

**IN THE MATTER OF AN OPPOSITION by  
Genzyme Corporation to Application No.  
1209417 for the trade-mark REJUGEL filed by  
Merz Pharma GmbH & Co. KGAA**

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**I The Proceedings**

On March 12, 2004 Merz Pharma GmbH & Co. KGAA (the “Applicant”) filed an application to register the trade-mark REJUGEL (the “Mark”) based on proposed use in Canada in association with pharmaceutical preparations for the beauty in body care for use in dermatology and all being for use in aesthetic surgery, namely an hyaluronic acid-filler for wrinkle and lip augmentation (the “Wares”).

The application was advertised on January 12, 2005 in the *Trade-marks Journal* for opposition purposes. Genzyme Corporation (the “Opponent”) filed a statement of opposition on March 11, 2005 and the Registrar forwarded it to the Applicant on March 29, 2005.

The grounds of opposition pleaded as they now read are:

1. The Application does not comply with the requirements of s. 30 of the Trade-marks Act, 1985 R.S.C. c. T-13, (the “Act”) in that the Applicant could not have been satisfied that it was entitled to use the Mark in Canada, considering that the Applicant should have been aware of the Opponent’s prior use in Canada of its registered trade-mark in association with the wares described in the Opponent’s trade-mark registration. The Applicant could not have been satisfied that it was entitled to use the Mark in Canada in association with the Wares because it was confusing with the Opponent’s registered trade-mark.
2. The Mark is not registrable pursuant to the provisions of s. 38(2)(b) and 12(1)(d) of the Act in that the Mark is confusing with the Opponent’s registered trade-mark RENAGEL, certificate of registration TMA519545;
3. The Applicant is not the person entitled to registration of the Mark pursuant to the provisions of s. 38(2)(c) and 16(3) of the Act because at the relevant date the Mark was confusing with the trade-mark RENAGEL for which an application had been previously filed in Canada by the Opponent on December 17, 1997 and which had been previously used or made known in Canada by the Opponent in association with

pharmaceuticals generally, and more specifically for phosphate binders for treatment of hyperphosphatemia;

4. Pursuant to s. 38(2)(d) and s. 2 of the Act, the Applicant's Mark is not distinctive of the Applicant because it is not capable of distinguishing the Wares from the wares of the Opponent associated with its trade-mark RENAGEL as it is likely to be confusing with such trade-mark.

The Applicant filed on April 25, 2005 a counter statement denying essentially all grounds of opposition pleaded.

The Opponent's evidence consists of the affidavits of Leanna Caron and James Haggerty. The Applicant filed no evidence. The Registrar issued an order for the cross-examination of the Opponent's deponents but the Applicant did not proceed with such cross-examination.

Both parties filed written arguments and an oral hearing was held during which both parties made representations.

## **II General Principles Applicable to all Grounds of Opposition**

The Applicant has the legal onus to show that its application complies with the provisions of the Act, but there is however an initial evidential 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. Once this initial burden is met, the Applicant still has to prove, on a balance of probabilities, that the particular grounds of opposition should not prevent the registration of the Mark [see *Joseph E. Seagram & Sons Ltd. et al v. Seagram Real Estate Ltd.*, 3 C.P.R. (3d) 325, at pp. 329-330; *John Labatt Ltd. v. Molson Companies Ltd.*, 30 C.P.R. (3d) 293 and *Wrangler Apparel Corp. v. The Timberland Company*, [2005] F.C. 722].

The relevant dates for the analysis of the grounds of opposition raised are:

- The filing date of the application (March 12, 2004) with respect to the compliance with the provisions of s. 30(i) of the Act [see *John Labatt Ltd. v. Molson Companies Ltd.*, 30 C.P.R. (3d) 293 and *Georgia-Pacific Corp. v. Scott Paper Ltd.*, 3 C.P.R. (3d) 469];
- The date of the Registrar's decision with respect to the registrability of the Mark under s. 12(1)(d) of the Act [see *Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd. (1991)*, 37 C.P.R. (3d) 413 at 424 (F.C.A)];
- The filing date of the application (March 12, 2004) when determining the entitlement to the registration of the Mark, where the application is based on proposed use [see s. 16(3) of the Act];
- The filing date of the statement of opposition (March 11, 2005) is generally accepted to be the relevant date to determine the distinctiveness of the Mark [see *Andres Wines Ltd. and E & J Gallo Winery (1975)*, 25 C.P.R. (2d) 126 at 130 (F.C.A.) and *Metro-Goldwyn-Meyer Inc. v. Stargate Connections Inc. (2004)*, 34 C.P.R. (4th) 317 (F.C.T.D.)].

### **III Registrability of the Mark**

The Opponent is alleging that the Mark is not registrable pursuant to s. 12(1)(d) of the Act as it would be confusing with its registered trade-mark RENAGEL, certificate of registration TMA519545, in association with phosphate binders for treatment of hyperphosphatemia.

The test to determine this issue is set out in s. 6(2) of the Act and I must take into consideration all the relevant surrounding circumstances, including those listed in s. 6(5): the inherent distinctiveness of the trade-marks or trade-names and the extent to which they have become known; the length of time the trade-marks or trade-names have been in use; the nature of the wares, services, or business; the nature of the trade; and 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.)]. I refer to the decision of the Supreme Court

of Canada in *Mattel, Inc. v. 3894207 Canada Inc.*, (2006) 49 C.P.R. (4th) 321 for a recent analysis of those criteria.

Ms. Caron has been the Deputy General Manager of Genzyme Canada Inc. She states that Genzyme Canada Inc. is the Canadian subsidiary of Genzyme Corporation and is licensed to sell tablets using the trade-mark RENAGEL owned by the Opponent. She filed a copy of an extract of the register namely certificate of registration TMA519545 for the trade-mark RENAGEL. Therefore the Opponent has met its initial onus.

The Opponent takes the position in its written argument that the trade-mark RENAGEL is inherently distinctive as it is a coined, invented word. The scope of protection afforded to a mark comprised of an invented word is much wider than in the case of a word in common use or one that has a generally descriptive connotation. I agree with those submissions. However the Mark is also a coined, invented word.

The degree of distinctiveness of a trade-mark can be enhanced through use or making known. There is no evidence of use of the Applicant's Mark.

Ms. Caron filed numerous exhibits on which the trade-mark RENAGEL appears such as: brochures distributed to pharmacists, doctors and patients, starter pack, container, wheel chart, postcard, calendar, diary, folder, conference summary sponsored by Genzyme Canada Inc., tablet pen, advertisement published in periodicals circulated amongst the medical community, key chains, self-adhesive note-paper. All these brochures and marketing material bear the trade-mark RENAGEL. None of them refer to Genzyme Canada Inc. as the Opponent's licensee. Most of the material filed bearing the Mark does however contain a copyright notice with reference to the Opponent.

Sales of tablets bearing the trade-mark RENAGEL in Canada by Genzyme Canada Inc. have grown steadily from \$1.5 million in 2001 to greater than \$10 million in 2005. Genzyme Canada Inc. has spent \$12 million in Canada in advertising and marketing the products sold in association with the trade-mark RENAGEL since its launch in 2000.

The Applicant argues that there is no evidence of use of the Mark in Canada by the Opponent but evidence of use by an entity known as Genzyme Canada Inc. Such use, according to the Applicant, cannot inure to the Opponent's benefit as there is no evidence in the record that the Opponent has direct or indirect control over the use of its trade-mark. If that were the case the first two factors under s. 6(5) of the Act would favour neither party.

There is an allegation in paragraph 29 of Ms. Caron's affidavit that Genzyme Canada Inc. is the Canadian subsidiary of the Opponent and is licensed to sell tablets using the Opponent's trade-mark RENAGEL. As there is no allegation of direct or indirect control on the Opponent's part, the Applicant argues that such allegation would not be sufficient to conclude that any evidence of use of the trade-mark RENAGEL by Genzyme Canada Inc. would be deemed use of such mark by the Opponent. One must look at the evidence in its totality. Not only do we have the content of paragraph 29 of Ms. Caron's affidavit but also most if not all of the written material annexed as exhibits to her affidavit contain a copyright notice that copyright in such material belongs to the Opponent. In fact the symbol "©" appears beside the Opponent's name on most of the written material filed. It is interesting to note that such written material includes the product monograph for drug products bearing the Opponent's trade-mark RENAGEL (exhibit Z to Ms. Caron's affidavit) the prescribing information for such products (exhibit M) and a wheel chart (exhibit G) used by health care professionals to ensure that patients receiving such product maintain appropriate blood phosphorous levels.

Moreover on the safety information brochure (exhibit Y) there is the following notice:

“® Renagel (sevelaner hydrochloride) is a registered trademark of Genzyme Corporation.”

Even though there is no specific allegation that the Opponent has control over the quality and character of the wares sold in association with the trade-mark RENAGEL, the copyright notice on these documents, the indication that the trade-mark RENAGEL is a registered trade-mark of the Opponent on the safety information brochure and the allegation that Genzyme Canada Inc. is the Opponent's subsidiary and licensee imply that such control exists. I therefore conclude that any use of the trade-mark RENAGEL by Genzyme Canada Inc. inure to the Opponent's benefit.

Consequently the Opponent's trade-mark RENAGEL is more known in Canada than the Mark and as such this factor favours the Opponent.

As for the length of time the respective trade-marks have been in use, this circumstance also favours the Opponent as there is no evidence of use of the Mark by the Applicant while there is evidence of use of the Opponent's trade-mark since at least 2001 in Canada [see exhibits mentioned above and the invoices filed as exhibit C to Ms. Caron's affidavit].

On the issue of the nature of the wares of the respective parties, the Opponent takes the position that the parties' wares consist of pharmaceutical preparations. The Applicant takes the position that such characterization is too broad and one must look at the specific wares.

In *Endo Laboratories Inc. v. Dow Chemical Co.* (1972), 8 C.P.R. (2d) 149 at page 154 Noel A.C.J. stated:

The matter indeed should be given a realistic interpretation as pharmaceutical preparations cannot here be considered as "specific wares". If I am right in this regard, then, of course, it follows that the matter of confusion must be considered, having regard to the fact that appellant's mark is to be looked at as used in association with analgesic preparations, whereas respondent's is to be looked at in association with topical anesthetics only which, as we have seen, are two entirely different applications where the risks of confusion are, in my view, non-existent. Counsel for the respondent submits that both products find a specific use in the field of dentistry and that both may, in some cases, be hazardous to health. It is true that both products are for the relief of pain and both may be used in the field of dentistry. However, their use is entirely different, one being by injection or infiltration (Dyclone) and the other being taken in the form of a tablet (DILONE)

The Applicant has clearly stated in the description of the Wares that the pharmaceutical preparation is to be used in the context of aesthetic surgery, for wrinkle and lip augmentation. As for the Opponent's wares sold in association with the trade-mark RENAGEL, the evidence filed by Ms. Caron shows that it is indicated for the control of serum phosphorus in patients with chronic kidney disease on hemodialysis. Therefore on one hand we have Wares used for aesthetic purposes while the Opponent's wares are prescribed to people with kidney problems. Those are two totally different uses.

The Applicant in its written argument refers to the portion of the evidence contained in Ms. Caron's affidavit wherein she alleges that hyaluronic acid can be used for injection into tissues to smooth wrinkles and folds, temporarily adding volume to tissues and restoring a smoother appearance to the skin particularly for wrinkles. To support such statement she filed extracts of a third party's web site describing one of hyaluronic acid products used for the treatment of wrinkles and sold under a trade-mark unrelated to these proceedings. From what I understand, the Applicant is referring to such portion of the Opponent's evidence to show that the Wares could be administered through injection as opposed to tablets or pills as in the case of the Opponent's wares, and thus further supporting a contention that there exists a difference in the nature of the channels of trade. If hyaluronic acid were administered through injection during aesthetic surgery the end user would be the surgeons performing such surgery while the patient having kidney problems would be the end user of the Opponent's wares, even though a doctor would prescribe them. Moreover by stating in the description of the Wares that "... all being for use in aesthetic surgery...", it implies that the patient is not the end user *per se* of the Wares. Finally it implies that the Wares are administered during a surgery. Despite the fact that the parties' wares can be described in general terms as pharmaceutical preparation their end users would be different and thus their channels of trade would differ.

The degree of resemblance is the most important factor when assessing the likelihood of confusion between two trade-marks. Mr. Justice Cattanach in *Beverley Bedding & Upholstery Co. v. Regal Bedding & Upholstering Ltd.* (1980), 47 C.P.R. (2d) 145 at par. 28 defined the issue in the following terms:

Realistically appraised it is the degree of resemblance between trade marks in appearance, sound or in ideas suggested by them that is the most crucial factor, in most instances, and is the dominant factor and other factors play a subservient role in the over-all surrounding circumstances.

He also described the test of confusion in the following words in *Canadian Schenley Distilleries Ltd. v. Canada's Manitoba Distillery Ltd.* (1975), 25 C.P.R. (2d) 1 at par. 14:

To determine whether two trade marks are confusing one with the other it is the persons who are likely to buy the wares who are to be considered, that is those

persons who normally comprise the market, the ultimate consumer. That does not mean a rash careless or unobservant purchaser on the one hand, nor on the other does it mean a person of higher education, one possessed of expert qualifications. It is the probability of the average person endowed with average intelligence acting with ordinary caution being deceived that is the criterion and to measure that probability of confusion the Registrar of Trade Marks or the Judge must assess the normal attitudes and reactions of such persons.

In considering the similarity of trade marks it has been held repeatedly that it is not the proper approach to set the marks side by side and to critically analyze them for points of similarities and differences, but rather to determine the matter in a general way as a question of first impression. I therefore propose to examine the two marks here in dispute not for the purpose of determining similarities and differences but rather to assess the attitude of the average reasonable purchaser of the wares as a matter of first impression.»

Therefore I must compare the trade-marks REJUGEL and RENAGEL. In doing such analysis one must refrain from dissecting the marks into their components in order to isolate the similarities or the differences.

The ideas suggested by the marks are different. The Mark suggests that it is a rejuvenating gel when used in association with the Wares. The Opponent's trade-mark may suggest a pill in gelatine form for some kidney disorder as the first portion "rena" is a truncation of the word "renal".

The Opponent argues that the first portion of the marks, considered to be the most important one, is identical. Such argument is based on the fact that the first syllable of both trade-marks is "re". Even accepting the Opponent's contention, such importance will be diminished if it is a common element used in the trade. Mr. Haggerty has been a trade-mark searcher at the Opponent's agents firm. He was asked to conduct a search of the Canadian Trade-marks Register for the trade-mark RENAGEL. Despite this apparent limited mandate, he nevertheless filed a copy of search results that include business name registries; Internet name registries and the Trade-marks register for trade-marks that includes the terms RENAG/RENA/REN/RE, NAGEL/AGEL/GEL/EL and ENA/NAG/AGE. The Opponent did not refer to such evidence neither in its written argument nor during the oral hearing. However such evidence reveals (tab 2B to his affidavit) the existence of more than 30 trade-marks on the register with the prefix "re" as the first portion of the trade-mark in association with pharmaceutical preparation or related wares. As such I can infer that it is



commonly used in the trade and the consumers are accustomed to distinguish them [see *Ports International Ltd. v. Dunlop Ltd.* (1992), 41 C.P.R. (3d) 432 (T.M.O.B.); *Del Monte Corporation v. Welch Foods Inc.* (1992), 44 C.P.R. (3d) 205 (F.C.T.D) and *Kellogg Salada Canada Inc. v. Maximum Nutrition Ltd.* (1992), 43 C.P.R. (3d) 349 (F.C.A.)] Therefore such similarity does not play an important role in the assessment of the degree of resemblance between the marks.

The Opponent further argues that the last portion of the marks, the word “gel”, is also identical. However it is a common word and as such does not constitute a distinctive element. I may add that such detailed analysis done by the Opponent of the parties’ respective trade-marks is not the appropriate test to determine if there is a likelihood of confusion between them.

The marks have some similarities in sound, as their first and last syllables are identical.

As an additional surrounding circumstance the Opponent introduced as evidence, through the affidavit of Ms. Caron, a copy of a document entitled “A Draft Guidance for Industry” published by Health Canada’s Health Products and Food Branch which deals with drug name review and health product’s names. As appears from the title of this document it is a guide and there is no evidence that its content is binding upon manufacturers of pharmaceutical products. We have no evidence that the content of this document was in force at any of the relevant dates as its title suggests that it was a draft document. There is a notice at the beginning of the document wherein the industry and health care professionals are asked to provide comments on such draft by November 15, 2004. Finally, there is no ground of opposition pleaded that would raise the issue that the Mark contravenes any other statutory or regulatory provisions.

Applying the test of the imperfect recollection of an average consumer of the Opponent’s wares sold in association with the trade-mark RENAGEL, I conclude that such person would not likely be confused, on a balance of probabilities, with the Mark when used in association with the Wares. I reach this conclusion based on the fact that there is a clear distinction in the nature of the parties’ respective wares and that the ideas suggested by the marks are different. Any similarity in the marks is diminished by the fact that such similarity results from the use of common terms in the trade.

Therefore the ground of opposition based on s. 12(1)(d) of the Act is dismissed.

#### **IV Other grounds of opposition**

The likelihood of confusion between the parties' marks is the key issue in assessing whether the Applicant is entitled to register the Mark under s. 16(3), or if the requirements under s. 30(i) have been met as well as deciding if the Mark is distinctive. The difference in the relevant dates (the date of the Registrar's decision in the case of s. 12(1)(d) versus the filing date of the application when assessing the grounds of opposition under s. 16(3) or 30(i) of the Act or the filing date of the statement of opposition when considering the distinctiveness of the Mark) would have no consequence on such analysis. As I have already ruled that the Mark is not likely to cause confusion with the Opponent's trade-mark RENAGEL, those three additional grounds of opposition are also dismissed.

I may add that the drafting of the ground of opposition based on entitlement is quite broad and thus could encompass both s. 16(3)(a) and (b). The Opponent's application for the registration of the trade-mark RENAGEL was no longer pending at the advertisement date of this application [see s. 16(4) of the Act]. For that reason alone ground of opposition based on s. 16(3)(b) is also dismissed.

#### **V Conclusion**

The Applicant has satisfied its burden to prove, on a balance of probabilities, that the Mark is registrable and distinctive, that it is entitled to the registration of the Mark and that it has met the requirements under s. 30(i) of the Act.

Having been delegated authority by the Registrar of Trade-marks by virtue of s. 63(3) of the Act, I reject, pursuant to s. 38(8) of the Act, the Opponent's opposition to the registration of the Mark in association with the Wares.

DATED, IN BOUCHERVILLE, QUEBEC, THIS 27th DAY OF OCTOBER 2008.

Jean Carrière,  
Member, Trade-marks Opposition Board