TRADUCTION/TRANSLATION



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

Citation: 2010 TMOB 60 Date of Decision: 2010-04-21

IN THE MATTER OF AN OPPOSITION by Trans Canaderm Inc. to application No. 1,252,520 for the trade-mark PRÉFIX on behalf of Bio Actif Inc.

- [1] On March 31, 2005, Bio Actif Inc. (the Applicant) filed an application to register the trade-mark PRÉFIX (the Mark) for proposed use in Canada in association with the following wares: "Cosmetic cream for the skin based on sea squalane, made from shark liver oil" (the Wares).
- [2] The application was advertised on November 2, 2005, in the *Trade-marks Journal*.
- [3] Trans Canaderm Inc. (the Opponent) filed a statement of opposition against the application on December 21, 2005. The grounds of opposition may be summarized as follows:
 - 1. The application does not meet the requirements of paragraph 30(*i*) of the *Trade-marks Act* (R.S.C. 1985, c. T-13) (the Act) in that the Applicant cannot be satisfied that it is entitled to use the Mark in Canada in association with the Wares because it is neither registrable nor distinctive and the Applicant is not the person entitled to the registration of the Mark;
 - 2. Having regard to the provisions of paragraph 12(1)(*d*) of the Act, the Mark is not registrable in that it is confusing with the Opponent's PREVEX trade-mark registered under No. TMA323,081 in association with the following wares: "Pharmaceutical

preparation, namely, a protectant cream for hands, for protection against diaper rash and geriatric incontinence" (the Opponent's mark). The French translation of the statement of wares as advertised in the *Trade-marks Journal* reads as follows: "Préparations pharmaceutiques, nommément crèmes protectrices pour protéger les mains contre l'érythème fessier et l'incontinence gériatrique";

- 3. The Applicant is not the person entitled to the registration of the Mark having regard to the provisions of paragraph 16(3)(a) of the Act in that the Mark is confusing with the Opponent's mark used prior to the filing date of the application; and
- 4. The Mark is not distinctive of the Applicant's Wares within the meaning of section 2 of the Act in that the Mark is not adapted to distinguish and does not actually distinguish the Applicant's Wares from the Opponent's wares in association with which the Opponent's mark is used.
- [4] On January 26, 2006, the Applicant filed a counter statement denying all the grounds of opposition.
- [5] In support of its opposition, the Opponent filed as evidence in chief the statutory declarations of Dominique Jeandupeux (Director, Scientific Affairs for Stiefel Canada Inc., parent company of the Opponent) and Janet Dell'Orto (trade-mark agent and translator employed by the law firm and trade-mark agency representing the Opponent). In support of its application, the Applicant filed as evidence in chief the statutory declaration of Jacques Duceppe (President of the Applicant). The Opponent also filed as reply evidence a second statutory declaration by Ms. Dell'Orto. None of the deponents was cross-examined.
- [6] Both parties filed written arguments and took part in an oral hearing.

Analysis

General principles and relevant dates

- The onus is on the Applicant to show that the application complies with the requirements of the Act, but the Opponent has the burden of ensuring that each of its grounds of opposition is duly argued and of discharging its initial evidentiary burden by establishing the facts supporting its grounds of opposition, failing which a ground of opposition may not be taken into consideration. Once this initial burden is met, the Applicant has to prove, on a balance of probabilities, that none of the grounds of opposition impedes the registration of the Mark [see *Massimo De Berardinis v. Decaria Hair Studio* (1984), 2 C.P.R. (3d) 319 (T.M.O.B.); *John Labatt Ltd. v. Molson Companies Ltd.* (1990), 30 C.P.R. (3d) 293 (F.C.T.); *Joseph E. Seagram & Sons Ltd. et al v. Seagram Real Estate Ltd.*, (1984) 3 C.P.R. (3d) 325 (T.M.O.B.); *Dion Neckwear Ltd. v. Christian Dior, S.A. et al*, (2002), 20 C.P.R. (4th) 155 (F.C.A.); and *Wrangler Apparel Corp. v. The Timberland Company*, 2005 FC 722].
- [8] The relevant dates for assessing the circumstances of each of the grounds of opposition in this case are the following:
 - 1. Ground based on section 30 of the Act: the filing date of the application [see *Georgia-Pacific Corp. v. Scott Paper Ltd.* (1984), 3 C.P.R. (3d) 469 (T.M.O.B.)];
 - 2. Ground based on paragraph 12(1)(*d*) of the Act: the date of this decision [see *Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd.* (1991), 37 C.P.R. (3d) 413 (F.C.A.)];
 - 3. Ground based on paragraph 16(3)(a) of the Act: the filing date of the application; and
 - 4. Ground based on non-distinctiveness of the Mark: generally accepted as being the filing date of the statement of opposition [see *Metro-Goldwyn-Mayer Inc. v. Stargate Connections Inc.* (2004), 34 C.P.R. (4th) 317 (F.C.)].
- [9] I will now analyze the grounds of opposition in light of the evidence filed in this case. As all of the grounds are based on the likelihood of confusion between the trade-marks at issue, and

as the ground based on paragraph 12(1)(d) of the Act appears to be the most solid from the point of view of the Opponent, I will analyze it first.

Ground based on paragraph 12(1)(d) of the Act

- [10] Although the Opponent did not file a certificate of authenticity for registration No. TMA323,081 for the PREVEX trade-mark, I have exercised my discretion and confirmed that this registration still appears as valid in the trade-marks register. Accordingly, the Opponent has met its initial burden of proof. The Applicant must now show, on a balance of probabilities, that there is no likelihood of confusion between its Mark and the Opponent's.
- [11] The test for confusion is one of first impression and imperfect recollection. Subsection 6(2) of the Act indicates that the 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.
- In deciding whether trade-marks are confusing, the Registrar must have regard to all the surrounding circumstances, including those specifically enumerated in subsection 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 trademarks in appearance or sound or in the ideas suggested by them. This is not an exhaustive list, and different weight may be attributed to the various factors according to the context [see *Mattel*, *Inc. v. 3894207 Canada Inc.* (2006), 49 C.P.R. (4th) 321 (S.C.C.); and *Veuve Clicquot Ponsardin v. Boutiques Cliquot Ltée et al* (2006), 49 C.P.R. (4th) 401, [2006] 1 S.C.R. 824].
 - (a) the inherent distinctiveness of the trade-marks and the extent to which they have become known
- [13] The Mark corresponds to the French adjective "préfix", defined as follows in Le Petit Larousse 2010: "DR. Délai préfix, déterminé d'avance" [Legal. Preset deadline, determined in

advance]. The Mark also bears significant resemblance to the French masculine noun "préfixe" (and its English counterpart "prefix") defined as follows in the same dictionary: "Élément qui se place à l'initiale d'un mot et qui en modifie le sens (ex. re- dans refaire)" [element placed at the beginning of a word that modifies its meaning (e.g. re- in redo)]. In association with the Wares, the Mark is fanciful, although it could suggest that the cream is designed to prepare the skin for further treatments. I am therefore of the view that the Mark possesses a degree of inherent distinctiveness.

- [14] The Opponent's PREVEX mark is an invented word with no particular meaning. I am therefore of the view that this Mark possesses a greater degree of inherent distinctiveness.
- [15] As for the extent to which the marks at issue have become known, the evidence in the file shows that both marks have been used in Canada, although to a lesser extent in the case of the Mark.
- [16] The statutory declaration of Dominique Jeandupeux reveals that the Opponent's PREVEX products have been sold throughout Canada since 1987. More specifically, PREVEX products have been sold since 1996 in several pharmacy chains, such as *Shoppers Drug Mart/Pharmaprix*, *London Drugs*, *Pharmasave*, *Jean Coutu*, etc., as well as in pharmacies within large retailers and supermarkets, such as *Safeway*, *Zellers*, *Wal-Mart*, *Sobeys*, *A & P*, *Loblaws*, etc. Mr. Jeandupeux states that PREVEX products are sold in 95% of the 7,000 pharmacies listed in Canada.
- [17] Sales of PREVEX products from 1999 to 2006 amount to some 300,000 units and two million dollars annually. Mr. Jeandupeux also provides the amounts spent on advertising PREVEX products in Canada between 2000 and 2006, which vary between \$200,000 and \$400,000 annually.
- [18] In comparison, the statutory declaration of Jacques Duceppe reveals that the Applicant's Wares have only been sold in Canada since October 4, 2005. Mr. Duceppe explains that these products are sold in particular in various boutiques in Quebec, such as *Groupe Johanne Verdon Inc.*, Espace Santé Beauté, Vitavie, Panier Santé, Boutiques Luc Mathieu, and the Jean Coutu Châteauguay pharmacy.

- [19] To ensure that the total sales figures for the PRÉFIX Wares marketed by the Applicant remain confidential, Mr. Duceppe has provided the minimum sales generated by the Applicant for the years 2005 and 2006, namely, \$350,000 and \$260,000 respectively. Mr. Duceppe has also provided "anticipated" sales figures for 2007, although they are not particularly useful in the circumstances, being mere predictions. The PRÉFIX Wares are sold to retailers for \$31.36 per unit, while the retail price suggested by the Applicant for resale to the consumer is \$49.00 per 60-ml unit.
- [20] Mr. Duceppe also states that since October 2005, the Applicant has spent a considerable amount on various types of advertising and marketing to make its PRÉFIX mark better known to its buyers and the Quebec public in general. He has provided the budget for advertising and promotion in the *Journal de Montréal* (\$40,400.00) and the newspaper *La Presse* (\$12,000.00), as well as in radio advertising (\$50,000.00) and television advertising. The radio and television advertising budgets are not accompanied by any samples or corroborated in any way. However, the advertising samples for PRÉFIX Wares in the *Journal de Montréal* and *La Presse* dated December 1, 2006, are included as Exhibit JD-3.
- [21] The Opponent argues that its PREVEX trade-mark has become very well known and extremely reputable in Canada, unlike the Applicant's Mark, for which the label samples and advertisements filed in support of Jacques Duceppe's statutory declaration do not show any use of the Mark by the Applicant itself, but rather by third parties, namely, *Groupe Johanne Verdon Inc.* and *Distribution et Service Ferti 2000 Inc.* The Opponent also relies on this point with respect to Janet Dell'Orto's second statutory declaration filed as reply evidence.
- [22] More specifically, Ms. Dell'Orto confirms in her second statutory declaration that she had conducted Internet research to verify some of Mr. Duceppe's claims. According to her research, the Applicant's website (www.bio-actif.com) contains no references to the PRÉFIX Wares. The site does refer to several "Johanne Verdon" products and is linked to the website of the Groupe Johanne Verdon Inc. (www.johanneverdon.com). Ms. Dell'Orto confirms that she also accessed that website and indeed saw the PRÉFIX Wares advertised there. However, according to her research, no reference is made to the Applicant in that advertisement or anywhere else on the Groupe Johanne Verdon Inc. website.

- [23] The Applicant objected to this part of the Opponent's reply evidence on the grounds that Ms. Dell'Orto is employed by the law firm and trade-mark agency representing the Opponent, which disqualifies her from testifying in this case, and that this so-called reply evidence contains no information or fact that would not have been available at the time the Opponent's evidence in chief was filed and therefore cannot be received in evidence by the Registrar under section 43 of the *Trade-mark Regulations*. I disagree.
- [24] As explained above, the reply evidence was produced to verify the accuracy of some of the statements made in Mr. Duceppe's statutory declaration, which was filed as part of the Applicant's evidence in chief. For this reason, I am of the view that such evidence is admissible as reply evidence even though the information was available when the Opponent filed its evidence in chief. I also consider Ms. Dell'Orto's testimony valid in that it was limited to Internet searches within the parameters she outlined. However, these searches can be considered neither exhaustive nor sufficient to discredit Mr. Duceppe's testimony.
- [25] The invoices filed in evidence as Exhibit JD-1 in support of Mr. Duceppe's statutory declaration expressly attest to the sale of [TRANSLATION] "Préfix cream 60 ml" by the Applicant to *Groupe Johanne Verdon Inc.*, which acts as a retailer of the Applicant's PRÉFIX Wares. The label samples filed as Exhibit JD-2 include the words "*UN PRODUIT BIO-ACTIF*" [a Bio-Actif product] in addition to the name "*JOHANNE VERDON*". Thus I am of the view that the Applicant's evidence is not incompatible with the Opponent's reply evidence, especially considering that the application for registration at issue is based on a proposed use of the Mark.
- [26] In any case, the Applicant's Mark has become known in Canada to a lesser extent than the Opponent's. The sales figures and advertising provided by the Opponent and the vast number of points of sale for PREVEX products throughout Canada surpass those of the Applicant and lead me to conclude that the Opponent's mark enjoys a degree of recognition throughout Canada. This first factor therefore favours the Opponent.

(b) the length of time the trademarks have been in use

[27] This factor favours the Opponent, as demonstrated by the analysis above.

(c) the nature of the wares, services or business and (d) the nature of the trade

- [28] As indicated above, the Opponent's wares consist in a "pharmaceutical preparation, namely, a protectant cream for hands, for protection against diaper rash and geriatric incontinence" sold in pharmacies.
- [29] Mr. Jeandupeux explains in his statutory declaration that PREVEX protectant cream is generally offered for sale on pharmacy shelves next to emollient products, including cosmetic creams such as those associated with the Applicant's Mark. Mr. Jeandupeux attached to his statutory declaration, as Exhibit "A", planogram samples from the *Shoppers Drug Mart* and *Pharmasave* pharmacies showing the positioning of products bearing the PREVEX mark next to skin creams under various marks such as *Aveeno*, *Jergens*, *Keri*, *Vaseline*, *Dove*, *Cetaphil*, etc.
- [30] The Applicant objected to the production of these planograms on the grounds that Mr. Jeandupeux does not explain what they are. The Applicant also argues that Mr. Jeandupeux's evidence constitutes hearsay, and that the latter has also failed to mention why the *Shoppers Drug Mart* and *Pharmasave* pharmacies have not produced their own statutory declarations in order to file the planograms as evidence, or whether they were even asked to do so.
- [31] While it is true that these planograms come from third parties and could therefore be characterized as hearsay, I consider it reasonable in the circumstances to accept them as evidence given that they serve only to provide a general illustration of Mr. Jeandupeux's explanations and that they favour the Applicant rather than the Opponent. The online version of the *Grand Dictionnaire Terminologique* defines the French term "planogramme" as follows: "Représentation graphique de rangées de produits pour favoriser leur vente et donc optimiser la rentabilité par unité de surface" [a graphical representation of rows of products to promote their sale and optimize profits per surface unit]. The planogram samples provided favour the Applicant in that they show that PREVEX protectant cream is generally sold in the skin care section of pharmacies alongside hand and body creams, rather than in the pharmacies' cosmetics sections or counters, where the Applicants' Wares are more likely to be sold. It is worth noting that although the Applicant's Wares are mainly sold in specialized boutiques, they are also sold in the Jean Coutu Chateauguay pharmacy.

- [32] Returning to the nature of the wares associated with the marks at issue, the Applicant correctly points out that both its products and the Opponent's are specialized, as each of the statements of wares makes clear. The Applicant emphasizes that its products are *cosmetic* face and body creams as opposed to *pharmaceutical* creams like the Opponent's that protect hands against diaper rash and geriatric incontinence. I note that the packaging samples and brochures attached to Mr. Jeandupeux's statutory declaration as Exhibits "B" and "C" describe PREVEX cream as a protectant cream for [TRANSLATION] "dry, cracked hands; skin irritation; occupational eczema" offering [TRANSLATION] "effective and lasting protection against external irritants such as water, detergents, plants, food, chemical agents, cosmetics and polishing preparations".
- [33] The Applicant also notes that the difference in price between its products (which retail for about \$49 per 60-ml unit) and the Opponent's products (which retail for about \$7.60 per unit) is a further argument in its favour in considering the differences between the products at issue and the nature of their trade.
- [34] Although both of the products at issue are skin creams that may be sold in the same pharmacies, I am of the view that the differences in the intrinsic nature of the products and, accordingly, their placement in the pharmacies as discussed above favours the Applicant in the consideration of these third and fourth factors.

(e) the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them

- [35] "Realistically appraised it is the degree of resemblance between trade marks in appearance, sound or in ideas suggested by them that is the most crucial factor, in most instances, and is the dominant factor and other factors play a subservient role in the overall surrounding circumstances" [Beverley Bedding & Upholstery Co. v. Regal Bedding & Upholstering Ltd. (1980), 47 C.P.R. (2d) 145 (F.C.T.D.), at page 149, affirmed by (1982), 60 C.P.R. (2d) 70 (F.C.A.)].
- [36] Moreover, as mentioned above, it is well established in the case law that likelihood of confusion is a matter of first impression and imperfect recollection. In this respect, "[w]hile the marks must be assessed in their entirety (and not dissected for minute examination), it is still

possible to focus on particular features of the mark that may have a determinative influence on the public's perception of it' [*Pink Panther Beauty Corp. v. United Artists Corp.* (1998), 80 C.P.R. (3d) 247 (F.C.A.), 1998 CarswellNat 2060, at paragraph 34].

- [37] The Opponent submits that the marks at issue are very similar in that both start with "PRE" and end with the letter "X". The Opponent, relying in part on the statutory declaration of Janet Dell'Orto, notes that the PREVEX mark may be pronounced "PR<u>É</u>VEX" in French and "PREEVIX", like "FREE MIX", in English.
 - [38] The Applicant raises a reasonable objection to the opinion expressed by Ms. Dell'Orto in her first statutory declaration regarding the phonetic resemblance between the marks at issue. Ms. Dell'Orto, an employee of the law firm and trade-mark agency representing the Opponent, lacks the necessary independence to act as a language expert in this case [see *Cross Canada Auto Body Supply Windsor Limited v. Hyundai Auto Canada* (2006), 53 C.P.R. (4th) 286 (F.C.A.)].
 - [39] In any case, even though the trade-marks under review have some phonetic similarities, on the whole, they are minor compared to their differences, both phonetically and with respect to the ideas they suggest.
 - [40] More specifically, the second syllable of the trade-marks under review is the one that provides each with its distinctiveness; the first syllable, the prefix "PRÉ/PRE", possesses limited inherent distinctiveness. The syllable "VEX" differs phonetically from the syllable "FIX". Also, the marks considered as a whole suggest completely different ideas. As discussed above, "PREVEX" is an invented word without any particular meaning, while the Mark "PRÉFIX" suggests, according to its dictionary definitions, that the cream is designed to prepare the skin to receive further treatments. Thus, I am of the view that consideration of the fifth factor favours the Applicant.
 - [41] The Opponent raises an additional circumstance, the state of the trade-marks register in regard to trade-marks made up of the prefix "PREF" or "PREV" in combination with the ending "X".

- [42] More specifically, the Opponent submits that the searches conducted by Ms. Dell'Orto in the trade-marks register, filed as evidence with her initial statutory declaration, demonstrate that only two trade-marks in the register consist of the prefix "PREF" or "PREV" and the ending "X", namely, the two trade-marks under review.
- [43] The Applicant submits that the search results presented by Ms. Dell'Orto are neither objective nor useful for the purposes of this analysis. I agree with the Applicant that this search is not particularly useful in the circumstances. It is difficult to draw any inferences in favour of either party based on the search results provided. Other potentially relevant marks may not have been revealed because of the precise search parameters used by Ms. Dell'Orto. I am of the view that the evidence on the state of the register does not assist either party in any significant way.

Conclusion – likelihood of confusion

[44] Considering the differences between the trade-marks, both phonetically and with respect to the ideas they suggest, and between the wares associated with each mark, I am of the view that the Applicant has established, on a balance of probabilities, that a consumer with an imperfect recollection of the Opponent's PREVEX mark would not be likely to conclude that the PRÉFIX Wares come from the same source or are otherwise connected or associated with the Opponent's products. I find that these differences more than counterbalance the arguments submitted by the Opponent in considering all the surrounding circumstances. Accordingly, I reject the ground of opposition based on paragraph 12(1)(d) of the Act.

Ground based on paragraph 16(3)(a) of the Act

- [45] The Opponent can discharge its initial burden of proof in regard to paragraph 16(3)(a) by establishing that its trade-mark was used or made known in Canada prior to the filing date of the application and that it had not abandoned the use at the date of advertisement of the application [subsection 16(5)].
- [46] For the reasons explained above, I find that the Opponent has discharged its initial burden of proof.

[47] The difference between the relevant dates for the grounds of opposition based on paragraphs 12(1)(d) and 16(3)(a) has no real impact on my previous findings, which also apply to this ground. Accordingly, I also reject the ground of opposition based on paragraph 16(3)(a) of the Act.

Ground based on non-distinctiveness

- [48] The Opponent can discharge its initial burden of proof in regard to the non-distinctiveness of the Mark by establishing that, at the date of the statement of opposition, its trade-mark had become sufficiently known in Canada to negate the distinctiveness of the Mark [see *Motel 6, Inc. v. No.6 Motel Ltd.* (1981), 56 C.P.R. (2d) 44 (F.C.)].
- [49] For the reasons explained above, I find that the Opponent has discharged its initial burden of proof.
- [50] The difference between the relevant dates for this ground of opposition and the one based on paragraph 12(1)(d) of the Act has no real impact on my previous findings, which also apply to this ground. Accordingly, I also reject the ground of opposition based on non-distinctiveness.

Ground based on paragraph 30(i) of the Act

- [51] As argued, the ground of opposition based on paragraph 30(*i*) is invalid in that it alleges only that the Applicant cannot be satisfied that it is entitled to use the Mark in Canada in association with the Wares because the Mark is neither registrable nor distinctive and the Applicant is not the person entitled to register the Mark. The grounds based on the registrability of the Mark, its distinctiveness and the person entitled to register it constitute separate grounds of opposition (all having been rejected) and cannot serve as a basis for a ground of opposition under paragraph 30(*i*) of the Act. I would add that there is no evidence in the file indicating that applicant cannot be satisfied that it was entitled to use the Mark [see *Sapodilla Co. Ltd. v. Bristol-Myers Co.* (1974), 15 C.P.R. (2d) 152 (T.M.O.B.)].
- [52] Accordingly, I find that the ground of opposition based on paragraph 30(*i*) must also be rejected.

Decision

[53] Pursuant to the authority delegated by virtue of subsection 63(3) of the Act, I reject the opposition pursuant to subsection 38(8) of the Act.

Annie Robitaille Member Trade-marks Opposition Board Canadian Intellectual Property Office