

**IN THE MATTER OF AN OPPOSITION
by Diamed Lab Supplies Inc. to application
No. 722,320 for the trade-mark DIOMED
filed by Diomed Ltd.**

On February 8, 1993, the applicant, Diomed Ltd., filed an application to register the trade-mark DIOMED based on proposed use in Canada. The application covers the following wares:

medical lasers, surgical lasers, laser beam delivery apparatus and instruments, all for medical or surgical use, and parts and fittings therefor, excluding goods used in the treatment of aquatic animals.

The application was advertised for opposition purposes on March 9, 1994.

The opponent, Diamed Lab Supplies Inc., filed a statement of opposition on April 8, 1994, a copy of which was forwarded to the applicant on August 3, 1994. The opponent was subsequently granted leave to amend its statement of opposition on March 14, 1995. The first ground of opposition is that the applicant's application does not comply with the provisions of Section 30(a) of the Trade-marks Act because the description "laser beam delivery apparatus" is not in ordinary commercial terms. The second ground is that the applicant's application does not comply with Section 30(i) of the Act because the applicant could not have been satisfied that it was entitled to use the applied for mark.

The third ground of opposition is that the applicant is not the person entitled to registration pursuant to Section 16(3) of the Act because, as of the applicant's filing date, the applied for trade-mark was confusing with the trade-marks DIAMED, DIAMED LAB SUPPLIES, DIAMED LAB SUPPLIES INC., DIAMED LAB SUPPLIES INC. & Design and DIAMED & Design previously used in Canada by the opponent in association with

...medical and laboratory supplies and equipment, distribution services and maintenance services related thereto, and the operation of a medical and laboratory supplies distribution business.

The fourth ground is also one of prior entitlement based on the opponent's prior use of its trade-names Diamed, Diamed Lab Supplies and Diamed Lab Supplies Inc. for the business described above.

The fifth ground of opposition is that the applicant is not the person entitled to registration pursuant to Section 16(3) of the Act because, as of the applicant's filing date, the applicant applied for trade-mark was confusing with (1) the opponent's trade-mark DIAMED for which an application (No. 721,250) had previously been filed on January 22, 1993 based on proposed use in Canada for "examination gloves, test tubes, pipette tips and vials" and (2) the opponent's trade-mark DIAMED LAB SUPPLIES & Design (illustrated below) for which an application (No. 721,249) had previously been filed on January 22, 1993 based on use in Canada since December 20, 1978 for the following services:

medical and scientific laboratory equipment distribution services, namely the exclusive representation in Canada of foreign manufacturers of medical and scientific laboratory equipment for the purposes of promoting the sale and assisting in the distribution of such equipment; laboratory equipment installation, maintenance and repair services

and for the following wares:

laboratory chemicals, namely, electrophoresis reagents, histology reagents and tissue preparation solutions, formalin substitutes, scintillation cocktails, xylene substitutes; medical and scientific laboratory instruments and equipment, namely, ampoule crackers, anaerobic chambers, analyzer cups, electrophoresis apparatus, namely, gel boxes and accessories therefor for use in vertical and horizontal electrophoresis, autosampler vials, autoclavable boxes, autoclavable pipet tip boxes, auto radiographic enhancers, autoclavable bags, bio-hazard bags, balances, basins, baskets, serological baths, water baths, beakers, glass bottles, plastic bottles, tamper evident boxes, desiccator cabinets, slide file cabinets, carboys, histology cassettes, centrifuges, centrifuge evaporators, centrifuge filters, blood bag centrifuges, heated centrifuges, chromatography columns, chromatography refrigerators, chromatography vials, sample preparation columns, controlled rate freezers, crimpers, cryopreservation equipment, namely, liquid nitrogen containers, sample canisters, and cryopreservation sample racks, cavette racks, cavettes, UV cavettes, graduated cylinders, cut-off filters, deioniser columns, dessicators, liquid nitrogen dispensers, environmental chambers, explosion-proof storage cabinets, eyewash stations, fecal occult blood slides, fecal parasite containers, syringe filters, flasks, volumetric flasks, forceps, freezers, programmable freezers, low temperature freezers, namely, plasma freezers and other mechanical low temperature freezers, funnels, separatory funnels, cotton glove liners, latex examination gloves, gradient formers, graduated pipet tips, head space vials, homogenizers, micro homogenizers, hot plates, stirrer hot plates, refrigerated incubators, magnetic stirrers, mailing vials, membrane filters, graduated micro-tubes, micro-tubes, micro-centrifuges, microplate incubators, microplate washers, molecular weight filters; pasteur pipettes, pipet tips, plugged pipet tips, graduated pipet tips, pipet pluggers, pipettes, pipettor stand, pipettors, plate washers, power supplies for lab equipment, programmable heating blocks, programmable temperature cyclers, gel pumps, quartz cuvettes, racks, autoclavable racks, radiation boxes,

plexiglass radiation shields, radiation shielding aprons, refrigerated traps, blood bank refrigerators, lab refrigerators, magnetic retrievers, rocker tables, rotary evaporators, scoops, serum filters, bench top shields, siliconized microtube pipet tips, slide dispensers, slide mailers, solid phase extraction columns, spatulas, specimen containers, spectrophotometers, staining dishes, stirrers, stirring bars, storage bins, tissue homogenizers, transfer pipets, colour coded test tubes, conical test tubes, sterile test tubes, autosampler vials, cryogenic vials, wash bottles, weighing dishes, automated specimen temperature control equipment, vial sealing disks.

The final ground of opposition is that the applicant's trade-mark is not distinctive in view of the foregoing.

The applicant filed and served a counter statement. A revised counter statement was filed on April 5, 1995 which was overlooked. In view of the applicant's submissions and in view of the fact that the opponent did not object to the applicant's request, I hereby grant the applicant leave to amend its counter statement.

As its evidence, the opponent filed the affidavits of Derek Johnson, Bruce Rosebrugh, Kelly Kirkland and Ismail Hubaishy. As its evidence, the applicant filed the affidavits of Christopher Bernsen and Scott Pundsack. Only the applicant filed a written argument and no oral hearing was conducted.

The material time for considering the circumstances respecting the first ground of opposition is the applicant's filing date: see the opposition decision in Style-Kraft Sportswear Ltd. v. One Step Beyond Ltd. (1993), 51 C.P.R.(3d) 271 at 274. Furthermore, the onus or legal burden is on the applicant to show its compliance with the provisions of Section 30(a) of the Act: see the opposition decision in Joseph E. Seagram & Sons Ltd. v. Real Estate Ltd. (1984), 3 C.P.R. (3d) 325 at 329-330 and the decision in John Labatt Ltd. v. Molson Companies Ltd. (1990), 30 C.P.R.(3d) 293 (F.C.T.D.). However, to the extent that the opponent relies on allegations of fact in support of the first ground, there is an evidential burden on the opponent to prove those allegations.

In the present case, none of the opponent's evidence is directed to showing that the description "laser beam delivery apparatus" is not in ordinary commercial terms. Thus, the opponent has failed to meet its evidential burden and the first ground is unsuccessful. Furthermore, it should be noted that some of the terminology used in the applicant's brochure (see Exhibit A to the Bernsen affidavit) such as "the diode laser system" and "delivery system" suggests that "laser beam delivery apparatus" is in ordinary commercial terms.

The opponent did not provide any supporting allegations of fact for its second ground. Thus, it is not in compliance with Section 38(3)(a) of the Act and is therefore unsuccessful.

As for the third ground of opposition, there is an initial burden on the opponent to evidence use of one or more of its trade-marks prior to the applicant's filing date. In his affidavit, Mr. Johnson identifies himself as the President of the opponent and provides a great deal of information about his company and its business. Unfortunately, however, Mr. Johnson did not provide a detailed linking of sales and trade-marks at any time prior to the applicant's filing date. Given the weaknesses in the Johnson affidavit, the most I can infer is that the opponent effected sales of clinical laboratory supplies in association with the trade-mark DIAMED LAB SUPPLIES INC. & Design (as shown in application No. 721,249) prior to the material time. Use of that mark constitutes use of the mark DIAMED Design alone.

The third ground therefore remains to be decided on the issue of confusion between the applicant's mark **DIOMED** and the opponent's mark **DIAMED Design** as of the applicant's filing date. Furthermore, the onus or legal burden is on the applicant to show no reasonable likelihood of confusion. 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.

As for Section 6(5)(a) of the Act, the applicant's mark **DIOMED** is a coined word and is therefore inherently distinctive although it is at least somewhat suggestive of diode medical lasers. I must conclude that the applicant's mark had not become known at all in Canada as of the applicant's filing date.

The opponent's mark **DIAMED Design** is a coined word and is therefore also inherently distinctive although **DIAMED** is at least somewhat suggestive of diagnostic medical supplies. Due to the deficiencies in the Johnson affidavit, it is difficult to determine the extent to which the opponent's mark has been used and advertised in Canada. However, it appears that, as of the material time, the opponent's mark was known at least to some extent among some users and purchasers of clinical laboratory supplies. However, the evidence shows that the opponent's reputation was primarily (if not exclusively) as a distributor of the wares of others and not as the original source of such wares.

The length of time the marks have been in use favors the opponent. As for Sections 6(5)(c) and 6(5)(d) of the Act, the opponent's evidence shows, at most, that it had effected sales of laboratory supplies prior to the applicant's filing date, primarily as a distributor. From a review of the Johnson affidavit, it appears that those supplies comprised, for the most part, disposable items such as test tubes, pipettes and filters and, to some extent, laboratory machines or devices from different manufacturers bearing their trade-marks (see Exhibit I8 to the Johnson affidavit). In other words, the wares sold by the opponent are items designed for use in a clinical laboratory to conduct various medical tests.

The applicant's wares, on the other hand, comprise sophisticated laser devices used by surgeons to perform various operations. As noted by Mr. Bernsen, in his affidavit, the applicant's wares are very sophisticated and expensive items selling in the range from \$43,000 to \$130,000. Thus, they would not be purchased in a routine fashion as might be the case with many of the laboratory supply items sold by the opponent.

The trades of the parties differ. The applicant carries on business as a manufacturer; the opponent is a distributor. And as noted by Mr. Bernsen, the applicant is not active in the laboratory or diagnostics marketplace.

I accept the opponent's contention that the trades of the parties would overlap to the extent that the wares of both parties would be purchased by hospitals and clinics. However, the specific trades of the parties appear to differ. The opponent's wares are purchased by, or on behalf of, clinical laboratories in a relatively routine fashion. The applicant's wares, on the other hand, are purchased by, or on behalf of a hospital surgery and would only be acquired after careful consideration, likely at the request of a surgeon. Thus, although the wares of the parties could easily be purchased by the same institutions, the manner of purchase and the specific channel of trade are quite distinct.

As for Section 6(5)(e) of the Act, I find that there is a fairly high degree of visual and phonetic resemblance between the marks at issue since the only difference between the words DIOMED and DIAMED is the third letter. To the extent that both marks suggest some idea associated with medicine, there is some resemblance between the ideas suggested.

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 differences between the wares and trades of the parties and the expensive and sophisticated nature of the applicant's wares and notwithstanding the degree of resemblance between the marks, I find that the applicant has satisfied the onus on it to show that its mark is not confusing with the opponent's trade-mark. Thus, the third ground of opposition is also unsuccessful.

The fourth ground is essentially the same as the third ground since the Johnson affidavit points primarily to prior use of the trade-names Diamed and Diamed Lab Supplies Inc. Thus, my conclusions respecting the issue of confusion under the third ground are equally applicable for the fourth ground which is therefore also unsuccessful.

As for the fifth ground of opposition, the opponent has evidenced its two applications which were filed two and a half weeks prior to the applicant's application. The fifth ground therefore remains to be decided on the issue of confusion between the opponent's two applied for marks and the applicant's proposed mark.

My conclusions respecting the third ground of opposition are, for the most part, applicable respecting the fifth ground as it relates to application No. 721,250 for the trade-mark DIAMED. That application covers a limited number of disposable laboratory supplies and the trade-mark is essentially the same as the mark DIAMED Design. If anything, the opponent's case is weaker on this aspect of the fifth ground since application No. 721,250 is based on proposed use and thus I must conclude that the applied for mark DIAMED had not become known at all as of the material time. I therefore find that the applicant's mark is not confusing with the trade-mark DIAMED applied for under No. 721,250.

Most of my conclusions respecting the third ground of opposition are also applicable to the fifth ground as it relates to application No. 721,249 for the trade-mark DIAMED LAB SUPPLIES INC. & Design. One difference of note is the degree of resemblance between the marks. Given the additional elements in the opponent's applied for mark, the degree of resemblance with the applicant's mark is slightly less. Another difference of note is the wares to be considered. The opponent's application covers its distribution services and installation, maintenance and repair services but it also contains a long list of items including a number of fairly sophisticated devices. This fact, however, does not change the issue of confusion to any significant extent since those devices are all for use in clinical laboratories. Thus, the natures of the wares of the parties and the channels of trade remain different. As before, given the differences in the natures of the wares, services and trades of the parties and the fact that

greater care would be exercised in purchasing the applicant's goods, I find that the marks at issue are not confusing. Thus, the fifth ground is also unsuccessful.

As for the sixth ground of opposition, the onus or legal burden is on the applicant to show that its mark is adapted to distinguish or actually distinguishes its wares from those of others throughout Canada: see Muffin Houses Incorporated v. The Muffin House Bakery Ltd. (1985), 4 C.P.R.(3d) 272 (T.M.O.B.). Furthermore, the material time for considering the circumstances respecting this issue is as of the filing of the opposition (i.e. - April 8, 1994): see Re Andres Wines Ltd. and E. & J. Gallo Winery (1975), 25 C.P.R.(2d) 126 at 130 (F.C.A.) and Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd. (1991), 37 C.P.R.(3d) 412 at 424 (F.C.A.). Finally, there is an evidential burden on the opponent to prove the allegations of fact in support of its ground of non-distinctiveness.

The sixth ground of opposition essentially turns on the issue of confusion between the applicant's mark and the opponent's trade-mark and trade-name DIAMED. The only difference of note respecting this ground is that, as of the filing of the opposition, it appears that the opponent may have commenced selling a few disposable items such as gloves, tubes and vials as its own goods rather than simply as a distributor. Otherwise, the evidence is essentially the same as with the third ground and I therefore find that the applicant's mark is not confusing with the opponent's trade-mark and trade-name. Consequently, the sixth ground is also unsuccessful.

In view of the above, and pursuant to the authority delegated to me under Section 63(3) of the Act, I reject the opponent's opposition.

DATED AT HULL, QUEBEC THIS 2nd DAY OF APRIL, 1997.

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