IN THE MATTER OF AN OPPOSITION by Forbes Medi-Tech Inc. to application No. 1,152,883 for the trade-mark REDUCHOL filed by Heel Canada Inc.

On September 16, 2002, Heel Canada Inc. (the "Applicant") filed an application to register the trade-mark REDUCHOL (the "Mark"). The application is based upon proposed use in association with pharmaceutical preparations, namely, natural health products comprised primarily of orange zest and used in the management of hypercholesterolemia (high level of total cholesterol in the blood).

The application was advertised for opposition purposes in the Trade-marks Journal of November 26, 2003. On December 30, 2003, Forbes Medi-Tech Inc. (the "Opponent") filed a statement of opposition against the application. The Applicant filed and served a counter statement in which it denied the Opponent's allegations.

As rule 41 evidence, the Opponent filed the affidavit of Jeffrey J.E. Motley, the Opponent's Vice President, Marketing and Sales.

The Applicant elected to not file any evidence.

Only the Opponent filed a written argument. An oral hearing was not requested.

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The Applicant bears the legal onus of establishing, on a balance of probabilities, that its application complies with the requirements of the Act. There is however an initial 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*, 30 C.P.R. (3d) 293 at 298; *Dion Neckwear Ltd. v. Christian Dior, S.A. et al.* (2002), 20 C.P.R. (4th) 155 (F.C.A.).]

Section 38(2)(c) Ground of Opposition

The Opponent's strongest ground of opposition is as follows:

> The Applicant is not the person entitled to registration of the Mark in view of subsection 16(3)(b) of the *Trade-marks Act*, R.S.C. 1985, c. T-13 (the "Act") because, as at the date of filing of the application, the Mark was confusing with the trade-mark REDUCOL & Design in respect of which an application for registration had been previously filed in Canada.

The Opponent indicated elsewhere in its statement of opposition that it is the beneficial owner of the above-mentioned application, the serial number of which is 1,066,486.

The REDUCOL & Design mark is shown below:

The application relied upon by the Opponent was filed on July 10, 2000 and remains pending. It is based upon proposed use in association with:

> Dietetic substances adapted for medical use, namely, mineral and/or vitamin preparations, food for babies, namely, milk formula, fruits, vegetables and meat mixes; vitamins and mineral supplements; meat, fish, poultry and game; meat extracts; preserved, dried and cooked fruits and vegetables; jellies; jams, fruit sauces; eggs, milk and milk products, namely ice milk, cheese; edible oils and fats; potato crisps; coffee, tea, cocoa, sugar, rice, tapioca, sago, artificial coffee; flour made from cereals, namely, wheat, maize, rice; bread, pastry and ices; honey, treacle; yeast, baking-powder; salt; mustard; vinegar, sauces, namely, ketchup, mustard, salsa seafood sauce, tomato, BBQ sauce, soy sauce, meat sauce, pasta sauce, hot pepper sauce; spices; ice; cookies, petit-beurre biscuits, pastries, biscuits, crackers; mineral and aerated waters, soft drinks; fruit juices.

The original owner of such application was Novartis AG but the Opponent is the current owner.

The Opponent has met its initial burden to show that the application upon which it relies predates the Applicant's application and was pending as of the advertisement of the Applicant's application. [Section 16(3)(b) and (4)]. I will therefore now turn to assess the likelihood of confusion.

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. In applying the test for confusion, the Registrar must have regard to all the surrounding circumstances, including those specifically enumerated in s. 6(5) of the Act, namely: the inherent distinctiveness of the trade-marks or trade-names and the extent to which they have become known; the length of time each has been in use; the nature of the wares, services or business; the nature of the trade; and the degree of resemblance between the trade-marks or trade-names in appearance or sound or in the ideas suggested by them.

In *Polo Ralph Lauren Corp. v. United States Polo Association et al.* (2000), 9 C.P.R. (4th) 51 (F.C.A.) at 58-59, Malone J.A. summarized the guidelines to be applied when assessing the likelihood of confusion as follows:

> A review of some of the leading cases also establishes some practical guidelines. For example, the Court is to put itself in the position of an average person who is familiar with the earlier mark but has an imperfect recollection of it; the question is whether the ordinary consumer will, on seeing the later mark, infer as a matter of first impression that the wares with which the second mark is used are in some way associated with the wares of the earlier. With respect to the degree of resemblance in appearance, sound or ideas under subparagraph 6(5)(e), the trade-marks at issue must be considered in their totality. As well, since it is the combination of elements that constitutes a trade-mark and gives distinctiveness to it, it is not correct to lay the trade-marks side by side and compare and observe similarities or differences among the elements or components of the marks when applying the test for confusion. In addition, trade-marks must not be considered in isolation but in association with the wares or services with which they are used. When dealing with famous or well-known marks, it may be more difficult to demonstrate that there is no likelihood of confusion, especially if the nature of the wares are similar. Lastly, the

> enumerated factors in subsection 6(5) need not be attributed equal weight. Each particular case of confusion might justify greater emphasis being given to one criterion than to others.

The material date to assess the likelihood of confusion under this ground of opposition is the filing date of the application. [See s. 16(3).]

inherent distinctiveness of the trade-marks

The two marks have the same degree of inherent distinctiveness.

the extent to which each trade-mark has become known

Since the application was filed based on proposed use, the Applicant's Mark had not become known to any extent as of the filing date.

From Mr. Motley's affidavit, it appears that the Opponent had not used its REDUCOL & Design mark in Canada prior to the material date. Although Mr. Motley evidences various activities around the world, the only specific, relevant reference to Canada appears in his paragraph 12(b): "On or about June 2001, the Opponent attended The Canadian Institute of Food Science and Technology in Toronto, Ontario for the purpose of exhibiting and marketing the Trade-marks for use in the Goods to potential licensees."

Based on the evidence, I conclude that the extent to which the Opponent's mark was made known as of September 16, 2002 was, at best, minimal.

the length of time each trade-mark has been in use

This factor does not favour either party.

the nature of the wares, services or business; the nature of the trade

Mr. Motley attests:

> The Opponent is a biopharmaceutical company dedicated to the research, development and commercialization of innovative prescription pharmaceutical and nutraceutical products for the preventions and treatment of cardiovascular and related diseases. …
>
> The wares on which the Trade-mark [REDUCOL & Design] always was and still is

> intended to be used include food products and dietary supplements incorporating a cholesterol-lowering agent, and cholesterol-lowering agents themselves. …
>
> Regulatory approval to sell and advertise the health benefits of Goods that incorporate phytosterols, including the Opponent's proprietary cholesterol-lowering agents sold under the Trade-marks, has been pursued and applied for but not yet been obtained in Canada. The Opponent has granted a license to Pharmavite LLC to market cholesterol-lowering dietary supplements bearing the Trade-marks in Canada and as soon as the Opponent obtains the appropriate regulatory approvals in Canada, it will so inform Pharmavite LLC so that it may market and sell goods that incorporate the Opponent's proprietary cholesterol-lowering agents as well as the cholesterol-lowering agents themselves under the Trade-marks in Canada. …
>
> It is the Opponent's commercialization strategy to co-brand and co-market its Trade-marks with its licensees' products, for example, by prominently displaying the Trade-marks on the licensees' packaging.

We do not of course have any evidence concerning the Applicant's business or channels of trade but it does appear, based on the Applicant's statement of wares, that both parties are intending to use their marks in association with a pharmaceutical preparation aimed at managing cholesterol levels. Therefore, one may assume that their wares might travel the same channels of trade and would be targeted at the same audience.

the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them

There is an extremely high degree of resemblance between REDUCHOL and REDUCOL & Design, in appearance, sound and idea suggested. The idea suggested by both is that their associated products will help REDUce CHOLesterol.

conclusion re likelihood of confusion

Having considered all of the surrounding circumstances, I conclude that, on a balance of probabilities, there was a reasonable likelihood of confusion as of September 16, 2002 between the Applicant's REDUCHOL mark as applied to pharmaceutical preparations namely, natural health products comprised primarily of orange zest and used in the management of hypercholesterolemia and the Opponent's REDUCOL & Design mark as applied to dietetic substances adapted for medical use, vitamins, and mineral supplements. The s. 38(2)(c) ground

of opposition therefore succeeds.

Disposition

Having been delegated by the Registrar of Trade-marks by virtue of s. 63(3) of the Act, I refuse the application pursuant to s. 38(8).

DATED AT TORONTO, ONTARIO, THIS 7th DAY OF SEPTEMBER 2006.

Jill W. Bradbury
Member
Trade-marks Opposition Board