



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

Citation: 2017 TMOB 40
Date of Decision: 2017-04-27

IN THE MATTER OF AN OPPOSITION

Merial LLC

Opponent

and

Cross Vetpharm Group Limited

Applicant

1,672,450 for EPRIMECTIN

Application

Background

[1] The Applicant filed application No. 1,672,450 to register the trade-mark EPRIMECTIN (the Mark) on April 11, 2014. The application for the Mark is based upon proposed use in association with veterinary pharmaceutical preparations and substances, namely anthelmintics.

[2] The Opponent is the former owner of Canadian trade-mark registration No. TMA515,588 for EPRINEX, which covers veterinary antiparasitic preparations. As a result of an assignment, the registration now stands in the name of Merial, Inc.

[3] The application for the Mark was advertised for opposition purposes in the *Trade-marks Journal* dated December 24, 2014 and the Opponent filed a statement of opposition to oppose it on May 25, 2015. The grounds of opposition are based upon sections 30(i), 12(1)(b), 12(1)(c), 12(1)(d), 16(3)(a) and 2 (non-distinctiveness) of the *Trade-marks Act*, R.S.C. 1985, c. T-13 (the Act).

[4] A counterstatement denying each of the allegations set out in the statement of opposition was filed by the Applicant on July 17, 2015.

[5] As evidence in support of its opposition, the Opponent filed the affidavit of Guillermo Lopez (Country Manager for a company related to the Opponent), sworn November 11, 2015 and the affidavit of Dane Penney (trade-mark searcher employed by the Opponent's agent), sworn November 16, 2015. Neither affiant was cross-examined.

[6] The Applicant did not file any evidence in support of its application.

[7] Both parties filed written arguments and attended a hearing.

Onus

[8] The Applicant bears the legal onus of establishing on a balance of probabilities that its application complies with the requirements of the Act. However, there is 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 [*John Labatt Limited v The Molson Companies Limited* (1990), 30 CPR (3d) 293 (FCTD) at 298].

Grounds of Opposition Summarily Dismissed

Section 30(i)

[9] At the hearing, the Opponent conceded that it has not met its burden in respect of this ground of opposition. I agree. The application contains a statement that the Applicant is satisfied that it is entitled to use the Mark, as required by section 30(i) of the Act. It has been held that where an applicant has provided the required statement, a ground of opposition based upon this section should only succeed in exceptional cases [*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 mark [*Woot, Inc v WootRestaruantns Inc Les Restaurants Woot Inc* 2012 TMOB 197 (CanLII)]. Accordingly, this ground of opposition is summarily dismissed.

Analysis

[10] There are six remaining grounds of opposition in this case. Three are based upon confusion related allegations and three are not. I will deal with those relating to confusion first.

Grounds of Opposition Based upon Confusion

Section 12(1)(d)

[11] The Opponent has pleaded that the Mark is not registrable because it is confusing with the trade-mark EPRINEX (TMA515,588), registered for use in association with veterinary antiparasitic preparations.

[12] 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)].

[13] I have exercised my discretion and checked the register to confirm that the registration is extant [*Quaker Oats Co of Canada v Menu Foods Ltd* (1986), 11 CPR (3d) 410 (TMOB)]. Although the registration now stands in the name of Merial, Inc., as a result of an assignment that was recorded against it subsequent to the filing of the parties' evidence and written arguments, this does not prevent the Opponent from relying upon it in support of its section 12(1)(d) ground of opposition [see section 17 of the Act].

[14] The Opponent has therefore met its initial evidential burden with respect to this ground. As the Opponent's evidential burden has been satisfied, the Applicant must therefore establish on a balance of probabilities, that there is no reasonable likelihood of confusion between the Mark and the Opponent's trade-mark.

[15] 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.

[16] 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 of the trade-marks and the extent to which they have become known

[17] At first glance, both EPRINEX and EPRIMECTIN appear to be coined. Marks of this inventive nature are normally considered to possess a higher level of inherent distinctiveness than those which are composed in whole or in part of generic, descriptive or suggestive terms. However, in the present case, I note that the goods associated with the trade-mark EPRINEX are described as “veterinary parasitic preparations”. Likewise, the goods associated with the Mark are described as “anthelmintics”. Having exercised my discretion to check dictionary definitions, I can confirm that an “anthelmintic” is a drug or agent used to destroy parasitic worms [see online version of the *Canadian Oxford Dictionary* (2 ed.)]. Thus, the goods of the parties are highly similar, if not the same.

[18] The relevance of this is that the Opponent has filed evidence to show that “eprinomectin” is the name of an active ingredient in parasitic preparations which are marketed under the trade-mark EPRINEX [Lopez affidavit, Exhibits A and C; Penney affidavit, Exhibit A].

[19] Since the Mark is essentially a contracted form of “eprinomectin” (i.e. it is simply missing the “no” in the middle), I do not consider it to possess a high degree of inherent distinctiveness. The pre-fix EPRI in the trade-mark EPRINEX may also be perceived as being a reference to “eprinomectin” and thus, it may also be said to be somewhat suggestive and lacking in inherent distinctiveness. That said, it is more inherently distinctive than the Mark.

[20] A trade-mark may also acquire distinctiveness by means of it becoming known through promotion or use. The application for the Mark is based upon proposed use and there is no evidence before me to establish that the Mark has been used or become known to any extent.

[21] By contrast, the Opponent's evidence suggests that the trade-mark EPRINEX has become reasonably well known in Canada. I have highlighted some of the Opponent's evidence in this regard below:

- the trade-mark EPRINEX has been used and advertised in Canada in association with veterinary anti-parasitic preparations, continuously since at least as early as 1999 and the trade-mark prominently appears on the product packaging [Lopez affidavit, paras 6 and 7, and Exhibit A];
- gross annual sales for products bearing the EPRINEX trade-mark in Canada for the years 2008 to 2014 ranged between \$1,172,891 and \$1,658,022 [Lopez affidavit, para 8]; and
- the trade-mark EPRINEX appears on promotional materials which have been distributed to customers and prospective customers throughout Canada continuously since the product was first sold in Canada [Lopez affidavit, para 11, and Exhibit C].

[22] In view of the foregoing, I find that this first factor, which is a combination of the inherent distinctiveness of the marks and the extent to which they have become known, favours the Opponent.

Section 6(5)(b): the length of time each trade-marks have been in use

[23] The application for the Mark is based upon proposed use and the Applicant has not filed any evidence of use. By contrast, as discussed above, the Opponent has filed evidence of use of the trade-mark EPRINEX in Canada dating back several years.

[24] Accordingly, this factor also favours the Opponent.

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

[25] 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 registration relied upon by the

Opponent that govern 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)].

[26] As previously discussed, the “veterinary antiparasitic preparations” covered by the registration for EPRINEX and the “veterinary pharmaceutical preparations and substances, namely anthelmintics” in the application for the Mark appear to be highly similar, if not the same.

[27] The goods associated with the trade-mark EPRINEX are sold directly to veterinary clinics and/or veterinary practitioners [Lopez affidavit, para 8]. The Applicant has not filed any evidence regarding the nature of its business or normal course of trade. However, in view of the close nature of the parties’ goods, it is reasonable to conclude that there would be overlap in their channels of trade.

[28] The section 6(5)(c) and (d) factors therefore also favour the Opponent.

Section 6(5)(e): the degree of resemblance between the marks in appearance or sound or in the ideas suggested by them

[29] It is well-established that when considering the degree of resemblance between trade-marks, the trade-marks must be considered in their totality and it is not correct to lay them side by side and carefully compare and observe the similarities or differences among their elements. It is also not correct to dissect the marks.

[30] In *Masterpiece*, the Supreme Court 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 [*Masterpiece, supra*, at para 49].

[31] Further, while it is generally accepted that the first component of a mark is often the most important for the purposes of distinguishing between the marks, the importance of this factor

diminishes if the first component is suggestive or descriptive [*Sky Solar Holdings Co., Ltd. v Skypower Global*, 2014 TMOB 262 (CanLII) at paras 48-50; *Health4All Products Limited v The Nutraceutical Medicine Company Inc*, 2012 TMOB 194 (CanLII) at paras 61-62; *International Business Machines Corporation v Loris Technologies Inc*, 2013 TMOB 136 (CanLII) at para 70; *Reno-Dépôt v Homer TLC Inc* (2009), 2010 TMOB 11 (CanLII) at para 58].

[32] In the present case, both of the parties' marks are formed of a single word, the first part of which is EPRI. Given that EPRI may be associated with or recognized as being a reference to the active ingredient "eprinomectin" in the parties' goods, I do not consider this aspect of either of the parties' marks to be particularly striking or unique. Each of the marks as a whole essentially consists of a coined word having a suggestive element. It is true that they bear some similarity to one another in appearance, sound and suggested idea due to the inclusion of "epri". However, their suffixes differ substantially. There is a big difference in sound and appearance between the suffix "nex" and the suffix "mectin". While the use of the suggestive prefix "epri" results in some degree of resemblance, when the marks are viewed as a whole, I consider the significance of this resemblance to be diminished due to the difference in the suffix components of the parties' marks.

Conclusion Regarding Likelihood of Confusion

[33] In applying the test for confusion, I have considered it as a matter of first impression and imperfect recollection. Having considered all of the surrounding circumstances, despite the greater inherent and acquired distinctiveness of EPRINEX, the length of time it has been in use, the similar, if not identical nature of the goods and the potential for overlap in their channels of trade, I find the overall differences between the parties' marks sufficient to shift the balance of probabilities regarding confusion in favour of the Applicant. The differences between the marks at issue in their second components (i.e. NEX and MECTIN), and the diminished importance of their first component EPRI, tend to mitigate the resemblance between the parties' marks. I am of the view that the ordinary consumer would not, as a matter of first impression, be likely to think that the goods associated with EPRINEX would emanate from the same source as those associated with EPRIMECTIN or vice versa. Consequently, I find that there is no reasonable likelihood of confusion between the parties' trade-marks.

[34] The section 12(1)(d) ground of opposition is therefore unsuccessful.

Sections 16(3)(a) and 2 – Non-entitlement/Non-distinctiveness

[35] The Opponent has pleaded that the Applicant is not the person entitled to registration of the Mark under section 16(3)(a) of the Act, in that, as of the filing date of the application, the Mark was confusing with the trade-mark EPRINEX. The Opponent has also pleaded that the Mark is not distinctive within the meaning of section 2 of the Act because it does not distinguish and is not adapted to distinguish the goods of the Applicant from the goods associated with the trade-mark EPRINEX, or from the goods and services of others in the veterinary pharmaceutical field.

[36] At the hearing, the Applicant asserted that since the registration for EPRINEX no longer stands in the name of the Opponent, it should not be able to rely upon its licensee's prior use of EPRINEX to support these grounds of opposition [see section 17 of the Act].

[37] The material dates for assessing the likelihood of confusion in respect of non-entitlement and non-distinctiveness grounds are, respectively, the Applicant's filing date [section 16(3)(a) of the Act] and the date of opposition [*Metro-Goldwyn-Mayer Inc v Stargate Connections Inc* (2004), 2004 FC 1185 (CanLII), 34 CPR (4th) 317 (FC)].

[38] Ownership issues aside, I note that the differences in material dates in this case do not have any significant impact on the determination of the issue of confusion between the trade-marks. My finding above under section 12(1)(d) regarding the likelihood of confusion applies at these earlier material dates as well.

[39] Accordingly, these grounds of opposition are also unsuccessful.

Non-confusion Based Grounds of Opposition

Section 2 (non-distinctiveness)

The Parties' Positions

The Opponent's Position

[40] The Opponent has pleaded that the Mark is not distinctive within the meaning of section 2 of the Act. The Opponent asserts that the Mark inherently lacks distinctiveness by virtue of the descriptive nature of the term EPRIMECTIN in relation to veterinary anthelmintics. The Opponent takes the position that the ordinary consumer of veterinary anthelmintic preparations would perceive the Mark as being a reference to the presence of “eprinomectin” in the Applicant’s goods rather than as a source identifier for the Applicant’s goods. The Opponent is of the view that the spelling of EPRIMECTIN so closely resembles the spelling of EPRINOMECTIN, that consumers would not view it as a source indicator, but rather, as a reference to the active ingredient in the Applicant’s anthelmintic product.

The Applicant’s Position

[41] The Applicant did not address this ground of opposition in any detail in its written argument or at the hearing. Overall, the Applicant’s position appears to be that the Opponent has not met the initial evidential burden upon it so as to put this ground of opposition into issue.

Law

[42] Section 2 of the Act provides that a trade-mark is distinctive if it actually distinguishes the goods or services of its owner from those of others or if it is adapted so to distinguish them.

[43] The material date to assess a non-distinctiveness ground of opposition is the filing date of the statement of opposition [*Metro-Goldwyn-Mayer Inc v Stargate Connections Inc, supra*]. Distinctiveness is to be determined from the point of view of an everyday user of the goods in question and the trade-mark must be considered in its entirety and as a matter of first impression [*Molson Breweries v John Labatt Ltd* [2000] 3 FC 145].

[44] The distinctiveness of a trade-mark is a fundamental principle linked to the purpose of a trade-mark, which is to distinguish the owner’s goods or services from those of others (i.e. to identify the source of the goods or services [*Philip Morris Products SA v Imperial Tobacco Canada Ltd* 2014 FC 1237 at para 61]). Whether a trade-mark is distinctive is a question of fact which is determined by reference to the message it conveys to ordinary consumers [*Apotex Inc v*

Canada (Registrar of Trade-marks), 2010 FC 291 (FCTD); and *Novopharm Ltd v Bayer Inc* (1999) 2 FC 553 (FCTD) at para 70; aff'd (2000), 9 CPR (4th) 304].

Evidence

[45] In support of its position that the Mark would not serve as a source identifier for the Applicant's goods, the Opponent has filed the Lopez and Penney affidavits.

[46] Mr. Penney conducted a search of the online Health Canada Drug Product Database for the word "eprinomectin" in the search field for "Active Ingredient(s)". Attached as Exhibit A to his affidavit is a print-out of the resulting webpage. The print-out relates to the product EPRINEX. It lists "eprinomectin" as the active ingredient. The current status of the drug is shown as "marketed" and the original market date shown is September 1, 1998. I note that in *ITV Technologies Inc v Wic Television* 2003 FC 1056 (CanLII), the Federal court recognized that content from official websites such as this can provide reliable and admissible evidence.

[47] The Opponent also filed evidence to show that "eprinomectin" is clearly marked and prominently appears on the packaging for EPRINEX products [Lopez affidavit, Exhibit A]. According to Mr. Lopez, the packaging featured in Exhibit A has remained identical in all material respects and has been used continuously in Canada by the Opponent or a predecessor-in-title since at least as early as 1999 [Lopez affidavit, para 7]. As previously discussed, supporting sales figures and invoices have been provided for the years 2008-2015 for the EPRINEX products [Lopez affidavit, paras 8 and 9, and Exhibit B]. Annual sales for the years 2008-2014 ranged between \$1,172,891 and \$1,658,022 and the year to date figure for 2015 (up until September), was \$700,788 [Lopez affidavit, para 8].

[48] I am satisfied from the aforementioned evidence that "eprinomectin" is an active ingredient in veterinary anti-parasitic preparations sold in Canada under the trade-mark EPRINEX and that it has been prominently identified as such on packaging for the preparations.

[49] The remainder of the Opponent's evidence is less helpful, as the bulk of it either post-dates the relevant material date for assessing this ground of opposition or it originates from a non-Canadian source. Nevertheless, I will provide a brief overview of it.

[50] Exhibit B to Mr. Penney's affidavit is a print-out from the online PubMed service of the United States National Library of Medicine. It is essentially an abstract for an article dated November 1996 which describes the anthelmintic capabilities of eprinomectin.

[51] Exhibit C to Mr. Penney's affidavit is a print-out from the United States Food and Drug Administration website which shows an entry for EPRINEX and indicates that the generic name of the drug is "eprinomectin", which is indicated for use in the treatment and control of parasites. The printout indicates that it was approved on August 9, 1998.

[52] Exhibits D to F to Mr. Penney's affidavit are printouts of screenshots from the website for the Food and Agriculture Organization of the United Nations. Reference is made to "eprinomectin". Similarly, Exhibit "G" consists of a printout showing search results for "eprinomectin" from the website for the Merck Veterinary Manual.

[53] Notably, the searches relating to Exhibits D to G were conducted on November 13, 2015, which is after the material date for assessing the non-distinctiveness ground of opposition. Although the searches relating to Exhibits B and C were also conducted after the material date, references to earlier dates are made in their contents.

[54] Also of note, is that none of the websites associated with the contents of Exhibits B to G appear to be Canadian and information pertaining to the extent to which Canadian consumers might have accessed or viewed them has not been put into evidence. The Opponent addressed this at the hearing and pointed out that at the very least, these exhibits can be relied upon to support factual findings that "eprinomectin" exists and that it is an anthelmintic. I tend to agree. I note that the information contained within these exhibits does appear to be consistent with the content of Exhibit A, which is from a Canadian source (i.e. Health Canada's website).

[55] Exhibit H (tabs 1-9) is comprised of printouts and screenshots from various webpages that Mr. Penney accessed over the Internet. What they all have in common, is that they show use of "eprimectin" (i.e. the Mark), as opposed to use of "eprinomectin" within the context of search results on company websites, forum discussions, or abstracts of articles relating to parasites. It is not clear in all cases whether these uses of "eprimectin" are simply misspellings of "eprinomectin", whether "eprinomectin" is sometimes referred to as "eprimectin" or whether it is

the Applicant's product "eprimectin" that is being referred to. For example, Exhibit H – Tab 8 is a copy of two pages from a paper entitled "Comparative in vitro effect of artemether and albendazole on adult *Toxocara canis*", dated 2009. It contains a sentence that reads: "Different chemical compounds, such as...eprimectin, have been used for the treatment of this parasite in dogs...". Exhibit H – Tab 4 appears to be the results of a product search on a website having an online storefront. Under the heading "Eprinomectin", reference is also made to "Eprimectin".

[56] Exhibit I appears to be a thesis published in Vienna in 2012, wherein the author refers to the product EPRINEX, as being "eprimectin".

[57] Again, Exhibits H and I do not appear to originate from Canadian sources and many of the printouts and screenshots postdate the relevant material date for assessing this ground of opposition.

Conclusion

[58] Since the application for the Mark is based upon "proposed use" and since the Applicant has not provided any evidence of actual use, I am unable to conclude that the Mark has acquired any distinctiveness. The question in this case is therefore whether the Mark is adapted to distinguish the Applicant's goods from those of others (i.e. is it inherently distinctive?).

[59] In order to determine whether the Mark is distinctive in the present case, I am required to assess the message that the ordinary user would receive when seeing EPRIMECTIN, in association with the anthelmintics which are covered by the application for the Mark. More particularly, I must determine whether the ordinary user would perceive the Mark as a source identifier for those goods.

[60] As previously discussed, the Applicant bears the legal onus of establishing on a balance of probabilities that the Mark is distinctive. However, there is 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 its non-distinctiveness ground of opposition exist [*John Labatt, supra*, at 298].

[61] I am satisfied from the evidence before me that the Opponent has met its initial burden in respect of this ground of opposition. The Opponent has put forward evidence to show that EPRINOMECTIN is an active ingredient in anthelmintics. It has also put forward evidence to show that it has been prominently identified as such on anthelmintic products which have been sold in Canada for many years. The Mark, namely, EPRIMECTIN, is highly similar both visually and phonetically to EPRINOMECTIN, so much so, that it may be perceived as being a contraction or misspelling for it. In my view, this evidence supports the Opponent's position that the ordinary consumer of veterinary anthelmintic preparations would perceive the Mark as being a reference to the presence of "eprinomectin" in the Applicant's goods, rather than as a source identifier, and it is sufficient to enable the Opponent to meet its initial burden in this case.

[62] I note that the facts of this case are somewhat similar in nature to those in the decisions in *Johnson & Johnson v Taro Pharmaceuticals Inc* 1998 CanLII 18557 (TMOB); *Parlam Corp v CIBA Co* (1961), 36 CPR 78 (ExCh) and *Canadian Hoescht Ltd v ICN Canada Ltd* (1979) 54 CPR (2d) 139 (TMOB). These cases were brought to my attention by the Opponent at the hearing. In *Johnson & Johnson*, Member Herzig followed the earlier decisions in *Parlam* and *Hoescht* and found that MICOZOLE for pharmaceutical preparations containing miconazole nitrate so closely resembled the generic term MICONAZOLE both visually and phonetically so as to be clearly descriptive and non-distinctive.

[63] The Applicant did not comment on the above cases at the hearing or in its written argument. Moreover, it has not filed any evidence in this case to demonstrate that the Mark has acquired distinctiveness through use or to support its contention that the Mark is inherently distinctive. In view of the foregoing, I find that the Applicant has not met its legal burden in this case. I am unable to conclude on a balance of probabilities that the Mark is distinctive within the meaning of section 2 of the Act.

[64] Accordingly, this ground of opposition is successful.

Sections 12(1)(b) and 12(1)(c)

[65] Since the Opponent has already succeeded under a ground of opposition, I will not be addressing these remaining grounds of opposition in this case.

Disposition

[66] 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.

Lisa Reynolds
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office

**TRADE-MARKS OPPOSITION BOARD
CANADIAN INTELLECTUAL PROPERTY OFFICE
APPEARANCES AND AGENTS OF RECORD**

HEARING DATE: 2017-02-08

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