Intellectual Property Weekly Abstracts Bulletin — Week Of May 15, 2017

May 18, 2017

Patent Decisions

Court dismisses motion for Confidentiality Order
Teva Canada Limited v. Janssen Inc., 2017 FC 437
Drug: bortezomib

The Court dismissed Teva's motion for a confidentiality order. The underlying proceeding is an action by Teva to recover from Janssen and others damages pursuant to section 8 of the *Patented Medicine (Notice of Compliance) Regulations*. The Court was not satisfied that the information at issue should be treated as confidential given the public interest in open and accessible court proceedings.

Trademark Decisions

Court of Appeal dismisses appeal on the merits from a finding of no trademark infringement but allows appeal in respect of lump sum costs award
Venngo Inc. v. Concierge Connection Inc. (Perkopolis), 2017 FCA 96

In this appeal, Venngo appealed from the Federal Court's decision (2015 FC 1338, our summary) dismissing Venngo's claims for trademark infringement and related actions, as well as from the decision granting costs in the amount of $231,000. In the decision under appeal, Venngo alleged that CCI's use of the trademark PERKOPOLIS was an infringement of Venngo's rights in its own suite of perks-related trademarks.

On appeal, Venngo challenged the Federal Court's dismissal of the claims against CCI under subsection 7(b), paragraph 20(1)(a) and section 22 of the *Trade-marks Act*. Venngo argued that the Federal Court erred in finding no confusion and thus, no infringement under paragraph 20(1)(a) and no passing off under subsection 7(b). With respect to section 22, Venngo submitted that the Federal Court committed a legal error under the first step of the *Veuve Clicquot* test by narrowing the requirement for "use" to only uses of a plaintiff's trade-mark as it is registered.

On the issue of whether the Court erred in assessing confusion, the Court of Appeal found that, in many respects, Venngo was asking the Court to intervene and conduct

a *de novo* confusion assessment and to substitute its assessment of the evidence for that of the Federal Court. The Court of Appeal found that Venngo failed to establish any palpable and overriding error in the Federal Court's assessment and weighing of the evidence of actual confusion.

With respect to the Court's treatment of Venngo's claim under section 22, the Court of Appeal agreed with Venngo that a defendant need not use a mark that is completely identical to the plaintiff's trademark to be liable under section 22. However, the Court of Appeal also found that any error made by the Court in describing the test under section 22 too narrowly was irrelevant to the appeal as the Court's decision was unrelated to this point. Rather, the Federal Court dismissed the section 22 claim because CCI's impugned use did not constitute use within the meaning of section 22. The Court of Appeal found no error in this holding. Therefore, the Court of Appeal dismissed the appeal from the judgment on the merits.

On the issue of the Court's decision to order a lump sum of costs, the Court of Appeal allowed the appeal in this respect. The Court of Appeal agreed with Venngo that the Federal Court committed a legal error in its assessment of CCI's written offer to settle. The Court of Appeal noted that it was impossible to discern what role the offer played in the lump sum amount and remitted the matter of costs to the trial judge for re-determination.

Court of appeal upholds trial judge's finding of no use of the registered design mark
Trademark Tools Inc. v. Miller Thomson LLP, 2017 FCA 98

This was an appeal of the Federal Court's decision (2016 FC 971) dealing with an appeal from the Registrar of Trademarks in a section 45 proceeding. The Federal Court had decided the question of use during the relevant period at first instance. The Federal Court concluded that the use of the registered design mark had not been shown because the goods with which the design mark was used were not within the goods described in the registration.

The Court of Appeal was not persuaded that the Federal Court committed any palpable and overriding errors and therefore, dismissed the appeal.

Copyright Decisions

Court of Appeal granted an appeal of the Federal Court's decision allowing internet service provider to charge a fee for disclosure of suspected infringer
Voltage Pictures, LLC v. John Doe, 2017 FCA 97

The Appellants are movie producers and have launched a proposed "reverse" class action against those they say have been downloading their movies illegally. The Appellants are claiming, amongst other things, declaratory and injunctive relief against the Respondent, whose identity is presently unknown to them. The Appellants had sought information identifying a suspected infringer, the Respondent, John Doe #1, from an internet service provider, Rogers Communications Inc. The Appellants moved for an order requiring the identifying information to be disclosed to them. Rogers was prepared to disclose it, but only if the appellants paid a fee, in the amount of $100 per hour of work plus HST.

In the decision under appeal, the Federal Court interpreted the legislative regime and, agreed with Rogers (see 2016 FC 881, our summary here). On appeal, the Appellants noted that there are tens of thousands of suspected infringers whose identifying information can now only be had at the same fee. They submitted that this fee and the Court's approval of it, is a multi-million dollar barrier between them and the starting gate for their legal proceedings.

The Court of Appeal agreed with the Appellants that the Federal Court erred in law in interpreting the legislative regime and the appeal was allowed with costs. After describing and analyzing the legislative regime, the Court of Appeal concluded that an internet service provider cannot charge a fee for the costs of discharging its obligations under subsection 41.26(1). The Court of Appeal found that to allow Rogers to charge a fee for these costs at the point of disclosure would be an end run around the legislative decision that these activities should not be remunerated at this time. The Court of Appeal also noted that the Federal Court did not assess the reasonableness of the fee and should have.

Industry Updates

Health Canada has announced a Consultation on Proposed Amendments to the Patented Medicines Regulations. The website indicates that the consultation period runs from May 16, 2017 to June 28, 2017.

The *CETA Implementation Act*, Bill C-30, received royal assent on May 16, 2017. A copy of the legislation can be found here.

Health Canada released a Notice to Stakeholders: Release of the Product Monograph Template – Schedule D – Biosimilar Biologic Drug.

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