factors as of March and December 2003 rather than as of today's date does not significantly impact my previous analysis of the surrounding circumstances of this case; the main difference is that of the acquired distinctiveness of the Applicant's Marks as of the material dates. I conclude that the Applicant has not discharged its burden of showing, on a balance of probabilities, that there is no reasonable likelihood of confusion between its Marks and the Opponent's mark I.C. AXON in association with the Opposed Services as of March and December 2003.

[74] Accordingly, the section 16(1)(a) ground of opposition is successful with respect to each application.

Were the Marks distinctive at the filing date of the statement of opposition?

[75] Since I have already accepted the opposition under two grounds, I will not address this last issue except to say that it arises from the ground of opposition alleging that the Marks are not distinctive within the meaning of section 2 of the Act.

Disposition

[76] Pursuant to the authority delegated to me under section 63(3) of the Act, I refuse application Nos. 1,462,574 and 1,462,578 under section 38(8) of the Act but only with respect to the Opposed Services, namely:

- (2) Medical education services, namely strategic planning of physician communications, developing and managing key opinion leader identification and development programs; medical education services, namely writing and materials development for health care audiences; medical education services, namely developing and delivery of investigator education and training programs and developing and implementing continuing medical education programs for medical personnel.
- (4) Medical education services, namely, sales force education and training programs.
- (5) Medical education services, namely, developing and implementing patient recruitment programs for clinical research.

In other words, both applications may proceed to allowance with respect to the following:

- (1) Public relations services for the healthcare sector, namely analyzing, planning, preparing and implementing public relations services in the healthcare field; business consultation services for the healthcare sector, namely providing advice in the fields of media relations, branding, government relations, strategic communications planning and crisis management services.
- (3) Clinical research services, namely, strategic planning associated with the process of drug development.
- (6) Clinical research services, namely, writing and editing services in respect of documents for clinical trials, including investigator brochures, clinical trial protocols, clinical trial management, informed consent forms, and clinical trial reports; Clinical research services, namely, project and data management services for clinical trials.

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

Schedule "A"

Applicant's trade-mark:

AXON

Application No.:

1,462,574

Services:

(1) Public relations services for the healthcare sector, namely analyzing, planning, preparing and implementing public relations services in the healthcare field; business consultation services for the healthcare sector, namely providing advice in the fields of media relations, branding, government relations, strategic communications planning and crisis management services.

(2) Medical education services, namely strategic planning of physician communications, developing and managing key opinion leader identification and development programs; medical education services, namely writing and materials development for health care audiences; medical education services, namely developing and delivery of investigator education and training programs and developing and implementing continuing medical education programs for medical personnel.

(3) Clinical research services, namely, strategic planning associated with the process of drug development.

(4) Medical education services, namely, sales force education and training programs.

(5) Medical education services, namely, developing and implementing patient recruitment programs for clinical research.

(6) Clinical research services, namely, writing and editing services in respect of documents for clinical trials, including investigator brochures, clinical trial protocols, clinical trial management, informed consent forms, and clinical trial reports; Clinical research services, namely, project and data management services for clinical trials.

Claims:

Used in CANADA since March 2003 on services (1), (2), (5), (6).

Used in CANADA since December 2003 on services (4).

Proposed Use in CANADA on services (3).

Applicant's trade-mark:



Application No.:

1,462,578

Services:

- (1) Public relations services for the healthcare sector, namely analyzing, planning, preparing and implementing public relations services in the healthcare field; business consultation services for the healthcare sector, namely providing advice in the fields of media relations, branding, government relations, strategic communications planning and crisis management services
- (2) Medical education services, namely strategic planning of physician communications, developing and managing key opinion leader identification and development programs; medical education services, namely writing and materials development for health care audiences; medical education services, namely developing and delivery of investigator education and training programs and developing and implementing continuing medical education programs for medical personnel
- (3) Clinical research services, namely, strategic planning associated with the process of drug development
- (4) Medical education services, namely, sales force education and training programs
- (5) Medical education services, namely, developing and implementing patient recruitment programs for clinical research
- (6) Clinical research services, namely, writing and editing services in respect of documents for clinical trials, including investigator brochures, clinical trial protocols, clinical trial management, informed consent forms, and clinical trial reports; Clinical research services, namely, project and data management services for clinical trials

Claims:

Used in CANADA since March 2003 on services (1), (2), (5), (6).

Used in CANADA since December 2003 on services (4).

Proposed Use in CANADA on services (3).

Schedule "B"

Opponent's trade-mark:

I.C. AXON

Application No.:

1,051,281

Registration No.:

TMA714,288

Services:

(1) Computer based training services in the field of health.

Claims:

Used in CANADA since at least as early as July 31, 1995.