

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

Citation: 2011 TMOB 46 Date of Decision: 2011-03-22

IN THE MATTER OF AN OPPOSITION by Venus Giftware Inc. to application No. 1,236,451 for the trade-mark CITRUS SQUEEZE in the name of Cake Beauty Inc.

- [1] On November 8, 2004, Cake Beauty Inc. (the Applicant) filed an application to register the trade-mark CITRUS SQUEEZE (the Mark). The application is based on
 - i) use of the Mark in Canada since at least as early as August 31, 2001 in association with "cosmetics and body care products, namely, body scrubs" and
 - ii) proposed use of the Mark in Canada in association with "cosmetics and body care products, namely, makeup, lotions, mists, sprays, powders, creams, oils, nail polishes, fragrances, perfumes, gels, moisturizers, cleansers, masks, sun blocks, sunscreens, emollients, toners, clarifiers, froths, mousse, scrubs, shampoos and conditioners".
- [2] The application was advertised for opposition purposes in the *Trade-marks Journal* of November 21, 2007.

- [3] On January 17, 2008, Venus Giftware Inc. (the Opponent) filed a statement of opposition. The Applicant filed and served a counter statement in which it denied the Opponent's allegations.
- [4] In support of its opposition, the Opponent filed the affidavit of Rachel Ong, a director of the Opponent. The Applicant cross-examined Ms. Ong on her affidavit and filed a copy of the transcript of cross-examination.
- [5] In support of its application, the Applicant filed the affidavits of David J. Schnurr (an associate at the law firm representing the Applicant) and Heather Reier (the Applicant's President & Founder).
- [6] Only the Applicant filed a written argument. An oral hearing was not requested.

Summary of Grounds of Opposition and Applicable Material Dates

- [7] The Opponent has pleaded the following grounds of opposition pursuant to the *Trademarks Act*, R.S.C. 1985, c. T-13 (the Act):
 - 1. the application does not comply with s. 30(a) because the wares in the application are not described in ordinary commercial terms;
 - 2. the application does not comply with s. 30(b) because the Applicant has not "used" the Mark as a "trade-mark" (as those terms are defined in s. 2) because any use that the Applicant may have made of the Applicant's Mark was not for the purpose of distinguishing or so as to distinguish wares sold by the Applicant from wares sold by others;
 - 3. the application does not comply with s. 30(i) because, at the filing date, the Applicant could not have been satisfied that it was entitled to use the Mark in Canada in association with the Applicant's wares, as the Applicant was aware of the prior use, application to register and registration of the Opponent's trademark FRESH SQUEEZED CITRUS;
 - 4. the Mark is not registrable pursuant to s. 12(1)(d), in that it is confusing with the Opponent's trade-mark FRESH SQUEEZED CITRUS, registered under No. TMA612,211;
 - 5. the Applicant is not the person entitled to registration of the Mark because, contrary to s. 16(1) and 16(3):
 - i) the application has not been filed in accordance with s. 30;

- ii) the Mark is not a "trade-mark" or "proposed trade-mark" as defined by s. 2;
- iii) the Mark is not registrable pursuant to s. 12(1)(d);
- iv) contrary to s. 16(1), if the Applicant has used the Mark in Canada (which the Opponent denies), at the date that the Applicant first used the Mark, the Mark was confusing with the Opponent's FRESH SQUEEZED CITRUS mark, which the Opponent has previously used in association with beauty salon services, namely manicuring, pedicuring, treatments (hand and foot), massages (hand and foot); non-medicated toilet preparations, namely bath salts, bath foams, bath gels, shower gels, skin creams, lotions, oils and bars; nail polishes; cuticle softeners; body scrubs; soaps, namely toilet soaps, fragrance soaps, liquid soaps, lotions, oils and bars (collectively the Opponent's Wares and Services);
- v) contrary to s. 16(3), at the filing date the Applicant's Mark was confusing with the mark FRESH SQUEEZED CITRUS, which the Opponent had previously used, applied to register and registered in Canada in association with the Opponent's Wares and Services;
- 6. the Mark is not distinctive of the Applicant because:
 - i) it is not adapted to distinguish the wares of the Applicant from the wares, services, and businesses previously and currently provided and carried on by the Opponent in Canada in association with the mark FRESH SQUEEZED CITRUS; and
 - ii) the Mark does not actually distinguish the wares of the Applicant because the Mark is confusing with the Opponent's previously-used FRESH SQUEEZED CITRUS mark.
- [8] The material dates with respect to the grounds of opposition are as follows:
 - s. 30 the filing date of the application [Georgia-Pacific Corp. v. Scott Paper Ltd. (1984), 3 C.P.R. (3d) 469 (T.M.O.B.) at 475];
 - s. 12(1)(d) the date of my decision [Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd. and The Registrar of Trade Marks (1991), 37 C.P.R. (3d) 413 (F.C.A.)];
 - s. 16(1) the Applicant's claimed date of first use;
 - s. 16(3) the filing date of the application;

- s. 2 - the date of filing of the opposition [*Metro-Goldwyn-Mayer Inc. v. Stargate Connections Inc.* (2004), 34 C.P.R. (4th) 317 (F.C.)].

Onus

[9] 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 [see *John Labatt Limited v. The Molson Companies Limited* (1990), 30 C.P.R. (3d) 293 (F.C.T.D.) at 298].

Section 30 Grounds of Opposition

[10] Each of the s. 30 grounds is dismissed on the basis that the Opponent has not met its initial burden in respect thereof. Regarding the s. 30(i) ground, I note that where an applicant has provided the statement required by s. 30(i), such a ground should only succeed in exceptional cases such as where there is evidence of bad faith on the part of the applicant [see *Sapodilla Co. Ltd. v. Bristol-Myers Co.* (1974), 15 C.P.R. (2d) 152 (T.M.O.B.) at 155].

Section 12(1)(d) Ground of Opposition

- [11] I have exercised the Registrar's discretion to check the register and confirmed that the Opponent's registration for FRESH SQUEEZED CITRUS is extant [see *Quaker Oats of Canada Ltd./La Compagnie Quaker Oats du Canada Ltée v. Menu Foods Ltd.* (1986), 11 C.P.R. (3d) 410 (T.M.O.B.)]. The Opponent's initial burden under s. 12(1)(d) has therefore been met. I note that the Opponent's registration covers the following wares and services:
 - non-medicated toilet preparations, namely bath salts, bath foams, bath gels, shower gels, skin creams, lotions, oils and bars; nail polishes; cuticle softeners; body scrubs; soaps, namely toilet soaps, fragrance soaps, liquid soaps, lotions, oils and bars declaration of use filed May 10, 2004;
 - beauty salon services, namely manicuring, pedicuring, treatments (hand and foot), massages (hand and foot) based on use since at least as early as March 1, 2001.

- [12] 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 wares or services associated with those trade-marks are manufactured, sold, leased, hired or performed by the same person, whether or not the wares or services are of the same general class.
- [13] In applying the test for confusion, I must have regard to all the surrounding circumstances, including those specifically enumerated in s. 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 wares, 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. [See, in general, *Mattel, Inc. v. 3894207 Canada Inc.* (2006), 49 C.P.R. (4th) 321 (S.C.C.).]

inherent distinctiveness of the trade-marks and the extent to which they have become known

- [14] Both FRESH SQUEEZED CITRUS and CITRUS SQUEEZE are inherently weak marks since, in the context of the parties' wares, they both suggest that the associated wares are comprised of citrus juice or have a citrus scent.
- [15] I will take this opportunity to point out that although the Applicant has submitted at paragraph 20 of its written argument that the Opponent's mark lacks any inherent distinctiveness on the basis that FRESH SQUEEZED CITRUS is either clearly descriptive or deceptively misdescriptive of the character or quality of the wares and services with which it is registered, the validity of the Opponent's registration is not at issue in this opposition proceeding [see *Molson Canada 2005 v. Anheuser-Busch, Incorporated*, 2010 FC 283].
- I turn now to the evidence concerning the extent to which each mark has become known. The Opponent claims annual sales in association with both its wares and services between 2004 and 2008 as follows: \$21,800; \$36,400; \$49,100; \$49,100; \$58,500 (paragraph 12, Ong affidavit). The Opponent's mark has been promoted through printed publications and through sponsorships and participation in trade shows (paragraphs 14 and 15, Ong affidavit). Between

2003 and 2008, the Opponent spent approximately \$45,000 in sponsorships and participation in non-retail trade shows and approximately \$5,200 on advertising and promotion in printed publications. However, Ms. Ong only states that the "majority" of such advertising and promotions related to the Opponent's FRESH SQUEEZED CITRUS mark, the Opponent's bath and cosmetic products, or the Opponent's spa services. Although she provides as Exhibits "E" through "H" "copies of features about the [Opponent] and its business from various magazines and newspapers which were published in Canada", I note that only one of these five exhibits displays the Opponent's FRESH SQUEEZED CITRUS trade-mark (Exhibit "F"); Exhibit "G" employs "fresh-squeezed citrus" in a generic sense, namely, "...Urban Venus Nail Bar, which is modeled after a martini bar and specializes in services like a fresh-squeezed citrus pedicure...".

- [17] The Applicant claims that its annual sales of CITRUS SQUEEZE product have "increased exponentially" from over \$1000 in 2001 to over \$50,000 in 2008 (paragraph 11, Reier affidavit). The Applicant has provided examples of how its Mark has been advertised on the Internet and in printed publications, but it is difficult to assess the extent to which this may have resulted in the Mark having become known because no circulation figures or the like have been provided (paragraphs 6, 7 and 10, Reier affidavit).
- [18] I conclude that both marks have become known to some limited extent.

length of time each trade-mark has been in use

- [19] The Opponent's registration claims that its mark was first used in association with its services at least as early as March 1, 2001. However, this date has not been confirmed by Ms. Ong's evidence; instead, paragraph 9 of Ms. Ong's affidavit reads, "...Since at least as early as June 2004 (the date [FRESH SQUEEZED CITRUS] was registered in Canada), and continuing to the present date, [the Opponent] has offered spa services in Canada in association with [FRESH SQUEEZED CITRUS] ..." During cross-examination, Ms. Ong agreed that none of the exhibits attached to her affidavit show use of the Opponent's mark in association with services at least as early as June 2004 (lines 4-15, page 16, Ong cross-examination).
- [20] Ms. Ong states at paragraph 9 of her affidavit that bath and cosmetic products have been sold in association with the Opponent's mark since at least as early as June 2004.

[21] The Applicant claims in its application to have used its Mark in association with body scrub since at least as early as August 2001 and this has been confirmed by its affiant, who has provided invoices dating from August and September 2001 to evidence sales of wares sold in association with the Mark (see paragraphs 7-9, Exhibits "G" and "H", Reier affidavit).

nature of the wares, services, business or trade

- [22] The parties both sell bath and beauty products.
- [23] The Opponent sells "different lines of bath and cosmetic products, each of which has a different flavour and aroma and each of which is marketed and sold under [the Opponent's] URBAN VENUS house brand as well as a different product-specific brand" (paragraph 4, Ong affidavit). The different product lines of the Opponent include: ANGEL FOOD CAKE, MARACHINO CHERRY, CANTALOUPE SMOOTHIE, CHOCOLATE FONDUE, GARDENIA, GARDEN GLAM, MILK & HONEY, PUMPKIN PIE, FRESH SQUEEZED CITRUS, STRAWBERRY SMOOTHIE, PEPPERMINT SMOOTHIE and RASPBERRY SMOOTHIE. The Opponent's products are sold at wholesale and retail trade shows to smaller boutique retail businesses for resale to consumers, directly to consumers through a kiosk operated by the Opponent in a shopping mall in Calgary during the Christmas season, through the Opponent's two Urban Venus Nail Bar beauty salons in Calgary, and through the Opponent's website. On the website, purchasers are given a list of "flavours" to choose from which include, among others: Angel Food Cake; Fresh Squeezed Citrus; Cucumber; Green Tea; Milk & Honey.
- The Applicant's products bear the house brand CAKE as well as various product-specific brands such as CITRUS SQUEEZE. When Ms. Reier swore her affidavit, three CITRUS SQUEEZE products were being marketed: body scrub, body wash and moisturizer. Exhibit "D" to her affidavit indicates that those three products were available in "2 scents": CITRUS SQUEEZETM and SWEET CHEEKSTM. Other product brands/scents used by the Applicant include MILK MADE, SATIN SUGAR, DESSERTED ISLAND, and IT'S A SLICE. The Applicant's products are sold across Canada through various retail locations, including The Bay, Bed Bath and Beyond, Indigo/Chapters, Sephora, and Chatters Hair Salons, as well as through independent gift shops, spas and lifestyle stores. Its products are also available through its website and through third party websites.

degree of resemblance between the trade-marks

- [25] The marks have a high degree of resemblance in appearance, sound and idea suggested.

 additional surrounding circumstances
- i) state of the register and marketplace evidence
- [26] The Applicant has evidenced that there are at least 17 trade-marks that include the word CITRUS registered or allowed for bath and beauty products, including FRESH CITRUS TWIST registered by Esscentual Brands, LLC for bath and shower gelee, gelee bar soap and various skin care products and FRESH CITRUS BREEZE registered by The Procter & Gamble Company for dentifrices, mouthwashes, mouth rinses, breath fresheners, and cosmetic tooth whiteners (paragraph 3, Schnurr affidavit). In addition, there are at least 2 third party SQUEEZE marks registered or allowed in the parties' field of bath and beauty products (paragraph 4, Schnurr affidavit).
- [27] State of the register evidence is only relevant insofar as one can make inferences from it about the state of the marketplace, and inferences about the state of the marketplace can only be drawn where large numbers of relevant registrations are located [see *Ports International Ltd. v. Dunlop Ltd.* (1992), 41 C.P.R. (3d) 432; *Del Monte Corporation v. Welch Foods Inc.* (1992), 44 C.P.R. (3d) 205 (F.C.T.D.); *Kellogg Salada Canada Inc. v. Maximum Nutrition Ltd.* (1992), 43 C.P.R. (3d) 349 (F.C.A.)]. Based on the state of the register evidence, I am prepared to accept only that the word CITRUS has been commonly adopted as part of trade-marks used in the parties' field.
- [28] However, the Applicant has also provided some direct evidence of the state of the marketplace, namely 12 websites that advertise third party bath and body products that use the words FRESH SQUEEZE as part of the name or description of their bath or beauty product (paragraph 10, Schnurr affidavit).
- [29] The above-mentioned search results support my earlier conclusion that both parties' marks are inherently weak as they consist totally of words which are very apt to describe bath/beauty wares.

conclusion

- [30] I find that the Opponent's mark is only entitled to a very narrow scope of protection, because it is an inherently weak mark and others in the industry have adopted or used very similar marks or words in association with similar wares. Moreover, the evidence does not show that the Opponent has acquired a substantial reputation in association with its mark; instead the Opponent's use may only have begun the same year as the Applicant.
- [31] Despite the foregoing, I am unable to be reasonably satisfied that a consumer, having an imperfect recollection of FRESH SQUEEZED CITRUS bath/beauty wares, would not as a matter of first impression assume that CITRUS SQUEEZE bath/beauty wares share the same source. Although there is no evidence of confusion between the marks to date, this may be explained by both parties' practice of using these marks as secondary marks in conjunction with a distinctive house mark. However, neither the Opponent's registration nor the Applicant's application is restricted to use in association with a house mark.
- [32] Even though the Opponent's registered mark is a weak mark, the Applicant has not adopted a mark that is sufficiently different from the Opponent's mark. The most crucial or dominant factor in determining the issue of confusion is the degree of resemblance between the trade-marks and the resemblance here is high [see *Beverley Bedding & Upholstery Co. v. Regal Bedding & Upholstery Ltd.* (1980), 47 C.P.R. (2d) 145 (F.C.T.D.) at 149, affirmed 60 C.P.R. (2d) 70]. The presence of the onus on the Applicant means that if a determinate conclusion cannot be reached, then the issue must be decided against the Applicant [see *John Labatt, supra*]. Having considered all of the relevant factors, I conclude that the probabilities regarding confusion are equally balanced. The s. 12(1)(d) ground therefore succeeds.

Section 16 Grounds of Opposition

- [33] Of the five bases pleaded under s. 16, the only valid pleadings are those listed as iv) and v).
- [34] In order to meet its initial burden with respect to the s. 16(1) ground pleaded as iv), the Opponent must have shown that it had used its mark prior to August 31, 2001. Ms. Ong does not

refer to any use of the Opponent's mark prior to June 2004 and so the Opponent has clearly not met its initial burden with respect to its s. 16(1) ground of opposition. The s. 16(1) ground is therefore dismissed.

- [35] In order to meet its initial burden with respect to the s. 16(3) ground pleaded as v), the Opponent must have shown that it had used its mark prior to November 8, 2004. For the following reasons, I find that the Opponent has not shown use of its mark prior to November 8, 2004 in accordance with s. 4 of the Act.
- [36] Section 4 sets out the requirements of use as follows:
 - 4. (1) A trade-mark is deemed to be used in association with wares if, at the time of the transfer of the property in or possession of the wares, in the normal course of trade, it is marked on the wares themselves or on the packages in which they are distributed or it is in any other manner so associated with the wares that notice of the association is then given to the person to whom the property or possession is transferred.
 - (2) A trade-mark is deemed to be used in association with services if it is used or displayed in the performance or advertising of those services.
 - (3) A trade-mark that is marked in Canada on wares or on the packages in which they are contained is, when the wares are exported from Canada, deemed to be used in Canada in association with those wares.
- [37] Considering first the Opponent's services, Ms. Ong states that the Opponent's mark has appeared on invoices, at the Opponent's place of business, at trade shows and on its website, but we have not been provided with any exhibits that show this occurring prior to November 8, 2004. Turning next to the Opponent's wares, Ms. Ong has buttressed her statement that the Opponent's mark was displayed prominently on all products sold in Canada since at least as early as June 2004 with pictures showing how the mark appears on product labels, but she has provided neither invoices nor sales figures for any sales prior to November 8, 2004. She has provided the approximate total sales for the Opponent's products and services in 2004, but that figure is of little assistance in evidencing the sale of products prior to November 8, 2004 for two reasons: i) the percentage of the sales attributable to products, as opposed to services, if any, has not been provided; and ii) the year 2004 is identified as a fiscal year, with no indication of what months make up the Opponent's fiscal year. Section 4 of the Act makes it clear that wares must have

been sold or transferred in association with the mark in order for there to have been use of the mark with wares. The Opponent's evidence does not clearly show that this occurred prior to November 8, 2004 and any ambiguities in evidence ought to be interpreted against the interests of the affiant [see *Conde Nast Publications Inc. v. Union des Editions Modernes* (1979), 46 C.P.R. (2d) 183 (F.C.T.D.)]. Furthermore, the mere allegation of use contained in the Opponent's registration cannot satisfy the Opponent's evidential burden under s. 16 [see *Rooxs, Inc. v. Edit-SRL* (2002), 23 C.P.R. (4th) 265 (T.M.O.B.)].

[38] All of the grounds pleaded under s. 16 are therefore dismissed.

Distinctiveness Ground of Opposition

- [39] The distinctiveness ground relies solely upon a likelihood of confusion with the Opponent's mark. In order to meet its initial onus under this ground, the Opponent must evidence that its mark had become known to some extent as of January 17, 2008 [see *Motel 6*, *Inc. v. No. 6 Motel Ltd.* (1981), 56 C.P.R. (2d) 44 (F.C.T.D.), *Bojangles' International LLC v. Bojangles Café Ltd.* (2006), 48 C.P.R. (4th) 427 (F.C.)]. Ms. Ong's evidence satisfies the Opponent's initial burden. I must therefore assess the likelihood of confusion between the marks as of January 17, 2008.
- [40] There are some differences in regard to the s. 6(5) factors when considered as of January 17, 2008 as opposed to as of today's date. Both parties' sales were necessarily less; the Opponent's sales were reduced by about a quarter, whereas it is not evident what the Applicant's sales amounted to at that point of time. There were six fewer registered/allowed third party CITRUS marks on the Register. The marketplace evidence postdates this earlier material date by about 1½ years.
- [41] The afore-mentioned differences do not improve the Applicant's position and therefore the distinctiveness ground of opposition succeeds for reasons similar to those set out in my discussion of the s. 12(1)(d) ground.

Disposition

[42] Pursuant to the authority delegated to me under s. 63(3) of the Act, I refuse the application pursuant to s. 38(8) of the Act.

Jill W. Bradbury Member Trade-marks Opposition Board Canadian Intellectual Property Office