



LE REGISTRAIRE DES MARQUES DE COMMERCE
THE REGISTRAR OF TRADE-MARKS

Citation: 2015 TMOB 203
Date of Decision: 2015-11-16

IN THE MATTER OF AN OPPOSITION

Bayer Aktiengesellschaft	Opponent
and	
Applied Medical Research	Applicant
1,587,383 for the trade-mark FASPRIN	Application

Overview

[1] The Applicant is a medical research company located in Austin, Texas. It has applied to register the trade-mark FASPRIN (the Mark), based upon proposed use in Canada in association with pharmaceutical compositions containing NSAIDS, such as acetyl salicylic acid (ASA) and other anti-inflammatory agents in powder, tablet or rapid dissolving tablet. In Canada, ASPIRIN is a registered trade-mark for ASA and has been such since 1899.

[2] The Opponent and Bayer Inc. (Bayer Canada) are part of the Bayer Group of companies, a global enterprise with core competencies in the fields of healthcare, agriculture and high-tech materials. The Opponent is the owner of the registered trade-mark ASPIRIN (registration No. TMDA06889) in Canada and Bayer Canada is licensed to use this mark in Canada. The Opponent has opposed the Applicant's application primarily on the basis that the Mark is confusing with the Opponent's registered mark that has been used in Canada for over a century.

[3] For the reasons that follow, the opposition succeeds.

Background

[4] The Applicant filed application No. 1,587,383, for the Mark on July 24, 2012. As noted above, the application is based upon proposed use in Canada in association with pharmaceutical compositions containing NSAIDS, such as ASA and other anti-inflammatory agents in powder, tablet or rapid dissolving tablet.

[5] The application for the Mark was advertised for opposition purposes in the *Trade-marks Journal* of December 4, 2013 and on January 9, 2014, the Opponent opposed it under section 38 of the *Trade-marks Act*, RSC 1985, c T-13 (the Act). The grounds of opposition are based upon sections 30(i), 12(1)(d), 16(3)(a) and 2 (distinctiveness) of the Act.

[6] The Applicant filed a counter statement on February 26, 2014, denying each of the allegations set out in the statement of opposition.

[7] As evidence in support of its opposition, the Opponent filed the affidavits of Sheila McGurn, sworn July 4, 2014 and Joan E. Brehl Steele, sworn July 8, 2014. Neither of these affiants were cross-examined.

[8] As evidence in support of its application, the Applicant filed the affidavits of Edward J. Petrus and Gerard Drover. Neither of these affiants were cross-examined.

[9] Both parties filed a written argument. A hearing was held at which both parties attended.

Preliminary Issues

Additional Written Argument

[10] Ten days prior to the oral hearing, the Applicant attempted to file an additional written argument by way of letter dated September 18, 2015.

[11] Pursuant to section 46(2) of the *Trade-mark Regulations* (SOR/96-195), no written argument may be filed after the deadline for filing same except with leave of the Registrar. The Applicant in this case did not request leave to file this additional written argument. I therefore

find that the further written arguments dated September 18, 2015, will not be considered part of the record in the present proceeding.

Evidence that is not of record

[12] At the oral hearing, the Applicant made reference to evidence that is not of record. Those arguments based on facts that are not of record have been disregarded.

Onus

[13] At the oral hearing, the Applicant maintained that there was an onus on the Opponent to evidence the likelihood of confusion between the marks. This is not the case under Canadian law.

[14] Under Canadian law, the Applicant bears the legal onus of establishing on a balance of probabilities that its application complies with the various requirements of the Act (eg. registrability, entitlement and distinctiveness). The only burden on the Opponent is to adduce sufficient admissible evidence from which it could reasonably be concluded that the facts alleged to support each ground of opposition exist [*John Labatt Limited v The Molson Companies Limited* (1990), 30 CPR (3d) 293 (FCTD) at 298].

Analysis

Section 30(i)

[15] The Opponent has pleaded that the application for the Mark does not comply with section 30(i) of the Act in that the Applicant could not have been satisfied that it was entitled to use the Mark in view of the Opponent's prior use and registration of its ASPIRIN trade-mark.

[16] Section 30(i) of the Act merely requires that an Applicant declare in its application that it is satisfied that it is entitled to registration of its trade-mark. Where an applicant has provided the requisite statement, a section 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 CPR (2d) 152 (TMOB) at 155]. Mere knowledge of the existence of an

opponent's trade-mark does not in and of itself support an allegation that an Applicant could not have been satisfied of its entitlement to use a trade-mark [see *Woot, Inc v WootRestaurants Inc Les Restaurants Woot Inc* 2012 TMOB 197 (CanLII)].

[17] In the present case, the applicant has provided the necessary statement and the Opponent has not demonstrated that this is an exceptional case. Accordingly, the section 30(i) ground is dismissed.

Non-registrability - Section 12(1)(d)

[18] The Opponent has pleaded that the Mark is not registrable because it is confusing with its ASPIRIN trade-mark (registration No. TMDA06889).

[19] The material date to assess a section 12(1)(d) ground of opposition is the date of my decision [*Park Avenue Furniture Corporation v Wickes/Simmons Bedding Ltd and The Registrar of Trade Marks* (1991), 37 CPR (3d) 413 (FCA)].

[20] I have exercised my discretion to check the register to confirm that the Opponent's registration is extant [*Quaker Oats Co of Canada v Menu Foods Ltd* (1986), 11 CPR (3d) 410 (TMOB)]. The Opponent has therefore met its initial burden with respect to this ground. As the Opponent's evidentiary burden has been satisfied, the Applicant must establish on a balance of probabilities, that there is no reasonable likelihood of confusion between the Mark and the Opponent's ASPIRIN trade-mark.

[21] 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 goods or services associated with those trade-marks are manufactured, sold, leased, hired or performed by the same person, whether or not the goods or services are of the same general class.

[22] In applying the test for confusion, the Registrar must have regard to all the surrounding circumstances, including those specifically enumerated in section 6(5) of the Act, namely: (a) the inherent distinctiveness of the trade-marks and the extent to which they have become known; (b) the length of time each has been in use; (c) the nature of the goods, services or business; (d) the

nature of the trade; and (e) the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them. These enumerated factors need not be attributed equal weight [*Mattel, Inc v 3894207 Canada Inc* (2006), 49 CPR (4th) 321 (SCC) and *Masterpiece Inc v Alavida Lifestyles Inc* (2011), 92 CPR (4th) 361 (SCC)].

Section 6(5)(a) – the inherent distinctiveness and the extent to which the marks have become known

[23] Both of the parties' trade-marks consist of coined words and contain the same degree of inherent distinctiveness.

[24] The distinctiveness of a trade-mark may be further increased through promotion or use, which is referred to as the acquired distinctiveness of the mark.

[25] The evidence filed by the Opponent regarding the acquired distinctiveness of its mark may be summarized as follows:

- The ASPIRIN brand of ASA was developed in Germany in the late 19th century. Following the conclusion of successful clinical trials in 1899, Bayer began distributing the ASPIRIN brand of ASA to doctors. By 1915, the ASPIRIN brand of ASA was available “over the counter” without a prescription (McGurn, para. 6);
- In Canada, the ASPIRIN brand of ASA products is packaged in containers which in turn are sold to the public in cartons. All containers, cartons and packaging prominently display the ASPIRIN trade-mark. The packaging indicates that ASPIRIN is a brand of ASA and that it is a registered trade-mark owned by the Opponent and used under license (McGurn, para 17);
- The annual sales of the Opponent's ASPIRIN brand of ASA products in Canada between 2007 and 2013 were approximately \$31 million (McGurn, para. 23);
- From about 1987 – 1997, expenditures on advertising and promotion of the ASPIRIN brand of ASA were in excess of \$100 million; from 2008 – 2013 the approximate

investment in advertising and promotion in Canada was between \$3,000,000 and \$6,000,000 per year (McGurn, para. 29);

- The advertising, marketing and promotional efforts in support of the ASPIRIN brand of ASA products have included print advertising, television advertising, point-of-sale promotion, and online multi-media promotion (McGurn, para. 30) and;
- The ASPIRIN trade-mark has appeared in advertising, marketing, and promotional materials directed to physicians, pharmacists and consumers in Canada from 1930 until 2010 (McGurn, para. 33-39; McGurn, exhibits 13-42); many of the materials in which the advertisements appeared have had wide circulation across Canada (Brehl Steele affidavit, paras. 5,7, 9, 11, 13, 15 and 17).

[26] From the Opponent's evidence, I am satisfied that the Opponent's mark has become known to a significant extent throughout Canada.

[27] The application for the Mark, on the other hand, is based upon proposed use in Canada. The Petrus affidavit provides some information about the nature of the Applicant's goods and includes photographs of goods bearing the Mark. While Mr. Petrus states that the Mark has been commercially available in the U.S. and other countries since 2007, his affidavit is silent with respect to whether the Applicant has actually offered for sale or sold any products bearing the Mark in Canada. Thus, I am unable to conclude that there has been any use of the Mark in Canada within the meaning of section 4 of the Act.

[28] Mr. Petrus also does not indicate whether there has been any advertising or promotion of the Applicant's goods in association with the Mark.

[29] In view of the foregoing, I find that overall this factor favours the Opponent.

Section 6(5)(b) – the length of time each has been in use

[30] In view of the evidence furnished by the Opponent, and the fact that the Applicant has not provided any evidence that the Mark has been used in Canada, I find that this factor favours the Opponent.

Sections 6(5)(c) and (d) – the nature of goods, services or business and trade

[31] When considering sections 6(5)(c) and (d) of the Act, it is the statement of goods in the application for the Mark and the statement of goods in the Opponent's registration that governs the assessment of the likelihood of confusion under section 12(1)(d) of the Act [*Henkel Kommanditgesellschaft auf Aktien v Super Dragon Import Export Inc* (1986), 12 CPR (3d) 110 (FCA) and *Mr Submarine Ltd v Amandista Investments Ltd* (1987), 19 CPR (3d) 3 (FCA)].

[32] The application for the Mark covers pharmaceutical compositions containing NSAIDS, such as ASA and other anti-inflammatory agents in powder, tablet or rapid dissolving tablet while the Opponent's registration covers ASA tablets. The parties' goods are therefore effectively the same. The only difference is that the Applicant's product takes the form of a rapid dissolving tablet.

[33] In view that the parties' goods are essentially the same, and in the absence of any evidence to the contrary, I find it reasonable to conclude that the parties' channels of trade would overlap.

Section 6(5)(e) – the degree of resemblance between the trade-marks

[34] In *Masterpiece* the Supreme Court of Canada observed that even though the first word of a trade-mark may be the most important for the purpose of distinctiveness [*Conde Nast Publications Inc v Union des éditions modernes* (1979), 46 CPR (2d) 183 (FCTD)], the preferable approach when comparing marks is to begin by determining whether there is an aspect of the trade-mark that is particularly striking or unique.

[35] In the present case, there is a strong degree of resemblance between the marks as a whole in appearance and sound. In this regard, the Applicant has, for the most part, adopted the

Opponent's mark in its entirety and simply added the letter F to the beginning of it and removed a silent I.

[36] The ideas suggested by the marks are also similar. The word "aspirin" appears in the Canadian Oxford Dictionary as a proprietary mark for "a white powder, acetylsalicylic acid, used to relieve pain and reduce fever" while the Mark suggests a fast acting and quick dissolving form of the same product (i.e. ASA).

Surrounding Circumstance

Is the term ASPIRIN recognized as a generic term for ASA?

[37] As an additional surrounding circumstance, I have considered the Applicant's submission that the term ASPIRIN is recognized as a generic term for ASA. In its original written argument, the Applicant states that the affidavits of Mr. Petrus and Mr. Drover support this assertion.

[38] I will begin by noting that the validity of the Opponent's registration is not at issue in this opposition proceeding. In fact, the Opponent's registration was already found valid by the Supreme Court of Canada in 1924 [see *The Bayer Co v American Druggist Syndicate* 1924 SCR 558]. If it is the Applicant's contention that the Opponent's registered mark is no longer distinctive of the goods covered in the Opponent's registration, as indicated by Cattnach J. in *Sunshine Biscuits, Inc v Corporate Foods Ltd* (1982), 61 CPR (2d) 53 (FCTD) at p. 61: "an applicant's recourse in such a case is to seek to expunge the opposing party's registration."

[39] I will now summarize the evidence of Mr. Petrus and Mr. Drover.

[40] Mr. Petrus identifies himself as President of the Applicant. He states that the trade-mark FASPRIN was registered in the United States on 5/23/2006, and that FASPRIN has been commercially available in the United States and other countries since 2007. He explains that in the United States, the word "aspirin" is a generic or descriptive word for ASA and the United States Patent and Trademark Office (USPTO) has determined that FASPRIN was distinct from this word.

[41] As the Opponent's agent has pointed out, Mr. Petrus has not provided any evidence that the USPTO has found the mark FASPRIN to be distinct from the mark ASPIRIN. Even if it had, little can be drawn from the fact that trade-marks co-exist in other jurisdictions as there may be factors that justify their co-existence on the register or in the marketplace elsewhere that do not exist in Canada (e.g. differences in the law or a different state of the register). The Registrar's decision must be based on Canadian standards, having regard to the situation in Canada [see *Quantum Instruments, Inc v Elinca SA* (1995), 60 CPR (3d) 264 (TMOB); *Vivat Holdings Ltd v Levi Strauss & Co* (2005), 2005 FC 707 (CanLII) 41 CPR (4th) 8 (FC) citing *Re Haw Par Brothers International Ltd v Registrar of Trade Marks* (1979), 48 CPR (2d) 65 (FCTD) and *Sun-Maid Growers of California v Williams & Humbert Ltd* (1981), 54 CPR (2d) 41 (FCTD)].

[42] In the present case we have no evidence of the relevant market in the U.S. or on the law governing the registration of the Applicant's trade-mark in the U.S. I therefore do not consider the Applicant's U.S. registration to be of any assistance to the Applicant in this case [see also *Pitman-Moore Ltd v Cyanamid of Canada Ltd* (1977), 38 CPR (2d) 140 (TMOB)]. As noted by the Federal Court in the decision *Sun-Maid Growers of California v William & Humbert Ltd*, *supra*: "...registration in a foreign jurisdiction may indicate distinctiveness there but is irrelevant to the question of distinctiveness in Canada."

[43] Mr. Drover is the President of S & Op Consulting Services Inc. Prior to operating his own consulting firm, he was Vice President of the Private Label Department of Pharmascience Canada. His position there included the sales, marketing and distribution of various store brand products across Canada, including Low Dose ASA 81 mg. The most pertinent parts of his affidavit may be summarized as follows:

- from information that he received from various retail pharmacy chains, the private label brands of low dose 81 mg of ASA products constitute approximately 65-85% of the market for ASA in various retail pharmacy chains (para 5);
- when he requested a staff member at a pharmacy provide him with the different aspirin tablets that were available, he was provided with 3 different products which he identified as "aspirin", including Life Brand ASA 81 mg, Entrophen 81 mg and Bayer Aspirin 81 mg (paras. 6 and 7);

- the majority of the shelf space for the 81 mg group of products was taken by the private label product Life Brand ASA 81 mg; and
- in his opinion, due to the proliferation of private label brands and massive advertising of those brands by retailers across Canada, ASA is now considered to be the reference product for the 81 mg strength in English Canada and the 80 mg strength in the province of Quebec.

[44] As pointed out by the Opponent's agent, there are a number of evidentiary deficiencies with Mr. Drover's evidence.

[45] First, Mr. Drover's evidence obtained from various retail pharmacy chains that the penetration of private label brands of low dose 81 mg of ASA products constitutes 65-80% of the market for ASA is hearsay. It was established in *Labatt Brewing Co v Molson Breweries, A Partnership* (1996), 68 CPR (3d) 216 (FCTD), that statements made in an affidavit based on information and belief are *prima facie* inadmissible hearsay evidence unless they satisfy the criteria of necessity and reliability. As the Applicant has not explained how this evidence satisfies the criteria of necessity and reliability, I am only prepared to give it reduced weight.

[46] The Opponent also objected to Mr. Drover's evidence about his attendance at an unidentified pharmacy to ask an unidentified pharmacist to provide him with the different "aspirin" tablets that were available in that retail outlet. In addition to not explaining which pharmacy he attended or who he spoke to, the Applicant does not explain how this evidence is reliable or why it was necessary (i.e. why the pharmacist could not have sworn his own affidavit). I have therefore also given reduced weight to this evidence.

[47] Finally, Mr. Drover has not been shown to be an expert in the sales and marketing of pharmaceuticals and is therefore not qualified to render an opinion that the average English or French speaking consumer of the goods would refer to the Opponent's product as ASA as opposed to by its trade-mark. I am therefore not prepared to accord weight to this statement of Mr. Drover because it constitutes inadmissible opinion evidence.

[48] Based on the foregoing, I do not find that any of the Applicant's evidence constitutes a relevant surrounding circumstance supporting the Applicant's case.

Absence of evidence of actual confusion

[49] As another surrounding circumstance, the Applicant submits that a negative inference should be drawn from the fact that the Opponent was unable to evidence any incidents of actual confusion between the marks. I draw the Applicant's attention to the following excerpt from the Federal Court in the decision *Dion Neckwear Ltd v Christian Dior, SA* (2002), 2002 FCA 29 (CanLii) 2002 FCA 29 (CanLII), 20 CPR (4th) 155 at p. 164, para.19 (FCA):

With respect to the lack of evidence by the opponent of actual confusion, the Registrar expressed the view that an opponent does not need to file that kind of evidence. This is true in theory, but once an applicant has filed some evidence which may point to unlikelihood of confusion, an opponent is at great risk if, relying on the burden of proof the applicant is subject to, it assumes that it does not need to file any evidence of confusion. While the relevant issue is "likelihood of confusion" and not "actual confusion", the lack of "actual confusion" is a factor which the courts have found of significance when determining the "likelihood of confusion". An adverse inference may be drawn when concurrent use on the evidence is extensive, yet no evidence of confusion has been given by the opponent [see *Pink Panther*, supra para. 10, at para. 36; *Petit Bateau Valton SA c Boutiques Le Bateau Blanc Inc* (1994), 55 CPR (3d) 372 (Fed TD); *Bally Schuhfabriken AG/Bally's Shoe Factories Ltd v Big Blue Jeans Ltd/Ltée* (1992), 41 CPR (3d) 205 (Fed TD); *MonSport Inc v Vêtements de Sport Bonnie (1978) Ltée* (1988), 22 C.P.R. (3d) 356 (Fed TD)].

[50] In the present case, the Applicant has not provided any evidence of use of its Mark in Canada. In my view, this fact alone sufficiently explains why there is an absence of evidence of instances of actual confusion. I have therefore not drawn any negative inference about the Opponent's case owing to the lack of evidence of actual confusion in Canada.

Conclusion

[51] Having considered all the surrounding circumstances, I find that the Applicant has not met its legal burden. The Opponent has used and promoted its mark to a significant degree in Canada for over a century. The Applicant's Mark resembles the Opponent's mark to a strong degree. The Applicant has not established any reputation in association with its Mark but proposes to use it in association with the same goods as those of the Opponent and in a field in which the Opponent's mark has been established. The issue is whether a consumer who has a general and not precise recollection of the Opponent's mark, will, upon seeing the Applicant's

Mark, be likely to think that the goods share a common source. I find that they would. I therefore conclude that confusion as to source is reasonably likely.

[52] Accordingly, the section 12(1)(d) ground of opposition succeeds.

Non-Entitlement – Section 16(3)(a)

[53] The Opponent has pleaded that the Applicant is not the person entitled to register the Mark because as of the filing date of the application for the Mark, the Mark was confusing with the Opponent's ASPIRIN trade-mark which had been previously used in Canada by the Opponent in association with ASA products.

[54] The Opponent has an initial evidential burden under this ground of opposition to establish: (i) use of its trade-mark as of the filing date of the application for the Mark; and (ii) non-abandonment as of the date of advertisement of the Mark. The Opponent has met its initial burden since its evidence establishes that its mark had been used as of the filing date of the Mark and had not been abandoned as of the date of advertisement of the Mark.

[55] In the circumstances of this case, nothing turns on the date at which the issue of confusion is determined. Therefore the outcome of the non-entitlement ground is the same as the outcome of the section 12(1)(d) ground.

Non-Distinctiveness – Section 2

[56] The Opponent has pleaded that the Mark is not distinctive of the goods of the Applicant because it is not adapted so as to distinguish them from those of the Opponent provided by the Opponent in association with its ASPIRIN trade-mark.

[57] The material date for assessing confusion under this ground is the filing date of the opposition [see *Metro-Goldwyn-Mayer Inc v Stargate Connections Inc* (2004), 2004 FC 1185 (CanLII), 34 CPR (4th) 317 (FC)]. The Opponent has met its initial burden since its evidence establishes that its mark had, at that time, acquired a reputation in Canada that was sufficient to affect the distinctiveness of the Applicant's Mark [see *Bojangles' International LLC v Bojangles Café Ltd* (2006), 2006 FC 657 (CanLII), 48 CPR (4th) 427 (FC)].

[58] In the circumstances of this case, nothing turns on the date at which the issue of confusion is determined. Therefore the outcome of the distinctiveness ground is the same as the outcome of the section 12(1)(d) ground.

Disposition

[59] In view of the foregoing, pursuant to the authority delegated to me under section 63(3) of the Act, I refuse the application pursuant to section 38(8) of the Act.

Cindy R. Folz
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office

Hearing Date: 2015-09-28

Appearances

Jane Steinberg

For the Opponent

Edward Petrus

For the Applicant

Agents of Record

Gowlings

For the Opponent

No Agent Appointed

For the Applicant