

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

Citation: 2014 TMOB 98 Date of Decision: 2014-05-13

IN THE MATTER OF AN OPPOSITION by Neurobrands, LLC to application No. 1,513,969 for the trade-mark NEUROCORE in the name of Canadian Supplement Trademark Ltd.

- [1] On February 4, 2011, Canadian Supplement Trademark Ltd. (the Applicant) filed an application to register the trade-mark NEUROCORE (the Mark) based on proposed use in Canada in association with "nutritional supplement for performance and strength enhancement, body composition enhancement and muscle building enhancement".
- [2] The application was advertised for opposition purposes in the *Trade-marks Journal* of January 18, 2012.
- [3] On March 15, 2012, Neurobrands, LLC (the Opponent) filed a statement of opposition. The grounds of opposition can be summarized as follows:
  - pursuant to sections 38(2)(c) and 16(3)(a) of the *Trade-marks Act*, RSC 1985, c T-13 (the Act), the Applicant is not entitled to register the Mark as it is confusing with the following trade-marks owned by the Opponent all of which had been used in Canada prior to February 4, 2011 in association with *inter alia* dietary supplemental drinks and nutritionally fortified beverages:

Trade-mark
NEURO
DRINK NEURO
NEUROAQUA
NEUROBLISS

NEUROGASM	
NEUROSLEEP	
NEUROSONIC	
NEUROSPORT	
NEUROSUN	
NEUROTRIM	
NEURO & Design	

- pursuant to sections 38(2)(a) and (30)(e), the Applicant had used the Mark in Canada with the Wares prior to the filing date; and the Applicant had no intention to use the Mark in Canada by itself or through a licensee, or by itself and through a licensee;
- pursuant to sections 38(2)(a) and 30(i), the application does not conform with the requirements of section 30(i) of the Act as the Applicant could not have been satisfied that it was entitled to use the Mark in Canada in association with the Wares as the Mark was and is confusing with the Opponent's pleaded NEURO marks that had been previously used in Canada by the Opponent;
- pursuant to sections 38(2)(d) and 2, the Mark is not distinctive in Canada of the Wares in that it does not serve to distinguish the Wares from the wares of others, particularly those associated with the Opponent's pleaded NEURO marks which had previously been used and remain in use in Canada.
- [4] The Applicant served and filed a counter statement in which it denied the Opponent's allegations and put the Opponent to the strict proof thereof.
- [5] In support of its opposition, the Opponent filed an affidavit of Paul Nadel, the President of the Opponent. Mr. Nadel was not cross-examined on his affidavit.
- [6] In support of its application, the Applicant filed an affidavit of Brad Bernard, the Brand Manager for a related company to the Applicant. An order issued for the cross-examination of Mr. Bernard but the Opponent chose not proceed with it.
- [7] Neither party filed a written argument and an oral hearing was not held.

### Onus and Material Dates

[8] 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 CPR (3d) 293 (FCTD) at 298].

- [9] The material dates that apply to the grounds of opposition are as follows:
  - sections 38(2)(a)/30 the date of filing the application [see *Georgia-Pacific Corp v Scott Paper Ltd* (1984), 3 CPR (3d) 469 at 475 (TMOB) and *Tower Conference Management Co v Canadian Exhibition Management Inc* (1990), 28 CPR (3d) 428 at 432 (TMOB)].
  - sections 38(2)(c)/16(3) the date of filing the application for the Mark [see section 16(3) of the Act].
  - sections 38(2)(d)/2 the date of filing of the opposition [see *Metro-Goldwyn-Mayer Inc v Stargate Connections Inc* (2004), 34 CPR (4th) 317 (FC)].

### Summary Dismissal of Grounds of Opposition

*Non-compliance with section 30(e) of the Act* 

[10] There is no evidence of record to suggest that the Mark was used prior to the filing date or that the Applicant lacked the intention to use the Mark. The Opponent has thus failed to meet its evidential burden and I dismiss the ground of opposition based on non-compliance with section 30(e) of the Act.

*Non-compliance with section 30(i) of the Act* 

[11] Where an applicant has provided the statement required by section 30(i), a section 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 CPR (2d) 152 (TMOB) at 155]. The Applicant has provided the necessary statement and this is not an exceptional case; the section 30(i) ground is accordingly dismissed.

# Non-entitlement Ground of Opposition – section 16(3)(a) of the Act

[12] In order to meet its evidential burden under this ground of opposition, the Opponent had to demonstrate that it had used one or more of its pleaded NEURO marks prior to February 4,

- 2011 and that it had not abandoned such use at the date of advertisement of the present application (January 18, 2012) [see section 16(5) of the Act].
- [13] In his affidavit, the Opponent's President, Mr. Nadel states that the Opponent's wares, which he describes as "premium low calorie nutritionally fortified beverage products" have been available for sale online and available for purchase and shipment to Canada since at least as early as July 2009. To support his sworn statements regarding use, Mr. Nadel attaches to his affidavit a spreadsheet from the Opponent's business records showing sales of the Opponent's beverage products to customers in Canada from July 2009 - September 2010 (Exhibit A). Mr. Nadel also provides selected order and shipment confirmation details for sales of the Opponent's products which were shipped to Canada in 2009 and 2010 (Exhibit B). Mr. Nadel attaches to his affidavit representative images of the packaging and containers used for the Opponent's products (Exhibit C) as sold to Canadian customers since 2009. Mr. Nadel states that the evidence supports a finding that the Opponent sold and shipped products in association with the trade-marks NEUROTRIM, NEUROSLEEP, NEUROBLISS, NEUROSONIC and NEUROCOMBO (the Opponent's Marks) to Canadian customers from 2009 – 2010. Reviewing the evidence as a whole, I am satisfied that the evidence supports a finding that the Opponent's Marks were used prior to the filing date for the application for the Mark. Based on the foregoing, the Opponent has met the first portion of its evidential burden.
- [14] The issue is whether or not the use of the Opponent's Marks had been abandoned as of January 18, 2012. There is no evidence of use of the Opponent's Marks after September 2010.
- [15] While the evidence of use of the Opponent's Marks does not extend past September 2010, one must not associate non-use of a trade-mark with abandonment of that trade-mark. Section 16(5) of the Act speaks of the abandonment of a trade-mark and not of its continuous use on the date of advertisement of the application for registration. The question of abandonment is one of fact, to be assessed in light of the evidence on file and it requires both the absence of use and an intention to abandon use of that trade-mark [see *Labatt Brewing Co v Formosa Spring Brewery Ltd* (1992), 42 CPR (3d) 481 (FCTD); *Marineland Inc v Marine Wonderland & Animal Park Ltd* (1974), 16 CPR (2d) 97 (FCTD)].

- [16] In the present case, there is no evidence of an intention to abandon the Opponent's Marks on the part of the Opponent. While abandonment may be inferred from a long period of non-use; I am not satisfied that 14 months (the period of non-use in the present case) is sufficiently long to enable me to make such an inference [see *Dastous v Mathews-Wells Co Ltd* [1950] SCR 261].
- [17] Based on the foregoing, I am satisfied that the Opponent has met its evidential burden with respect to the trade-marks NEUROTRIM, NEUROSLEEP, NEUROBLISS, NEUROSONIC and NEUROCOMBO. I am not so satisfied with respect to the remaining pleaded marks.
- [18] It must now be determined whether the Applicant has met its legal onus of establishing, on a balance of probabilities, that there exists no likelihood of confusion between the Mark and one or more of the Opponent's Marks.
- [19] 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.
- [20] In applying the test for confusion, the Registrar must have regard to all the surrounding circumstances, including those specifically enumerated in section 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 CPR (4th) 321 (SCC) and *Masterpiece Inc v Alavida Lifestyles Inc* (2011), 96 CPR (4th) 361 (SCC).]

Section 6(5)(a) – inherent distinctiveness and the extent to which the marks have become known

- [21] Each of the marks at issue is a coined word possessing a relatively high degree of inherent distinctiveness in part due to the fact that there is no obvious link between the word NEURO and the parties' respective wares.
- [22] In his affidavit, Mr. Bernard states that NEURO is a commonly used term in the dietary and nutritional supplement industry. However, in support of this he provides Google and Internet searches which both post-date the material date and have no clear link to the Canadian marketplace. As a result, I am placing no weight on this evidence.
- [23] The application for the Mark is based on proposed use. Mr. Bernard states that the Wares have been advertised in various sport nutrition magazines internationally, including in the following Canadian publications: Inside Fitness, Supplements Canada and True North. Mr. Bernard provides sample advertisements (Exhibit G). However, evidence of use of a Mark in advertising is not sufficient to establish use in association with wares in accordance with section 4(1) of the Act. The Applicant has thus not shown any evidence of use of the Mark in association with the Wares in Canada
- [24] As discussed in further detail above, the Opponent has established use of the trade-marks NEUROTRIM, NEUROSLEEP, NEUROBLISS, NEUROSONIC and NEUROCOMBO since July 2009, with not insignificant levels of sales from this date until September 2010.
- [25] The Opponent's Marks have thus become known to a greater extent than the Mark and as a result, this factor favours the Opponent.

Section 6(5)(b) – the length of time each has been in use

- [26] As discussed in more detail above in the analysis of the section 6(5)(a) factor, the Applicant has not evidenced any use of the Mark whereas the Opponent has established use of the trade-marks NEUROTRIM, NEUROSLEEP, NEUROBLISS, NEUROSONIC and NEUROCOMBO since July 2009.
- [27] Based on the foregoing, this factor favours the Opponent.

Section 6(5)(c) and (d) – the nature of wares, services or business and trade

- [28] The parties' wares share some degree of similarity by virtue of the fact that both parties' wares may be classified as nutritional supplements.
- [29] In his affidavit Mr. Bernard states that the Applicant's target market is "serious athletes who are interested in building muscle size, amplifying strength and improving focus while training" and he suggests that the Opponent's target market is not so specialized. However, the specification for the Wares does not include any such limitations on target market. Based on this, and the similarity between the parties' wares, it is conceivable that the parties' target consumers could overlap.
- [30] Based on the foregoing, this factor favours the Opponent.
- 6(5)(e) the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them
- [31] Recently, in *Masterpiece* the Supreme Court of Canada stated (at para 64):

While the first word may, for purposes of distinctiveness, be the most important in some cases, I think a preferable approach is to first consider whether there is an aspect of the trade-mark that is particularly striking and unique.

- [32] The parties' marks are made up of the prefix "neuro", with a selection of suffixes which are dictionary words (i.e. "core", "trim", "sleep", "sonic", "combo", etc.). I am of the view that none of the marks at issue possesses a particularly unique or striking element.
- [33] In cases like the present where the parties' marks do not feature any particularly unique or striking features, the first portion of the marks should be the most important for the purpose of distinguishing. In the present case, the first portion of the parties' marks is the same, namely the word NEURO. When the marks at issue are viewed as a whole, I find that they share a significant degree of similarity by virtue of this identical first element NEURO.
- [34] Based on the foregoing, this factor favours the Opponent.

#### Conclusion

[35] In applying the test for confusion, I have considered it as a matter of first impression and imperfect recollection. Having considered all of the surrounding circumstances, I find that all the enumerated factors in section 6(5) of the Act favour the Opponent. As a result, the Applicant has failed to satisfy its onus of establishing on a balance of probabilities that there is no reasonable likelihood of confusion between the Mark and the Opponent's Marks. Based on the foregoing, the ground of opposition based on section 16(3)(a) of the Act is successful.

## Non-distinctiveness Ground of Opposition – sections 38(2)(d) and 2 of the Act

- [36] While there is a legal onus on the Applicant to show that the 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 CPR (3d) 272 (TMOB)], there is an initial evidential burden on the Opponent to establish the facts relied upon in support of the ground of non-distinctiveness.
- [37] Pursuant to its evidential burden, the Opponent is under an obligation to show that, as of the filing of the statement of opposition (March 15, 2012), one or more of its pleaded trademarks had become known sufficiently to negate the distinctiveness of the Mark [see *Bojangles' International, LLC v Bojangles Café Ltd* (2004), 40 CPR (4th) 553, affirmed (2006), 48 CPR (4th) 427 (FC)].
- [38] As was discussed in greater detail above in the analysis of the non-entitlement ground of opposition, the evidence clearly supports a finding that the Opponent's Marks were used in Canada from July 2009 to September 2010. However, there is no explicit evidence of use or reputation for the Opponent's Marks after September 2010. I am not prepared to infer the necessary degree of reputation in Canada as at March 15, 2012 based on evidence pre-dating this by approximately 18 months.
- [39] Based on the foregoing, the non-distinctiveness ground of opposition is dismissed on account of the Opponent's failure to meet its evidential burden.

# **Disposition**

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

Andrea Flewelling Member Trade-marks Opposition Board Canadian Intellectual Property Office