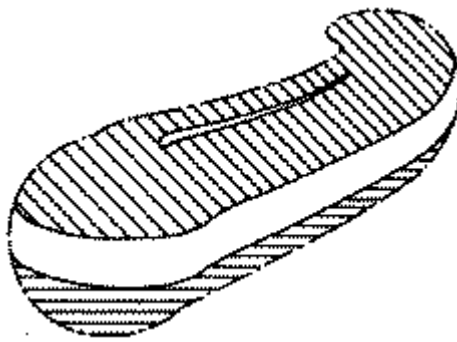


**IN THE MATTER OF AN OPPOSITION
by Procter & Gamble Inc. to application
No. 760,655 for the trade-mark Striped
Toothpaste Design - Green/White/Blue
Stripes filed by Colgate-Palmolive Canada
Inc.**

On August 2, 1994, Colgate-Palmolive Canada Inc. (the “Applicant”) filed an application to register the trade-mark Striped Toothpaste Design - Green/White/Blue Stripes (the “Design”) based upon proposed use of the mark in Canada in association with toothpaste. The application was assigned application No. 760,655.

The trade-mark drawing and colour claim is reproduced below:



The trade-mark consists of coloured stripes applied to toothpaste. The representation of a slug of toothpaste shown in dotted outline does not form part of the trade-mark. The top stripe is green and the bottom stripe is blue, the remainder being white. Colour is claimed as a feature of the mark.

The application was advertised for opposition purposes in the Trade-marks Journal of November 8, 1995.

On April 3, 1996, Procter & Gamble Inc. (the “Opponent”) filed a statement of opposition against the application. The Applicant filed and served a counter statement in which it denied the Opponent’s allegations.

As evidence pursuant to rule 41 of the *Trade-marks Regulations (1996)*, the Opponent filed the affidavits of Douglas J. MacLean, Colleen Jay, Cedric G. Lam and John C. Robertson.

The Applicant obtained orders for the cross-examination of each of the Opponent's affiants. The record includes the transcripts of the cross-examinations of Messrs. Robertson and MacLean and Ms. Jay, as well as answers to undertakings given during the cross-examination of Mr. Robertson. Mr. Lam was not cross-examined.

As evidence pursuant to rule 42, the Applicant filed the affidavits of Peter Ren and Heather Tonner.

The Opponent obtained an order for the cross-examination of Mr. Ren, but did not proceed with such cross-examination.

In 2004, the Opponent obtained leave to amend its statement of opposition, which increased the number of grounds of opposition from five to six. In response, the Applicant obtained leave to amend its counter statement to deny the allegations raised in the additional ground.

Each party filed a written argument and participated in an oral hearing.

Onus

The Applicant bears the legal onus of establishing, on a balance of probabilities, that its application complies with the requirements of the *Trade-marks Act*, R.S.C. 1985, c. T-13 (the "Act"). There is however an initial 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*, 30 C.P.R. (3d) 293 at 298; *Dion Neckwear Ltd. v. Christian Dior, S.A. et al.* (2002), 20 C.P.R. (4th) 155 (F.C.A.).]

Summary of the Evidence

Opponent's Evidence

Douglas J. MacLean is an Intellectual Property Searcher. He provides copies of patents that relate to striped toothpaste. On cross-examination, it was revealed that he has no knowledge if any of the toothpastes covered by the patents are in the marketplace.

Colleen Jay was the Acting General Manager, Health & Beauty Care Profit Center of the Opponent. She provides the following information:

- the channels of trade travelled by toothpaste
- as of June 20, 1997, toothpaste was sold in Canada in two formats: stand alone tubes and tubes in rectangular cartons, neither of which allow one to see the toothpaste therein prior to opening
- as of June 20, 1997, the Opponent's CREST toothpaste was sold with a safety seal either on the packaging or the tube itself (but she does not attest that this is the common practice in the industry)
- her belief that the Applicant introduced striped toothpaste in Canada sometime in 1995
- samples of toothpaste marketed by the Applicant under the name COLGATE TOTAL "Fresh Stripe", which she purchased on June 19, 1997, that had safety seals (during cross-examination, it was revealed that this toothpaste, when opened, is green and white)
- television commercials collected by the Opponent concerning various striped toothpastes promoted by a competitor under the brand AQUAFRESH between 1980 and 1996; she attested that the Opponent's historical records indicate that AQUAFRESH toothpaste has been sold in Canada by SmithKline Beecham in a striped format since at least 1979, first as a two-stripe toothpaste ("white and aqua" or "white and blue") and starting in the mid-1980's also as a three-stripe toothpaste ("white, blue and red" or "white, aqua and red")
- samples of AQUAFRESH toothpaste purchased on June 19, 1997 (I note that the AQUAFRESH toothpaste packaging provided by Ms. Jay does not enable one to see the striped toothpaste therein.)

Cedric G. Lam, an articling student with the Opponent's agents, provides six toothpastes that he purchased in Canada in June 1997.

John C. Robertson is the retired Chairman of Market Facts of Canada Ltd. At the Opponent's request, his company conducted a survey in February 1997 to determine in part if individuals open up toothpaste packages/tubes when they are shopping for toothpaste. 89% said that they do not open the packaging and 98% said that they have never checked the toothpaste by squeezing some out. On cross-examination, Mr. Robertson was questioned in part on the appropriateness of the survey questions and the tendency of respondents to not provide answers that might be socially unacceptable.

Applicant's Evidence

Peter Ren was the Associate Director of Technology with the Applicant's parent company at the date of his affidavit, namely July 26, 2004. He attested that the coloured stripes of the Design mark are arbitrary and not indicative of function. He also stated that the Design mark was not yet in use in Canada but was in use elsewhere.

Heather Tonner, an articling student with the Applicant's agents, provides various toothpastes that she purchased in May-July 2004 in Canada and which were sold in containers that were in part transparent, allowing the toothpaste to be seen at the time of purchase.

Section 38(2)(a) Grounds of Opposition (Section 30)

The material date pursuant to s. 30 is the date of filing of the application. [See *Georgia-Pacific Corp. v. Scott Paper Ltd.* (1984), 3 C.P.R. (3d) 469 (T.M.O.B.) at 475.]

First Ground

The first ground of opposition reads as follows:

The Applicant's application does not conform with section 30 of the *Trade-marks Act* because, at the time of filing of the application, the Applicant could not have been satisfied that it was entitled to register the Design. The Applicant knew or ought to have known that toothpaste incorporating a stripe design has been offered for sale and sold in Canada by others since at least 1984. The Applicant therefore could not have been satisfied that it was entitled to registration of the Design.

This s. 30(i) ground fails for several reasons. The Opponent has not met its initial burden with respect to the issue of whether the Applicant was aware that toothpaste incorporating a stripe design has been offered for sale and sold in Canada by others since at least 1984. In any event, even if the Applicant was so aware that does not mean that it could not have been satisfied that it was entitled to register the Design on the basis that its Design differs from stripe designs used by others. Moreover, where an applicant has provided the statement required by s. 30(i), a s. 30(i) 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.]

At the oral hearing, the Opponent emphasized that its evidence included toothpaste ads, which predate the filing of the Applicant's application, that showed toothpaste that had two stripes (white and a colour that the Opponent submits could be called green, blue, or aqua) or three stripes (green, white and red). The Opponent relied upon this to meet its evidential burden. However, there is no evidence that the Applicant was aware of such prior advertisements and even if it was, the fact that the prior use was of stripes with colour arrangements that differ from those claimed in the application would arguably be sufficient for the Applicant to be satisfied that it was entitled to use its Design.

Second Ground

The second ground of opposition reads as follows:

In accordance with Section 38(a) and having regard to Section 30(e) of the *Trade-marks Act*, the Applicant did not intend to use the Design trade-mark in Canada for the wares covered in application no. 760,655.

This ground also fails. The Opponent's argument, as I understand it, is that because the Applicant has not yet commenced use of its Design, it never intended to use it. However, I find the Applicant's argument more persuasive. It submits that the Opponent has not filed any evidence that meets its initial burden to show that at the material date, *i.e.* when the Applicant filed its application, the Applicant did not intend to use the Design. It further submits that it is

understandable that the Applicant has not yet commenced use of the Design given that these opposition proceedings are still pending. It also submits that since Mr. Ren was not cross-examined by the Opponent there is no reason to not interpret his sworn statement that the Design “is not yet in use in Canada” [emphasis added] as indicating that the Applicant still intends to use the Design in Canada. I note that the owner of a proposed use application is not required to commence use of its mark at any particular time, although it must do so in order to obtain registration.

I agree with the Applicant that this ground fails because the Opponent has not satisfied its evidential burden.

Section 38(2)(b) Grounds of Opposition

Third Ground

The third ground of opposition reads as follows:

The Design is not registrable, and was not registrable on the filing date of the application thereof, because the Design is applied to the wares by the Applicant for the purpose of ornament or decoration only. The Design is not applied to the wares for the purpose of distinguishing the toothpaste of the Applicant from the toothpaste of others. Striped toothpaste such as the Design is, therefore, not a “trade-mark” within the meaning of the *Trade-marks Act*, and accordingly is not registrable.

As set out in my decision in *SmithKline Beecham Inc. v. Procter & Gamble Inc.* (2002), 28 C.P.R. (4th) 230 at paragraph 12, “...section 12, which deals with registrability, does not encompass a pleading that a mark is not a trade-mark. An opposition based on the allegation that a mark is not a trade-mark is properly pleaded under section 30 of the Act.” Moreover, an unpleaded ground cannot be considered [*Imperial Developments Ltd. v. Imperial Oil Ltd.* (1984), 79 C.P.R. (2d) 12 at 21 (F.C.T.D.)].

For the foregoing reasons, I am dismissing the third ground of opposition. Nevertheless, in the event that I am wrong in dismissing it on the basis that the pleading is defective, I will discuss the issues raised.

The Opponent is correct in stating that a mark that is applied to wares for the purpose of ornament or decoration only is not registrable as a trade-mark [*W.J. Hughes & Sons "Corn Flowers" Ltd. v. Morawiec* (1970), 62 C.P.R. 21 (Ex. Ct.)]. However, the word “only” is key. As discussed in both *Samann v. Canada’s Royal Gold Pinetree Mfg. Co.* (1986), 9 C.P.R. (3d) 223 (F.C.A.) at 231 and *Santana Jeans Ltd. v. Manager Clothing Inc.* (1993), 52 C.P.R. (3d) 472 (F.C.T.D.) at 478, any design mark is to some degree ornamental.

There is no evidence here that the Applicant will be using the Design for ornament or decoration purposes, let alone only for such purposes. The present case is quite different from the *W.J. Hughes* case where there was evidence that the design at issue was simply a decorative feature, which was employed to increase the attractiveness of the wares to purchasers. I also note that in that case there was evidence that the design had been used by at least nine competitors to decorate their wares.

The present case is also distinguishable from *Adidas (Canada) Ltd. v. Colins Inc.* (1978), 28 C.P.R. (2d) 145 (F.C.T.D.), which dealt with a mark comprising stripes of no particular colour displayed on clothing. In that case, there was evidence from an expert that stripes make a garment more attractive.

I consider the opposition decision in *Dot Plastics Ltd. v. Gravenhurst Plastic Ltd.* (1988), 22 C.P.R. (3d) 228 (T.M.O.B.) to be the most pertinent to the present case. In that decision, at page 231, former Chair Partington stated:

In determining whether a mark can function as a "trade mark", consideration must be given as to whether the mark is ornamental or is, to a certain degree, functional in nature. If a mark is strictly functional or has a characteristic appearance resulting from the process of its manufacture, it is not a trade mark. Likewise, ornamentation applied to wares for purposes of enhancing the appearance of the wares is not proper subject matter for a trade mark. In the present case, there is no evidence that the applicant's mark is functional in nature. Further, no evidence has been adduced by the opponent to support the allegations set forth in its statement of opposition that the applicant's mark is ornamental in nature. Accordingly, I have concluded that the applicant's mark in the present instance constitutes a trade mark and I have therefore rejected the opponent's first ground of opposition. [emphasis added]

Thus, if properly pleaded, this ground would have failed on the basis that the Opponent did not satisfy its initial evidential burden. In the absence of corroborating evidence, it is premature to consider that a proposed use mark might ultimately be used solely for a purpose other than indicating source.

Fourth Ground

The fourth ground of opposition reads as follows:

In the alternative, the Design is not registrable, and was not registrable on the filing date of the application thereof, because the Design is primarily functional. The stripes of the Design are functional in nature and registration of the Design would grant to the Applicant a monopoly on functional elements or characteristics of toothpaste.

I am also dismissing the fourth ground of opposition on the basis that the pleading is defective. Nevertheless, once again, in the event that I am wrong in so doing, I will discuss the issues raised.

I find that the Applicant's Design is not functional. Yes, there is evidence that another party has used stripes in association with toothpaste for the purpose of indicating function (*e.g.* see paragraph 10 of the Jay affidavit re AQUAFRESH toothpaste identifying different stripes as having different functions, such as white for fluoride and blue for fresh breath) but we have Mr. Ren's uncontroverted evidence that the stripes in the Design "do not perform individual functions, nor are the stripes intended to perform different functions." The fact that one other party has used stripes in association with toothpaste to indicate function does not override Mr. Ren's sworn statement that the coloured stripes in the Design "do not perform individual functions, nor are the stripes intended to perform different functions". I understand Mr. Ren's statement that "the stripes are simply arbitrary" to mean that the stripes were not dictated by function.

Mr. Ren's statements concerning functionality are not ambiguous and the Opponent chose not to cross-examine him. His assertions have not been undermined and the Opponent must accordingly live with them.

I also note that the Opponent's own affiant, Ms. Jay, at pages 21-22 of her cross-examination seemed to concur with the suggestion that striping does not appear to be necessary in order for toothpaste to have multiple functions, based on her review of some of the toothpaste that she bought.

At the oral hearing, the Opponent relied in part on the patents introduced by Mr. MacLean in support of this ground. It submitted that some of these patents disclose three-stripe toothpaste and argued that the patents are evidence of striping in toothpaste. To me, the patents in evidence appear to be directed largely to how to effectively introduce and maintain stripes in toothpaste, not the functionality of stripes in toothpaste. However, I do not think that it is appropriate for me to interpret what the patents relate to. If the Opponent wanted me to assess their meaning then it ought to have introduced expert evidence concerning that. (I note that the Opponent need not rely on the patents as evidence that striped toothpaste existed before the filing of the present application, as there is other evidence introduced by the Opponent that establishes that.)

Fifth Ground

The fifth ground of opposition reads as follows:

The Design is not registrable [and] was not registrable on the filing date of the application thereof, because the Design is not a "trade-mark" within the meaning of the *Trade-marks Act*. The Design is applied to the toothpaste itself, and the toothpaste is contained in the opaque tube. This tube is, optionally, packaged in a cardboard package. The Design, therefore, is not a mark that is "used" to distinguish the Applicant's toothpaste from the toothpaste of others because at the time of transfer of the toothpaste to customers, the Design is not associated with the toothpaste so that notice of the association is given to customers.

The fifth ground of opposition is also dismissed on the basis that the pleading is defective, but, once again, in the event that I am wrong in this regard, I will discuss the issues raised.

The Opponent's position is premised on the argument that the Design will not be visible to customers at the time of transfer of the toothpaste to customers, because toothpaste is sold in opaque, sealed containers. However, the exhibits to the Tonner affidavit show toothpaste sold in such a way that one can see the toothpaste through its container. Further, I note that the Opponent did not cross-examine Mr. Ren to find out how the Applicant uses the Design in other countries. As a result, I would not be prepared to accept that it is not feasible to use the Design in accordance with s. 4. Moreover, to the extent that the Opponent may have satisfied its evidential burden by showing two ways in which toothpaste is sold without being seen, I find that the Applicant has sufficiently countered this evidence through Ms. Tonner's evidence. It matters not that Ms. Tonner's evidence postdates the material date, as its purpose is simply to show that toothpaste can be marketed in a manner whereby the actual toothpaste is visible to the purchaser.

Regarding Mr. Robertson's survey evidence, even though it may be flawed, I am willing to accept that when toothpaste is sold in opaque sealed containers, the typical consumer would not see the toothpaste itself at the time of purchase or transfer of the wares. However, I do not find that to be significant in view of Ms. Tonner's evidence.

Section 38(2)(d) Ground of Opposition (Distinctiveness)

The material date for considering this ground is the filing date of the statement of opposition, April 3, 1996 [see *Metro-Goldwyn-Meyer Inc. v. Stargate Connections Inc.* (2004), 34 C.P.R. (4th) 317 (F.C.T.D.) at 324].

The legal onus is on the Applicant to show that its mark is adapted to distinguish or actually distinguishes its wares from the wares 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.)]. However, there is an evidential burden on the Opponent to prove the allegations of fact supporting its ground of non-distinctiveness.

Sixth Ground

The sixth ground of opposition reads as follows:

At the time of filing the application therefor, and at the present, the Design is not distinctive within the meaning of Section 2 of the *Trade-marks Act* in that it is not either adapted to distinguish nor capable of distinguishing the wares in association with which it will be used by the Applicant from the same wares provided by others. Striped toothpaste has been offered for sale and sold in Canada by others since at least 1984.

The Opponent has pleaded that the Applicant's Design is not distinctive because others have offered striped toothpaste for sale. However, as the Applicant is not seeking to register striped toothpaste *simpliciter*, but rather a particular coloured stripe pattern, I do not see how the Opponent can succeed under this ground. There is no evidence that others have used the same combination of stripes as applied for by the Applicant and therefore I find that there is no basis on which to find that the Design is not capable of distinguishing the Applicant's toothpaste from the striped toothpaste of others.

I also note that the Opponent has only shown that one company promoted striped toothpaste in Canada prior to the material date. There is no evidence that the consuming public would associate any striped toothpaste with this one company. Moreover, there is no evidence of any sales of AQUAFRESH striped toothpaste prior to April 3, 1996, the extent of its promotions is not known, and the evidence is that it promoted its stripes as indicative of function, not as a trade-mark, and that its striped toothpaste was not visible through its packaging.

The sixth ground of opposition is accordingly dismissed.

Disposition

Having been delegated by the Registrar of Trade-marks by virtue of s. 63(3) of the Act, I reject the opposition pursuant to s. 38(8).

DATED AT TORONTO, ONTARIO, THIS 3rd DAY OF JANUARY 2007.

Jill W. Bradbury
Member
Trade-marks Opposition Board