Intellectual Property Weekly Abstracts Bulletin — Week of March 20

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Patent Decisions

Prohibition Order Upheld, Appeal re Sound Prediction and Sufficiency Dismissed

Teva Canada Limited v. Leo Pharma Inc., 2017 FCA 50

Drug: Calcipotriol and betamethasone dipropionate

Teva appealed a decision of the Federal Court ("FC") granting Leo a prohibition order in respect of their psoriasis drug (Decision here; our summary here). The Federal Court of Appeal ("FCA") dismissed the appeal. At issue was whether the FC erred in finding the patent could be soundly predicted, and whether it erred in finding the patent was sufficient.

The FCA held that the application of the *AZT* test is normally a question of fact, and Teva had not established that there was a palpable and overriding error made by the FC. Thus, there was no basis for the FCA to substitute its assessment of the evidence to determine whether Teva's allegations were justified. Teva argued that there could be no sound prediction because it was not known *exactly* why a particular combination works. The FCA accepted that this argument may apply in other cases, but in this one, it was rejected on the evidentiary record. Teva also argued that the FC should have used a subjective approach when assessing whether there was a sound prediction and that the patentee needed to produce evidence emanating directly from the inventors. However, the FCA held that *AZT* does not limit how the facts necessary to apply the doctrine of sound prediction can be established. The FCA in this case saw no difference between an express sentence and conveying the same logic through technical information disclosed in the specification read as a whole.

With respect to the allegations of insufficiency, the FCA held that whether or not a particular disclosure is sufficient depends on what the skilled person would consider sufficient to enable it to work the invention. This is a question of fact. Furthermore, the FCA held that one must always consider the nature of the invention to determine what needs to be included in the description. The FCA also considered Teva's arguments with respect to the SCC decision in *Sildenafil* and held that in *Sildenafil* , the problem

was that a minor research project was needed to determine the true invention. The FCA held that the SCC had not changed the law that recognizes that some non-inventive trial and error may be required to put a properly disclosed invention into practice. Thus, the appeal was dismissed.

Trademarks Decisions

Appeal of Court's Finding of Confusing Between the Marks Allowed; Matter Referred Back for Redetermination

Benjamin Moore & CO. Limited v. Home Hardware Stores Limited, 2017 FCA 53

The Federal Court of Appeal ("FCA") granted an appeal of the Federal Court's ("FC") judgment, which had set aside the decision of the Trademarks Opposition Board (the "Board"). The Board's decision had rejected Home Hardware's opposition to Benjamin Moore's trademark applications for the word mark BENJAMIN MOORE NATURA and the design mark. On appeal to the FC, Home Hardware filed new material evidence and the FC undertook a *de novo* review of the matter. The FC concluded that the trademarks were confusing, particularly the trademarks used in association with paints (2015 FC 1344, our summary here).

On appeal to the FCA, Benjamin Moore submitted that the FC's reasons contained errors of law, including that there was no separate mark to mark comparative confusion analysis, and the proper material dates were not applied when considering each ground of opposition.

The FCA concluded that the FC did not apply a proper mark to mark analysis and did not take into account the relevant material dates for each ground of opposition. The FCA noted that "[i]t is especially important to undertake a separate mark to mark comparison at the appropriate material dates because otherwise it is impossible to undertake a proper weighing of the confusion factors in subsection 6(5)". The FCA disagreed with Home Hardware's submission that it was not necessary to conduct a separate trademark to trademark confusion analysis in this particular case because it owns a family of "NATURA" trademarks that have been built up over several years. While the family of marks was relevant to this case, the FCA stated that the use of a family of marks does not obviate the need to undertake a full comparative confusion analysis on a mark to mark basis for each relevant ground of opposition.

The FCA then considered the FC's specific finding of confusion with respect to trademarks associated with paints. The FCA concluded that the FC erred in its confusion analysis by not limiting its consideration to the earliest material date with respect to the paints trademarks, which was the date of Benjamin Moore's applications for registration in this case.

The appeal was allowed and the matter was referred back for redetermination.

Industry Updates

Health Canada has released a Notice: Guidance Document – Fees for the Right to Sell Drugs.

Health Canada has released a Notice: Guidance Document: Cancellation of a Drug Identification Number (DIN) and Notification of the Discontinuation of Sales.

Health Canada has released New Drug Authorizations: 2016 Highlights. The document contains information on new active substances (NASs), biosimilars, and new generic pharmaceuticals authorized in 2016.

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Expertise

Intellectual Property, Copyright, Licensing, Patents, Trademarks

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