

**IN THE MATTER OF AN OPPOSITION
by The Coca-Cola Company to application
No. 679,225 for the trade-mark SUN-RYPE
HI-5 & Design filed by Sun-Rype Products Ltd.**

On April 4, 1991, the applicant, Sun-Rype Products Ltd., filed an application to register the trade-mark SUN-RYPE HI-5 & Design (illustrated below) for “fruit juices” based on proposed use in Canada. The application as filed contained a disclaimer to the words “A tropical blend of Pineapple, Passionfruit, Guava, Tangerine and Orange juices.” The application was advertised for opposition purposes on December 25, 1991.

The opponent, The Coca-Cola Company, filed a statement of opposition on March 18, 1992, a copy of which was forwarded to the applicant on May 1, 1992. The first ground of opposition is that the applied for trade-mark is not registrable pursuant to Section 12(1)(d) of the Trade-marks Act because it is confusing with the following registered trade-marks of the opponent:

<u>Trade-mark</u>	<u>Reg. No.</u>	<u>Wares</u>
FIVE ALIVE	260,305	frozen juice concentrate, citrus-based fruit beverages, fruit beverages in addition to frozen juice concentrate and citrus-based fruit beverages covered by the statements of wares in association with which the trade mark is already registered.
DELI-CINQ	265,829	[same as above]
FIVE ALIVE LIGHT & Design	358,627	frozen juice concentrate
DELI-CINQ LEGER & Design	358,272	frozen juice concentrate
FIVE ALIVE LIGHT	385,814	frozen juice concentrate

DELI-CINQ LEGER	385,815	frozen juice concentrate
HI-C	UCA50875	non-carbonated fruit beverage

The second ground of opposition is that the applicant is not the person entitled to registration because, as of the applicant's filing date, the applied for trade-mark was confusing with the above-noted trade-marks previously used in Canada by the opponent. The third ground is that the applied for trade-mark is not distinctive in view of the foregoing.

The applicant filed and served a counter statement. As its evidence, the opponent filed the affidavits of Katherine M. Ord, Mildred Joan Lusk, Robert J. Lawrence and Gordon Leonard MacNaughton. As its evidence, the applicant filed the affidavits of Lawrence Bates, Pat Guzzo and Karen Messer. As evidence in reply, the opponent filed an affidavit of Ruth Palazzolo. Both parties filed a written argument and an oral hearing was conducted at which both parties were represented.

Considering first the third ground of opposition, the onus or legal burden is on the applicant to show that its mark is adapted to distinguish or actually distinguishes its services from those of others throughout Canada: see Muffin Houses Incorporated v. The Muffin House Bakery Ltd. (1985), 4 C.P.R.(3d) 272 (T.M.O.B.). Furthermore, the material time for considering the circumstances respecting this issue is as of the filing of the opposition (i.e. - March 18, 1992): see Re Andres Wines Ltd. and E. & J. Gallo Winery (1975), 25 C.P.R.(2d) 126 at 130 (F.C.A.) and Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd. (1991), 37 C.P.R.(3d) 412 at 424 (F.C.A.). Finally, there is an evidential burden on the opponent to prove the allegations of fact supporting its ground of non-distinctiveness.

The more relevant of the opponent's trade-marks are FIVE ALIVE and HI-C and a consideration of the issue of confusion between those marks and the applicant's proposed mark will effectively decide the issue of distinctiveness. In applying the test for confusion set forth in Section 6(2) of the Act, consideration is to be given to all of the surrounding

circumstances including those specifically set forth in Section 6(5) of the Act.

As for Section 6(5)(a) of the Act, the opponent's trade-mark HI-C is inherently distinctive although it is not inherently strong since it suggests that the opponent's fruit beverage has a high vitamin C content: see the opposition decision in Coca-Cola Co. v. Phoenix-Hall South Inc. (1982), 70 C.P.R.(2d) 120 at 124. The opponent's trade-mark FIVE ALIVE is also inherently distinctive although it is somewhat suggestive of the nature of the related wares - i.e. - that the beverages contain the juice of five different fruits (see Exhibits E and G to the Ord affidavit).

The applicant's mark is inherently distinctive in view of the design components and since the dominant component HI-5 is the phonetic equivalent of the slang expression "high five." However, it is not an inherently strong mark since the dominant component HI-5 is also somewhat suggestive of the nature of the applicant's wares. In this regard, the disclaimed wording at the bottom of the applicant's trade-mark indicates that the applicant's product contains five different fruit juices.

The MacNaughton affidavit establishes that there have been extensive sales of HI-C fruit beverage in Canada by the opponent's former registered user Coca-Cola Ltd. for the period 1977 to 1991. Thus, I am able to conclude that the trade-mark HI-C had become well known in Canada in association with such wares as of the material time.

The Ord affidavit establishes that there have been extensive sales of FIVE ALIVE beverages and frozen juice concentrates in Canada for a number of years by the opponent's former registered user Coca-Cola Foods Canada Inc. The product has been sold in various forms including bottles, cans, aseptic packages and cartons and through different channels of trade such as grocery stores, convenience stores and vending machines. Thus, I can conclude that the opponent's mark FIVE ALIVE had also become well known in Canada as of the filing of the opposition.

As of the filing of the opposition, it does not appear that there had been any sales effected in association with the applicant's mark. Furthermore, sales after that date were minimal. Thus, I must conclude that the applicant's mark had not become known at all as of the material time. The applicant has evidenced significant sales of products in association with its trade-mark SUN-RYPE and, at page six of its written argument, has suggested that this imparts an acquired reputation to the applied for mark. I disagree. For the purposes of Section 6(5)(a), the reputation associated with the applied for mark arises from sales and advertising of that mark alone.

The length of time the marks have been in use favors the opponent. The wares and trades of the parties are essentially the same, particularly in relation to the sales of the opponent's HI-C product in cans and the sales of the opponent's FIVE ALIVE product in cans, bottles and aseptic packages. The trades of the parties overlap to a significant extent since both parties sell their products through grocery stores, convenience stores and other retail outlets.

As for Section 6(5)(e) of the Act, the applicant's mark bears a fairly high degree of resemblance to the opponent's mark HI-C. The applicant's mark is dominated by the component HI-5 which is very similar to the opponent's registered mark. The component SUN-RYPE does little to distinguish the marks since it is less prominent and is highly suggestive (or even somewhat laudatory) of the applied for wares.

The degree of resemblance between the applicant's mark and the opponent's mark FIVE ALIVE is less striking. However, many consumers would be familiar with both the opponent's mark HI-C and its mark FIVE ALIVE and might therefore assume that the applicant's product sold in association with its mark dominated by the component HI-5 is a hybrid of the opponent's two marks and is a new fruit beverage product emanating from the opponent.

The opponent also relied on the Lawrence affidavit which evidences sales by its former registered user Coca-Cola Foods Canada Inc. of orange juice and other juices in association with its trade-mark SUN FILLED, presumably to show that consumers would associate that mark with the SUN-RYPE component of the applicant's mark. However, sales of SUN FILLED juice appear to have been made exclusively within the foodservice industry or the institutional trade. Therefore, it is less likely that the opponent's mark SUN FILLED would have come to the attention of the everyday purchaser of fruit beverages.

As an additional surrounding circumstance, the applicant has relied on the state of the register evidence in the Messer affidavit. State of the register evidence is only relevant insofar as one can make inferences from it about the state of the marketplace: see the opposition decision in Ports International Ltd. v. Dunlop Ltd. (1992), 41 C.P.R.(3d) 432 and the decision in Del Monte Corporation v. Welch Foods Inc. (1992), 44 C.P.R.(3d) 205 (F.C.T.D.). Also of note is the decision in Kellogg Salada Canada Inc. v. Maximum Nutrition Ltd. (1992), 43 C.P.R.(3d) 349 (F.C.A.) which is support for the proposition that inferences about the state of the marketplace can only be drawn from state of the register evidence where large numbers of relevant registrations are located.

Ms. Messer located ten relevant registrations owned by six different owners for trade-marks incorporating the word FIVE or the numeral 5 for non-alcoholic beverages. Ordinarily, such evidence would be insufficient to allow me to conclude that there has been any significant use of such marks by third parties. However, the Bates affidavit evidences purchases made in Kelowna, British Columbia of several fruit beverages bearing trade-marks which include the numeral 5, three of which appear in Ms. Messer's search. Although those purchases were apparently made more than one year after the filing of the present opposition, I am prepared to infer that most of the products in question were likely also available as of that earlier date particularly in view of the fact that several bore trade-marks that had been previously registered. Thus, I am able to conclude that there had been some use by third parties of trade-marks including the numeral 5 for beverages as of the material time and that consumers would therefore have been more likely to center on the other elements of such marks in distinguishing

them. However, such a conclusion is of little assistance to the applicant in the present case since it does not serve to distinguish the opponent's mark HI-C from the applicant's mark. If fact, if anything, the applicant's evidence suggests that consumers would have been more likely to center on the first component of the dominant portion of its mark (i.e. - the word HI) thereby increasing the likelihood that they would confuse it with the opponent's registered trade-mark HI-C.

Ms. Messer also searched for third party trade-marks including the component HI or HY registered for non-alcoholic beverages. A review of her search results reveals only five relevant registrations standing in the name of three owners. In the absence of evidence of use of those marks, their mere existence on the register in such small numbers does not allow me to conclude that there had been common adoption of the component HI or HY in the non-alcoholic beverage industry as of the material time.

The applicant submitted that the extensive use and advertising effected in association with its mark SUN-RYPE as evidenced by the Bates affidavit lessens the likelihood that consumers would associate its proposed mark with the opponent or its products because its proposed mark includes SUN-RYPE as a component. However, the Bates affidavit only evidences a reputation for the applicant's mark in western Canada, there being no sales activity in the eastern part of the country. Thus, although there may be some merit to the applicant's contention insofar as it applies to areas west of Ontario, the onus is on the applicant to show that its mark is distinctive throughout Canada and eastern consumers would not likely have given any source significance to the component SUN-RYPE in the applicant's mark as of the material time.

In applying the test for confusion, I have considered that it is a matter of first impression and imperfect recollection. In view of my conclusions above, and particularly in view of the similarities between the wares and trades of the parties, the reputation associated with the opponent's marks HI-C and FIVE ALIVE and the degree of resemblance between the applicant's mark and the opponent's marks (particularly HI-C), I find that the applicant has

failed to satisfy the onus on it to show that its proposed mark is not confusing with the opponent's trade-marks HI-C and FIVE ALIVE. The applicant has therefore failed to satisfy the onus on it to show that its mark distinguishes or is adapted to distinguish its wares from those of the opponent throughout Canada. The third ground is therefore successful.

As for the first ground of opposition, the material time for considering the circumstances respecting the issue of confusion with a registered trade-mark is the date of my decision: see the decision in Conde Nast Publications Inc. v. Canadian Federation of Independent Grocers (1991), 37 C.P.R.(3d) 538 at 541-542 (T.M.O.B.). As for the second ground, the material time for considering the circumstances is as of the applicant's filing date. Both grounds turn of the issue of confusion, and in view of my conclusions respecting the third ground of opposition, I find that both the first and second grounds are also successful.

In view of the above, and pursuant to the authority delegated to me under Section 63(3) of the Act, I refuse the applicant's application.

DATED AT HULL, QUEBEC, THIS 6th DAY OF JUNE, 1996.

David J. Martin,
Member,
Trade Marks Opposition Board.