

**IN THE MATTER OF AN OPPOSITION
by 911979 Alberta Limited and Shoppers
Drug Mart Inc. to application No. 1050143
for the trade-mark DRUGMART.CA filed
by Purepharm, Inc.**

On March 10, 2000, Purepharm Inc. (the “Applicant”) filed an application to register the trade-mark DRUGMART.CA (the “Mark”) based upon proposed use of the Mark in Canada. The statement of wares/services currently reads:

Human and veterinary pharmaceutical products, namely cardiovascular agents, antidepressants, antipsychotics, antiarthritics, autonomic function modifiers, antioxidants and vitamins; and pharmaceutical dispensing devices for filling capsules with pharmaceuticals of selected dosage strength and composition.

Custom production of pharmaceutical products of selected dosage strength and composition.

The Applicant disclaimed the right to the exclusive use of the words DRUG and .CA apart from the trade-mark.

The application was advertised for opposition purposes in the Trade-marks Journal of July 16, 2003.

On December 16, 2003, 911979 Alberta Limited and Shoppers Drug Mart Inc. (the “Opponents”) filed a statement of opposition against the application. The Applicant filed and served a counter statement, in which it denied the Opponents’ allegations.

The Opponents’ evidence consists of the affidavit of Jonathan Auerbach. The Applicant’s evidence consists of the affidavit of Dipen Kalaria. Neither affiant was cross-examined.

Only the Opponents filed a written argument. Neither party requested an oral hearing.

The grounds of opposition may be summarized as follows:

1. s. 30(i) - the applicant could not have been satisfied that it was entitled to use the alleged trade-mark in Canada in association with the wares and services described in the application;
2. s.12(1)(b) – the trade-mark is clearly descriptive or deceptively misdescriptive of the wares or services or their place of origin
3. s.12(1)(d) – the trade-mark is not registrable because it is confusing with the Opponents’ various SHOPPERS DRUG MART registrations and other DRUGMART third party registrations
4. s.38(2)(d) – the trade-mark is not distinctive and is not adapted to distinguish the Applicant’s services from those of others.

Onus

The Applicant bears the legal onus of establishing, on a balance of probabilities, that its application complies with the requirements of the *Trade-marks Act*, R.S.C. 1985, c. T-13 (the “Act”). There is however an initial burden on the Opponents 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 C.P.R. (3d) 293 (F.C.T.D.) at 298; *Dion Neckwear Ltd. v. Christian Dior, S.A. et al.* (2002), 20 C.P.R. (4th) 155 (F.C.A.)).

Grounds of Opposition

Section 12(1)(b) Ground

The Opponents alleged that the Mark is not registrable in view of s. 12(1)(b) of the Act in that it is either clearly descriptive or deceptively misdescriptive in the English language of the character or quality of the wares or services in association with which it has been claimed to have been used by the Applicant or of their place of origin. Section 12(1)(b) of the Act provides as follows:

- 12.** (1) Subject to section 13, a trade-mark is registrable if it is not
- (b) whether depicted, written or sounded, either clearly descriptive or deceptively misdescriptive in the English or French language of the character or quality of the wares or services in association with which it is used or proposed to be used or of the conditions of or the persons employed in their production or of their place of origin;

The material date for considering a ground of opposition based on s. 12(1)(b) of the Act is the date of filing the application (see *Fiesta Barbeques Limited v. General Housewares Corporation* (2003), 28 C.P.R. (4th) 60 (F.C.T.D.)).

The issue as to whether the trade-mark DRUGMART.CA is clearly descriptive of the character or quality of the Applicant's wares or services or of their place of origin must be considered from the point of view of the average consumer of those wares or services. Further, in determining whether DRUGMART.CA is clearly descriptive, the trade-mark must not be dissected into its component elements and carefully analysed, but rather must be considered in its entirety as a matter of immediate impression (see *Wool Bureau of Canada Ltd. v. Registrar of Trade Marks* (1978), 40 C.P.R. (2d) 25, at pp. 27-28 and *Atlantic Promotions Inc. v. Registrar of Trade Marks* (1984), 2 C.P.R. (3d) 183, at p. 186). Finally, the word "clearly" means "self evident, plain, easy to understand" (*Thorold Concrete Products v. Canada (Registrar of Trade Marks)* (1961), 37 C.P.R. 166 (Can. Ex. Ct.)).

While the legal burden is upon the Applicant to show that its trade-mark is registrable, there is an initial evidential burden upon the Opponents in respect of this ground to adduce sufficient evidence which, if believed, would support the truth of their allegations that the Mark is clearly descriptive of the character or quality of the Applicant's wares or services or of their place of origin. It is therefore necessary to consider the Opponents' evidence in order to determine whether they have met the initial burden upon them.

While the Mark as a whole must be clearly descriptive in order to contravene s.12(1)(b), it is not necessary that the mark as a whole be a dictionary word. Since DRUGMART.CA is not a dictionary word I am entitled to consider the dictionary meanings of the components of this mark (see *Oshawa Group Ltd. v. Canada (Registrar of Trade Marks)* (1980), 46 C.P.R. (2d) 145 (F.C.T.D.) at p. 149).

In support of the Opponents' s. 12(1)(b) ground, Mr. Auerbach provides the following dictionary definitions from the 1998 edition of The Canadian Oxford Dictionary:

Drugstore...a pharmacy...

Drug...a medicinal substance

Mart 1...a store (Drug Mart). 2...a market

Pharmaceutical...1 of or engaged in pharmacy. 2. pertaining to the preparation, use or sale of medicinal drugs.

Pharmacy 1. the preparation and the dispensing of (esp. medicinal) drugs.
2. a pharmacist's store or dispensary.

Mr. Auerbach also presented evidence that a number of third parties have registered the disclaimed word “drugmart” or the disclaimed words “drug” and “mart” as part of their trademarks for wares and/or services similar to those of the Applicant. Also attached to his affidavit are printouts from the websites www.discount-drugmart.com and www.maindrugmart.com. The main page of the www.maindrugmart.com website states that Main Drug Mart has 57 pharmacies located across the greater Toronto area which provide pharmacy related wares or services.

In considering the s. 12(1)(b) issue, I have had regard to the following comments of Justice Mosley in *Community Credit Union Ltd. v. Registrar of Trade-marks* (2006), 53 C.P.R. (4th) 296 (F.C.T.D.):

The rationale underlying the prohibition against descriptive marks is that no trader can monopolize a common property which anyone in the trade has the right to use (see *Partlo v. Todd* (1888), 17 S.C.R. 196 at 223).

One cannot obtain an exclusive proprietary right in an ordinary word that aptly describes the services of others. I agree with the respondents that registration of the mark COMMUNITY CREDIT UNION would remove the word “community” from the vocabulary available to others providing the services of a credit union.”

In *London Drugs Limited v. Purepharm, Inc.* (2006), 54 C.P.R. (4th) 87, a case involving the current Applicant who was seeking registration of PHARMACY.CA and PHARMACIE.CA for use in association with identical wares and services as described in the present application, the Opposition Board found that the applied for trade-marks were clearly descriptive and lacked

distinctiveness in association with pharmacy related wares and services. Member Tremblay wrote the following at p.101-102 of her decision:

Following my review of the Opponent's evidence, I am satisfied that the Opponent has met its burden of evidencing that the trade-marks PHARMACY.CA and PHARMACIE.CA are clearly descriptive of the character of the wares and services associated therewith in that they clearly describe that the wares and services relate to a pharmacy. I do not consider that ".ca" is sufficiently distinctive to render either trade-mark registrable when considered as a whole. ...I am also satisfied that the Opponent has met its burden of evidencing that the trade-marks PHARMACY.CA and PHARMACIE.CA would be perceived as describing that the pharmacy related wares and services available by electronic means originate from a pharmacy in Canada.

Member Tremblay also referred to, at page 101 of her decision, to the following comments of Mr. Justice Cattanach in *Great Lakes Hotels Ltd. v. Noshery Ltd.* (1968), 56 C.P.R. 165 (Can Ex. Ct.) at p.172-173:

30. The prohibition in section 12(1)(b) is directed against a word that indicates the place of origin of the services or wares. Obviously a word must signify some relationship of the wares to the place to render it not registrable as a trade mark. To be invalid the name must have been given to an article by a trader in such wares to acquire the benefit of a well known and generally recognized connection of the article with the locality. Examples of this readily occur such as "Florida" in association with oranges, "Ceylon, China, or Dargeeling" in association with tea among many others of like import. The name of a place of business or factory, however, is not necessarily descriptive of the place of origin of wares or services unless it can be said that such a name is indigenous to those wares and services.

I agree with the Opponents that in the present case, the first impression created by the Applicant's mark is a place where drugs and pharmaceutical products are sold. I also consider that the word "drugmart" is indigenous to the place of origin of the Applicant's pharmacy related wares and services. Further, in view that judicial notice can be taken of the fact that the public recognizes that ".ca" is the country code designating Canada, the component ".ca" is not sufficiently distinctive to render the trade-mark registrable when considered as a whole. Finally, I have considered that traders in the Internet industry might wish to use the words "drugmart" or "drugmart.ca" to describe their pharmacy related wares or services.

I am therefore satisfied that the Opponents have met their burden of evidencing that the trade-mark DRUGMART.CA is clearly descriptive of the character of the wares and services associated therewith and/or of their place of origin in that it clearly describes drugstore services and products provided through the Internet. As the Applicant has not provided any argument or evidence to support its position that its mark is not clearly descriptive of the character or quality of the wares or services or of their place of origin, the Applicant has not met its legal burden and this ground of opposition is successful.

Section 38(2)(d) Ground of Opposition

Mr. Justice Denault stated in *Clarco Communications Ltd. v. Sassy Publishers Inc. (1994)*, 54 C.P.R. (3d) 418 (F.C.T.D.) at 428:

While distinctiveness is quite often determined as part of an evaluation of whether the proposed trade mark is confusing with another trade mark within the meaning of s. 6 of the Act, it is possible to refuse an application for registration on the basis of non-distinctiveness independent of the issue of confusion, provided the ground is raised in opposition... The quality of distinctiveness is a fundamental and essential requirement of a trade mark and the ground of lack of distinctiveness may be raised in opposition by any person and may be based on a failure to distinguish or to adapt to distinguish the proposed trade mark from the wares of any others.

In the present case, the Opponents have not specifically pleaded that the Applicant's Mark is not distinctive because the Mark is clearly descriptive of the character or quality of the Applicant's wares or services or of their place of origin. When considering the evidence in conjunction with the statement of opposition, however, I am able to conclude that the Applicant understood that this was one of the basis for the Opponents' non-distinctiveness ground (see *Novopharm Ltd. v. AstraZeneca AB (2002)*, 21 C.P.R. (4th) 289). The material date with respect to distinctiveness is the date of filing the opposition (see *Andres Wines Ltd. v. E. & J. Gallo Winery (1975)*, 25 C.P.R. (2d) 126 (F.C.A.) at 130 and *Park Avenue Furniture Corp. v. Wickes/Simmons Bedding Ltd. (1991)*, 37 C.P.R. (3d) 413 (F.C.A.) at 424).

In *Canadian Council of Professional Engineers v. APA-The Engineered Wood Assn. (2000)*, 7 C.P.R. (4th) 239 at 253, Mr. Justice O'Keefe stated, "a purely descriptive or a deceptively

misdescriptive trade-mark is necessarily not distinctive". Therefore, based on my earlier finding that the Mark is clearly descriptive, I conclude that the Mark is also not inherently adapted to distinguish the wares and services of the Applicant from similar wares and services of others.

Section 30(i) Ground of Opposition

Where an applicant has provided the statement required by s. 30(i) of the Act, a s. 30(i) ground should only succeed in exceptional cases such as where there is evidence of bad faith on the part of the applicant (see *Sapodilla Co. Ltd. v. Bristol-Myers Co.* (1974), 15 C.P.R. (2d) 152 (T.M.O.B.) at 155). As this is not such a case, I am dismissing this ground of opposition.

Section 12(1)(d) Ground of Opposition

In view of the fact that I have already refused this application on the basis of three grounds of opposition, I will not deal with the s. 12(1)(d) ground of opposition.

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) of the Act.

DATED AT Gatineau, Quebec, THIS 26th DAY OF January, 2009.

Cindy R. Folz
Member
Trade-marks Opposition Board