

PAXIL AND IXEL TRADE-MARKS: NO RISK OF CONFUSION FOR THE ANGLOPHONE CONSUMER, FEDERAL COURT RULES

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Further to an appeal launched by the Appellant pursuant to subsection 56(1) of Canada's *Trade-marks Act*, (R.S.C. 1985, c. T-13), the Trial Division of the Federal Court of Canada overturned the Registrar's decision maintaining the Respondent's opposition to the application for the trade-mark IXEL based on its finding that there was no risk of confusion between the trade-marks **PAXIL** and **IXEL** (*Pierre Fabre Médicament. v. Smithkline Beecham Corporation*, T-2093-98, June 7th, 2004).

The facts

On December 9th, 1993, the Appellant filed an application for the trade-mark IXEL under application number 743,101 in association with antidepressants. This application was based on proposed use in Canada.

On November 22nd, 1994, Respondent filed a statement of opposition. On September 11th, 1998, the Registrar of Trade-Marks rejected Appellant's application after a finding of confusion with Respondent's registered trade-mark PAXIL in association with identical products. The Appellant filed an appeal before the Federal Court of Canada and on March 30th, 2000, the Federal Court granted the appeal and held that there was no risk of confusion between IXEL and PAXIL.

The Respondent appealed the Federal Court's decision of March 30th, 2000 and on February 13th, 2001, the Federal Court of Appeal granted the appeal claiming that the first instance judge as well as the Registrar had erred as to

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the applicable test for confusion and proceeded to remit the matter to the Trial Division for determination on the merits.

Federal Court Trial Division Decision (*de novo*)

The Trial Division determined that the issue at bar was the following: on the balance of probabilities, would the average anglophone consumer with imperfect recollection and based on first impressions, be confused between the marks IXEL and PAXIL ?

In assessing the risk of confusion in accordance with the criteria enumerated in section 6 of the *Trade-marks Act*, the Court made the following findings:

(i) *the inherent distinctive character of the marks*

Both the marks IXEL and PAXIL are unique and invented words that are uncommon and as such this element favored neither party.

(ii) *length of time marks used and extent to which they have become known*

Despite Respondent's evidence that since 1997 the PAXIL product was the best selling antidepressant in Canada, the Court held that there was no evidence of use of the PAXIL trade-mark which accrued to Respondent (no proof of Respondent's direct or indirect control of the quality or characteristic of the product was furnished). Consequently, this element could not favor the Respondent.

(iii) *nature of the products*

The marks were associated to identical products, i.e. antidepressants and therefore the likelihood of confusion increased; a factor that clearly favored the Respondent.

(iv) *nature of the trades*

Both of the parties' antidepressants were sold in the same manner, i.e. under prescription from a doctor and subsequently purchased from a pharmacist. The Court opined that even though the nature of the parties' trade was identical, the risk of confusion was reduced since these products are provided by professionals who are accustomed to meticulously exercising care in distinguishing between the names of different products. As such, this element favored the Appellant.

(v) *degree of resemblance between the marks*

With regards to the ideas suggested by the trade-marks, the Court held that no confusion ensued since both marks were distinctive and were not

suggestive of any particular meaning in either the French or English languages.

As for the appearance of the marks at issue, the parties had agreed that for the average *francophone* consumer, there was no likelihood of confusion. The Court then turned to the issue of determining the likelihood of confusion based on the phonetic similarity of the trade-marks (for the average *anglophone* consumer) for which linguistic expert evidence was adduced.

Expert evidence

Both the Appellant and Respondent relied on the testimony of their respective linguistic experts. The Respondent's expert opined that the majority of anglophones would pronounce the second syllables of the marks in an identical manner, thus resulting in confusion. The Appellant's expert argued that the first syllables of the marks were of greater importance and that the letter "P" in Respondent's PAXIL mark provided for a unique and entirely different pronunciation from the letter "I" in Appellant's IXEL mark.

The Court held that the Respondent's expert witness' testimony lacked objectivity in that no analysis was made as to the impact regarding the differences in the first syllables of the marks. On the other hand, the Court accorded greater probative value to the Appellant's expert evidence and agreed that the first syllable was more important than the second syllable. Consequently, the Court decided that on a phonetic level there was no risk of confusion between the marks at issue for the average *anglophone* consumer.

It is interesting to note the Court mentioned that linguistic expert evidence is of limited value in that it does not take into consideration other factors required in assessing the risk of confusion. For instance, the Court stated that psychological factors (rather than linguistic ones) such as first impressions and imperfect recollection were not elements considered by the linguistic experts.

Conclusion

Based on the above elements, the Court concluded that the nature of the parties' trade, that is, prescription drugs, coupled with the small degree of resemblance between the marks, lent support to the Appellant's argument of non-confusion. As such, the Court rejected Respondent's opposition and ordered the Registrar to allow the Appellant's mark to registration.

This case serves as a reminder to trade-mark practitioners that while the assessment regarding the risk of confusion between marks can be made in the context of the average bilingual consumer, consideration must be given to the unilingual consumer be it in the English or French languages.

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