

**IN THE MATTER OF AN OPPOSITION
by Nutribasics L.P. to application No. 777,461
for the trade-mark NUBASICS Design filed by
Clintec Nutrition Company and now standing
in the name of Société des Produits Nestlé S.A.**

On March 10, 1995, Clintec Nutrition Company filed an application to register the trade-mark NUBASICS Design (shown below) based on proposed use in Canada with the following wares:

nutritional food products, namely flavoured dietary drinks or bars for meal replacement; nutritional soups and powdered soups; trace elements; electrolytes and vitamins.

The application was advertised for opposition purposes on June 5, 1996 and was subsequently assigned to Société des Produits Nestlé S.A., the current applicant of record.

NuBasics

The opponent, Nutribasics L.P., filed a statement of opposition on August 2, 1996, a copy of which was forwarded to the applicant on August 20, 1996. The opponent was granted leave to file an amended statement of opposition on October 31, 1997.

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 opponent's trade-mark NUTRIBASICS registered under No. 459,602 for "livestock and pet feed additives." The second ground is that the applicant is not the person entitled to registration pursuant to Section 16(3) of the Act because, as of the applicant's filing date, the applied for trade-mark was confusing with (1) the trade-mark NUTRIBASICS previously used in Canada by the opponent, (2) the trade-mark NUTRIBASICS for which an application had previously been filed by the opponent under serial No. 694,403 and (3) the trade-names Nutribasics and Nutribasics L.P. previously used in Canada by the opponent.

The third ground of opposition is that the applicant's application does not conform to the requirements of Section 30(e) of the Act because the applicant used its trade-mark prior

to the filing date of its proposed use application. The fourth ground of opposition is that the applied for trade-mark is not distinctive in view of the opponent's use of its trade-mark and trade-names.

The applicant filed and served a counter statement. As its evidence, the opponent submitted an affidavit of its Vice-President and Director of Sales, O.M. "Ike" Isaacson. As its evidence, the applicant submitted an affidavit of Leonard Simak who identified himself as the General Manager of Nestlé Clinical Nutrition, a division of Nestlé Canada Inc., the Canadian licensee of the trade-mark NUBASICS Design. Both parties filed a written argument and an oral hearing was conducted at which only the applicant was represented.

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.). The onus or legal burden is on the applicant to show no reasonable likelihood of confusion between the marks at issue. Furthermore, 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 NUTRIBASICS is a coined word and is therefore inherently distinctive. However, it is derived from the phrase "nutritional basics" which is descriptive of the opponent's wares. Thus, the opponent's trade-mark is not inherently strong.

The Isaacson affidavit evidences minimal activity in Canada in association with the opponent's trade-mark NUTRIBASICS. Appended as Exhibit C to Mr. Isaacson's affidavit are copies of invoices evidencing sales of the opponent's feed additives to Canadian purchasers for the years 1991 to 1997 totalling in excess of \$70,000. Furthermore, the sample product bag appended as Exhibit E to Mr. Isaacson's affidavit illustrates primary use of the product mark

OPTIMIN and subsidiary use of the trade-mark and trade-name NUTRIBASICS. Mr. Isaacson states that his company spends \$20,000 to \$25,000 annually to promote its products in Canada. It is not entirely clear what forms that promotion takes although the sample brochure appended as Exhibit F to the Isaacson affidavit features the product mark OPTIMIN over the house mark NUTRIBASICS. Thus, I am not able to ascribe any reputation of note in Canada for the opponent's registered mark.

The applicant's trade-mark NUBASICS Design is a coined word and is therefore also inherently distinctive. However, it appears to be derived from the phrase "new basics" which is at least somewhat suggestive of nutritional food products. Thus, the applicant's mark is not inherently strong although it is not as inherently weak as the opponent's registered mark. Since there is no evidence of use or advertising of the applicant's mark, I must conclude that it has not become known at all in Canada.

The length of time the marks have been in use favors the opponent. As for Sections 6(5)(c) and 6(5)(d) of the Act, the wares and trades of the parties are different. The opponent's wares are additives for livestock and pet feed. The applicant's wares comprise nutritional food items and related products for human consumption. From a review of the materials appended to the Isaacson affidavit, it appears that the opponent's trade consists of animal feed suppliers and ultimately farmers. Mr. Simak states that the applicant's market comprises hospitals, nursing homes, pharmacies and health clinics. In its written argument, the opponent contends that a trade-mark associated with an additive might be identified on a pet food product containing that additive sold in a grocery store and that the trades of the parties could therefore overlap. However, the opponent's contention is highly speculative and is not supported by the evidence.

As for Section 6(5)(e) of the Act, the marks of the parties bear a fair degree of phonetic resemblance given that both begin with the letters NU and end with the word BASICS. The degree of resemblance visually and in the ideas suggested by the marks is less pronounced.

The applicant contended that an additional surrounding circumstance in the present case is the absence of any evidence of instances of actual confusion. However, given the absence of evidence of use of the applicant's mark and the minimal evidence of use of the opponent's mark, the absence of evidence of actual confusion is not surprising and can be given no weight.

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 differences between the wares and trades of the parties and the absence of any reputation of note for the opponent's trade-mark, I find that the applicant has satisfied the legal burden on it to show that its trade-mark is not confusing with the opponent's registered mark. The first ground of opposition is therefore unsuccessful.

As for the second ground of opposition, the opponent has met its initial burdens by evidencing use of its trade-mark and trade-name prior to the applicant's filing date and showing non-abandonment of that mark and name as of the applicant's advertisement date. Furthermore, the opponent has evidenced the prior filing of its application for its trade-mark NUTRIBASICS and the pendency of that application as of the applicant's advertisement date. The ground therefore remains to be decided on the issue of confusion between the applicant's mark and the opponent's mark and name as of the applicant's filing date. My conclusions respecting the first ground are, for the most part, also applicable here. Thus, I find that the applicant's mark was not confusing with the opponent's mark and name as of the applicant's filing date. The second ground of opposition is therefore also unsuccessful.

As for the third ground of opposition, the legal burden is on the applicant to show that its application conforms to the requirements of Section 30(e) of the Act. However, there is an initial evidential burden on the opponent to adduce at least some evidence in support of its allegation that the applicant had used its mark prior to filing its proposed use application. The opponent failed to file evidence on point and the Simak affidavit is not inconsistent with the proposed use basis of the present application. Thus, the opponent has failed to meet its

evidential burden and the third ground is also unsuccessful.

As for the fourth 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 wares 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. - August 2, 1996): 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 in support of its ground of non-distinctiveness.

The fourth ground essentially turns on the issue of confusion between the applicant's mark and the opponent's trade-mark and trade-name. Given my conclusions above respecting the first and second grounds of opposition, it also follows that the applicant's mark is not confusing with the opponent's mark and name as of the filing of the present opposition. Thus, the fourth ground is also unsuccessful.

In view of the above, and pursuant to the authority delegated to me under Section 63(3) of the Act, I reject the opponent's opposition.

DATED AT HULL, QUEBEC, THIS 14th DAY OF DECEMBER, 1999.

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