

IN THE MATTER OF AN OPPOSITION
by Laboratoires Nordic Inc. -
Nordic Laboratories Inc. to
application No. 572,734 for the
trade-mark N Design filed by
Novopharm Limited

On November 12, 1986, the applicant, Novopharm Limited, filed an application to register the trade-mark N Design (illustrated below) based on use in Canada since November of 1984 in association with the following wares:

pharmaceutical tablets, namely anti-inflammatory analgesics, oral hypoglycemics, anxiolytic sedatives, antipsychotic-antiemetics, analgesic-antipyretics, antispasmodics, antihypertensives, antibiotics, antipsychotics, antidepressants, aldosterone antagonists [sic], antianxiety agents, antihistamines and cardio-vascular drugs.

The application was advertised for opposition purposes on December 23, 1987.

The opponent, Laboratoires Nordic Inc. - Nordic Laboratoires Inc., filed a statement of opposition on April 21, 1988, a copy of which was forwarded to the applicant on May 5, 1988. The first ground of opposition is that the applicant's application does not comply with the provisions of Section 30(b) of the Trade-marks Act because the applicant did not use its applied for mark since November of 1984 as claimed. The second ground is that the application does not comply with the provisions of Section 30(i) of the Act in view of the opponent's prior rights in its trade-mark N Design.

The third ground of opposition is that the applied for trade-mark is not registrable pursuant to Section 12(1)(d) of the Act because it is confusing with the opponent's trade-mark N Design (illustrated below) registered under No. 212,834 for the following wares:

vitamin and mineral preparations; hormone preparations; therapeutic vitamin preparations; sustained action tablets; vasodilators; anti-spasmodic and sedative preparations; anti-inflammatory and anti-arthritic preparations; vitamin B compounds; peripheral and cerebrovascular disease therapy preparations; corticosteroid preparations; digestive enzyme preparations; ear drops; anemia therapy; dietary supplements; hypoglycemic preparations; diuretic and antihypertensive preparations; hematinic preparations; peripheral vasodilators; urinary anti-infectives; upper G.I. tract mobility modifiers; antianxiety preparations; antidepressants; prenatal supplements; anorexiant, cough syrups; tubular mesh bandages; stress therapy; antibiotics; analgesics; laxatives; anxiolytic sedatives; antacids; antipyretics; therapeutic and diagnostic aids; venous stases therapy; anti-tussives.

The fourth ground of opposition is that the applicant is not the person entitled to registration pursuant to Section 16(1) of the Act because, as of the applicant's claimed date of first use, the applied for trade-mark was confusing with the trade-mark N Design (illustrated above) previously used by the opponent. The fifth ground is that the applicant's mark is not distinctive in view of the foregoing.

The applicant filed and served a counter statement. As its evidence, the opponent filed the affidavit of Michel Guérin. As its evidence, the applicant filed the affidavit of Leslie L. Dan. Mr. Dan was cross-examined on his affidavit and the transcript of that cross-examination and the subsequently filed replies to undertakings form part of the record of this proceeding. As evidence in reply, the opponent filed the affidavits of Vincente Anido, Jr. and Fay Haakman. Both parties filed a written argument and an oral hearing was conducted at which both parties were represented.

Dealing first with the opponent's third ground of opposition, the material time for considering the circumstances respecting the issue of confusion with a registered trade-mark is the date of my decision: see the decision in Conde Nast Publications Inc. v. Canadian Federation of Independent Grocers (1991), 37 C.P.R.(3d) 538 at 541-542 (T.M.O.B.). Furthermore, the onus or legal burden is on the applicant to show no reasonable likelihood of confusion between the marks at issue. Finally, in applying the test for confusion set forth in Section 6(2) of the Act, consideration is to be given to all of the surrounding circumstances including those specifically set forth in Section 6(5) of the Act.

The applicant's mark is an unadorned representation of the letter N and is thus an inherently weak mark. Mr. Dan, the President of the applicant, states that the trade-mark is embossed on many of the pharmaceutical tablets sold by his company. However, on cross-examination, it became apparent that the sales figures provided by Mr. Dan were not necessarily reliable. Furthermore, the Dan cross-examination and the opponent's evidence reveal that, apart from embossing some tablets with the trade-mark, the applicant has done little, if anything, to educate its customers as to its ownership and use of the mark. There have apparently been no advertisements highlighting the mark and no product labels or monographs using the mark. This is in contrast to other trade-marks of the applicant which have been given some prominence in the applicant's marketing activities. Given the manner of use of the applicant's mark, the deficiencies in the Dan affidavit and the apparent lack of interest on the part of the applicant in promoting its mark, I must conclude that it has not become known to any significant extent.

The opponent's mark is also a representation of the letter N although, unlike the

applicant's mark, it includes some distinctive design features. Thus, although the opponent's mark is not inherently strong, it does possess a greater degree of inherent distinctiveness than the applicant's mark. The Guérin affidavit evidences long-standing use of the opponent's mark essentially as a house mark to identify the opponent. It has been used in the opponent's advertisements, brochures and on the product labels and packaging for some of the opponent's pharmaceutical products. However, in most instances, it appears that the opponent's mark has been employed in a subsidiary role. Thus, although Mr. Guérin provides impressive sales and advertising figures in relation to the opponent's mark, it would appear that such activities result primarily in a reputation being acquired for the opponent's product marks which are more prominently featured and displayed. Nevertheless, given the extensive use of the opponent's mark N Design even in a subsidiary role, I am able to conclude that it has become known to some extent throughout Canada.

The length of time the marks have been in use favors the opponent. The wares of the parties are very similar and, in many cases, they are the same. The trades of the parties are the same.

As for Section 6(5) (e) of the Act, I consider there to be a fairly high degree of resemblance between the marks in all respects. Both marks consist essentially of the letter N. The two marks look similar and would be pronounced the same. The applicant uses its mark in a small format on pharmaceutical tablets. If the opponent were to employ its mark in the same manner, this would highlight the degree of visual resemblance since the design features of the opponent's mark would become less distinct. To the extent that both marks would be viewed as an abbreviation for a company name starting with the letter N, they suggest the same idea.

The applicant's manner of use of its mark directly on its pharmaceutical tablets points to an additional surrounding circumstance in this case. If the opponent were to employ its mark in the same manner (which its registration would entitle it to do), this might increase the likelihood that doctors, pharmacists and consumers would mistake one company's products for the other.

In applying the test for confusion, I have considered that it is a matter of first impression and imperfect recollection. In view of my conclusions above, and particularly in view of the similarities between the wares, trades and marks of the parties, I find that the applicant has failed to satisfy the onus on it to show that its applied for mark is not confusing with the opponent's registered mark. Thus, the third ground of opposition is successful and the remaining grounds need not be considered.

In view of the above, I refuse the applicant's application.

DATED AT HULL, QUEBEC, THIS 30th DAY OF JUNE 1992.

David J. Martin,
Member,
Trade Marks Opposition Board.