

**IN THE MATTER OF AN OPPOSITION
by Terumo Kabushiki Kaisha, also trading
as Terumo Corporation to application No.
1,128,961 for the trade-mark CAPIO in the
name of Boston Scientific Limited**

On January 29, 2002, Boston Scientific Limited (the “Applicant”) filed an application to register the trade-mark CAPIO (the “Mark”) based upon proposed use of the Mark in Canada in association with “apparatus for placing a suture” (the “Applicant’s Wares”).

The application was advertised for opposition purposes in the Trade-marks Journal of March 19, 2003. On May 29, 2003, Terumo Kabushiki Kaisha, also trading as Terumo Corporation (the “Opponent”) filed a statement of opposition against the application. The Applicant filed and served a counter statement.

As evidence pursuant to rule 41 of the *Trade-marks Regulations (1996)*, the Opponent filed the affidavit of Tsukasa Ikegami, who is the General Manager of the Opponent’s Intellectual Property Department.

As evidence pursuant to rule 42, the Applicant filed the affidavit of James Wagner, who is the Applicant’s Senior Product Manager for CAPIO.

As evidence pursuant to rule 43, the Applicant filed a further affidavit of Tsukasa Ikegami.

None of the affiants was cross-examined.

Each party filed a written argument. An oral hearing was not requested.

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 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 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

The Opponent has pleaded four grounds of opposition, each of which is based on the likelihood of confusion between the Mark and the trade-mark CAPIOX, which the Opponent says it has registered and used in association with “oxygenators, cardiotomy reservoirs, blood pumps, pump oxygenator circuits, heat exchangers, arterial and venous cannula, and instruments for pump oxygenators” (the “Opponent’s Wares”).

1. Section 12(1)(d) Ground of Opposition

The first ground of opposition pleads that the Mark is confusing with CAPIOX as registered under No. TMA 360,446. The Opponent has not provided a copy of this registration but I have exercised the Registrar’s discretion to check the Register and have confirmed that this registration is in good standing. [See *Quaker Oats of Canada Ltd./La Compagnie Quaker Oats du Canada Ltée v. Menu Foods Ltd.*, 11 C.P.R. (3d) 410 (T.M.O.B.).] Accordingly, the Opponent’s initial burden is satisfied.

The material date with respect to this ground of opposition is the date of my decision [see *Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd. and The Registrar of Trade Marks*, 37 C.P.R. (3d) 413 (F.C.A.)].

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: a) the inherent distinctiveness of the trade-marks or trade-names 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 or trade-names in appearance or sound or in the ideas suggested by them. Those criteria are not exhaustive and it is not necessary to give each one of them equal weight [See *Clorox Co. v. Sears Canada Inc.* (1992), 41 C.P.R. (3d) 483 (F.C.T.D.) and *Gainers Inc. v. Marchildon* (1996), 66 C.P.R. (3d) 308 (F.C.T.D.)].

In *Mattel, Inc. v. 3894207 Canada Inc.* (2006), 49 C.P.R. (4th) 321, [2006] 1 S.C.R. 772, and *Veuve Clicquot Ponsardin v. Boutiques Cliquot Ltée et al* (2006), 49 C.P.R. (4th) 401, [2006] 1 S.C.R. 824, the Supreme Court of Canada discussed the appropriate process for assessing all the surrounding circumstances to be considered in determining whether two trade-marks are confusing. It is with these cases in mind that I will now assess the likelihood of confusion between the parties' marks.

s. 6(5)(a)

Each of the marks appears to be an invented word. Therefore both marks are inherently distinctive.

There is no evidence that the Applicant's Mark has become known to any extent in Canada. In contrast, Mr. Ikegami has evidenced that sales of CAPIOX wares in Canada exceeded one million dollars in each of the years 1998 through 2002.

s. 6(5)(b)

The length of time that each mark has been used in Canada clearly favours the Opponent.

s. 6(5)(c) and (d)

Both parties' marks are used in association with medical devices. It is true that the Applicant's Wares and the Opponent's Wares serve different medical functions, but both may be used during overlapping kinds of surgeries. [See paragraph 5, Wagner affidavit and rule 43 evidence.]

The Applicant's Wares sell for approximately \$230 U.S., whereas some of the Opponent's Wares appear to sell for approximately \$200 Cdn. [See paragraph 3, Wagner affidavit; invoices in Exhibit "F", Ikegami affidavit.]

The Applicant's brochures include testimonials from doctors at medical centres. [Exhibit "A", Wagner affidavit] The Opponent sells its wares through its Canadian branches and its invoices show that its wares are sold to medical distributors and hospitals. [Paragraph 4 and Exhibit "F", Ikegami affidavit]

s. 6(5)(e)

The marks bear a high degree of resemblance visually. Aurally, they are also quite similar.

It is not clear that any idea is associated with either mark. Given the nature of the Opponent's Wares, I would have thought that the suffix of its mark, *i.e.* OX, might be a reference to oxygen, but Exhibit "A" to Mr. Ikegami's affidavit suggests that this may not be the case. That exhibit is an information sheet concerning the CAPIOX arterial filter, which is distributed to the Opponent's existing and potential customers. In the bottom right hand corner, the sheet proclaims "with Xcoating TM", which could be interpreted as suggesting that CAPIOX is the X version of CAPIO.

other surrounding circumstances

Mr. Wagner attests that the parties' marks co-exist on the U.S. Trademark Register and that he knows of no instances of confusion in the United States. However, co-existence on foreign trademark registers is to be accorded little weight [see for example, *Quantum Instruments, Inc. v. Elinca S.A.*, 60 C.P.R. (3d) 264 at 268-9 (T.M.O.B.)]. This is because there may be other factors

that justify the co-registration of marks in a foreign jurisdiction that do not exist in Canada (*e.g.* differences in the law or a different state of the register). I also accord little weight to Mr. Wagner's statement regarding the lack of evidence of confusion in the United States, because there is no evidence that the parties' wares are being sold to any significant extent in the same geographic area or that any instances of confusion would be brought to Mr. Wagner's attention. In addition, the state of the marketplace in the United States might be such as to minimize any likelihood of confusion.

It is noted that there is no evidence of the state of the register or the state of the marketplace in Canada and I cannot therefore conclude that Canadian consumers of medical devices would be used to distinguishing between marks that are as similar as CAPIO is to CAPIOX.

conclusion re confusion

Having considered all of the surrounding circumstances, I find that the Applicant has not satisfied me that, on a balance of probabilities, confusion is not likely. After all, the Applicant's proposed use Mark is very similar to the CAPIOX mark already in use by the Opponent and the marks are applied to wares in the same industry. Although I recognize that the users of each party's medical wares are presumably quite sophisticated, that does not mean that they would not, as a matter of first impression, assume that the CAPIO wares and the CAPIOX wares stem from the same source. The Applicant stated in its written argument, "A surgeon who uses a CAPIO suture capturing device is extremely unlikely to confuse such apparatus identified by the trade-mark CAPIO with blood oxygenation equipment identified by the trade-mark CAPIOX." I do not necessarily disagree with that statement but that is not the relevant test. Rather, the test is whether the ordinary end user who is familiar with CAPIOX but has an imperfect recollection of it, will, on seeing CAPIO, infer as a matter of first impression that the wares with which CAPIO is used are in some way associated with the CAPIOX wares. [See *Polo Ralph Lauren Corp. v. United States Polo Association et al.* (2000), 9 C.P.R. (4th) 51 (F.C.A.) at 58-59.]

The s. 12(1)(d) ground accordingly succeeds.

2. Section 16(3)(a) Ground of Opposition

The second ground pleads that the Applicant is not the person entitled to registration of the Mark because, at the date of filing of the application, the Mark was confusing with the Opponent's previously used trade-mark CAPIOX.

The Opponent has satisfied its initial onus with respect to this ground by evidencing use of its mark in Canada prior to January 29, 2002 and non-abandonment of its mark as of March 19, 2003. [See s. 16.]

The material date for assessing the likelihood of confusion under this ground is more than five years earlier than the date that is material with respect to the first ground of opposition. However, in the circumstances of this case, nothing turns on the date at which the issue of confusion is determined. Accordingly, the s. 16(3)(a) ground of opposition succeeds for reasons similar to those set out under my discussion of the first ground.

3 & 4. Section 30(i) and Distinctiveness Grounds of Opposition

As I have already found in favour of the Opponent under two grounds, I need not address the remaining grounds.

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 11th DAY OF MAY 2007.

Jill W. Bradbury
Member
Trade-marks Opposition Board