IN THE MATTER OF AN OPPOSITION

by Professional Pharmaceutical Corp. / Corp.

Pharmaceutique Professionnelle to application

No. 883,103 for the trade-mark ACTIVE

HYDRATING filed by Procter & Gamble Inc.

On July 2, 1998, the applicant, Procter & Gamble Inc., filed an application to register

the trade-mark ACTIVE HYDRATING for "skin lotions and creams" based on proposed use

in Canada. The application was amended to include a disclaimer to the word HYDRATING

and was subsequently advertised for opposition purposes on September 15, 1999.

The opponent, Professional Pharmaceutical Corp. / Corp. Pharmaceutique

Professionnelle, filed a statement of opposition on October 13, 1999, a copy of which was

forwarded to the applicant on November 2, 1999. The first ground of opposition is that the

applicant's application does not conform to the requirements of Section 30(i) of the Trade-

marks Act. The opponent alleges that the applicant could not have been satisfied that it was

entitled to use the applied for trade-mark at the time of filing of the present application

because it was confusing with the trade-mark HYDRACTIVE previously used and registered

by the opponent.

The second ground of opposition is that the applied for trade-mark is not registrable

pursuant to Section 12(1)(d) of the Act because it is confusing with the trade-mark

HYDRACTIVE registered under No. 405,790 for the following wares:

Hypo-allergenic products, namely colognes, soaps, ointment bases, beauty oils, nail enamels, eyeliners, mascaras, moisturizing peel-off masks, and moisture creme blushing powders, face powders,

blush-tones, liquid eyeliners, eyebrow pencils, eye make-up remover

1

pads, matte make-up, namely facial cremes, eyeshadow kits, moisture creme brush-on eyeshadow, eye cremes, cleansing cremes, hand cremes, foundation cremes, lubricating cremes, moisture cremes, translucent foundations, skin lotions, skin cleansers, shampoos, hair conditioners, hair conditioning cremes, conditioning setting lotions, after sun moisturizing lotions, moisturizing suntan lotions, moisturizing suntan cremes, moisture creme make-up, make-up bases, nail-care cremes, nail lacquers, eyebrow crayons and lip contour crayons, deodorants and antiperspirants

and with the trade-mark HYDRACTIVE & Design (shown below) registered under No. 429,428 for the following wares:

Toiletries and cosmetics, all being hypo-allergenic, namely colognes, soaps, ointment bases, beauty oils, nail enamels, eyeliners, mascaras, moisturizing peel-off masks, and moisture creme blushing powders, face powders, blush-tones, liquid eyeliners, eyebrow pencils, eye make-up remover pads, matte make-up, namely facial cremes, eyeshadow kits, moisture creme brush-on eyeshadow, eye cremes, cleansing cremes, hand cremes, foundation cremes, lubricating cremes, moisture cremes, translucent foundations, skin lotions, skin cleaners, shampoos, hair conditioners, hair conditioning cremes, conditioning setting lotions, after sun moisturizing lotions, moisturizing suntan lotions, moisturizing suntan cremes, moisture creme make-up, make-up bases, nail-care cremes, nail lacquers, eyebrow crayons and lip contour crayons, deodorants and anti-perspirants.



The third ground of opposition is that the applicant is not the person entitled to registration pursuant to Section 16(3)(a) of the Act because, as of the applicant's filing date, the applied for trade-mark was confusing with the trade-mark HYDRACTIVE previously used in Canada by the opponent and its predecessor in title. The fourth ground is that the

applied for trade-mark is not distinctive because it is confusing with the trade-mark HYDRACTIVE used by the opponent with the registered wares listed above.

The applicant filed and served a counter statement. As its evidence, the opponent submitted an affidavit of its President and CEO, Michael Cape. As its evidence, the applicant filed the affidavits of Paul E. Thomas and Susan Lo Re. Both parties filed a written argument but no oral hearing was conducted.

The first ground does not raise a proper ground of opposition. The mere fact that the applicant's trade-mark was confusing with the opponent's trade-mark as of the applicant's filing date does not support a ground of non-conformance with Section 30(i) of the Act. The opponent did not allege that the applicant knew that its trade-mark was confusing with the opponent's trade-marks as of that date. The first ground is therefore unsuccessful.

As for the second ground of opposition, the material time for considering the circumstances respecting the issue of confusion with a registered trade-mark pursuant to Section 12(1)(d) of the Trade-marks Act is the date of my decision: see the decision in <u>Conde Nast Publications Inc.</u> v. <u>Canadian Federation of Independent Grocers</u> (1991), 37 C.P.R.(3d) 538 at 541-542 (T.M.O.B.). Furthermore, the onus or legal burden is on the applicant to show no reasonable likelihood of confusion between the marks at issue. Finally, 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 two registered trade-marks are inherently distinctive since they comprise or include the coined word HYDRACTIVE. However, that word is somewhat suggestive of cosmetic wares that actively hydrate the user's skin. Thus, the opponent's two registered marks are not inherently strong marks.

The Cape affidavit evidences continuous use of the two registered trade-marks in association with various cosmetic products in Canada since 1992 by the opponent and its predecessor in title. Sales of such products for the period 1994 to 1999 totalled more than 650,000 units with a wholesale value in excess of \$4 million. Representative packaging for the wares appended as exhibits to the Cape affidavit show that the registered marks are invariably used in association with what appears to be a house mark of the opponent, namely the trademark MARCELLE.

According to Mr. Cape, his company's products are sold through various retail stores including prominent drug store chains. Mr. Cape states that advertising expenditures for the HYDRACTIVE mark were in excess of \$75,000 for the period 1995-1997. Thus, I am able to conclude that the opponent's two registered trade-marks have become known to some extent in Canada in the retail cosmetics field.

As for the applicant's mark, the applicant has entered a disclaimer to the component HYDRATING thereby conceding that the word is non-distinctive when used in association with cosmetics. In fact, the entire phrase ACTIVE HYDRATING is arguably descriptive of the wares since it indicates that using such wares will result in the active hydrating or

moisturizing of the skin. Thus, the applicant's trade-mark is inherently weak. There being 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 in Canada favors the opponent. As for Sections 6(5)(c) and 6(5)(d) of the Act, the parties agree that their wares and trades are similar, if not identical.

As for Section 6(5)(e) of the Act, the marks at issue bear a minor degree of visual and phonetic resemblance since they all include the word ACTIVE. There is a greater degree of resemblance in the ideas suggested by the marks since they all suggest the idea of actively hydrating or moisturizing. However, the words ACTIVE and HYDRATING are descriptive when used with cosmetics and thus minor differences between marks utilizing such words may suffice to distinguish such marks in the minds of consumers.

The applicant has submitted that the significance of any resemblance between the marks is mitigated by the state of the register evidence introduced by means of the Lo Re 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. Lo Re's search revealed close to thirty trade-marks including the component ACTIVE or ACTIV registered for cosmetics and/or personal care products. Her search also revealed over 80 trade-marks incorporating words with the prefix HYDR- registered for similar wares. Thus, her search results emphasize the commonality of such components in trade-marks used in the cosmetics marketplace. Consumers would therefore be less likely to center on such components and would more easily distinguish such marks by reference to their dissimilar aspects.

The Thomas affidavit reinforces the above conclusions. Mr. Thomas investigated six stores in the Eaton's Centre in Toronto with a view to locating cosmetics products bearing trade-marks or product descriptions including the components ACTIVE or HYDRA. He located several dozen such products which confirms that those components are commonly used in the cosmetics marketplace. Thus, minor differences between such marks will be sufficient to avoid confusion.

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 inherent weakness of the marks at issue, the absence of a high degree of resemblance between the marks at issue and the common use of similar marks in the marketplace by other traders, I find that the applicant has satisfied the legal burden on it to

show no reasonable likelihood of confusion. Thus, the second ground of opposition is also unsuccessful.

As for the third ground of opposition, the opponent has evidenced use of its trade-mark HYDRACTIVE prior to the applicant's filing date and non-abandonment of that mark as of the applicant's advertisement date. Thus, in accordance with the wording of Section 16(3)(a) of the Act, the onus is on the applicant to show that its trade-mark is not confusing with the opponent's trade-mark HYDRACTIVE as of the applicant's filing date. For the most part, my conclusions respecting the second ground are also applicable to the third ground. Thus, I find that the two marks were not confusing as of July 2, 1998 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. - October 13, 1999): 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.).

The fourth ground as pleaded essentially turns on the issue of confusion between the marks of the parties as of the filing of the opposition. For the most part, my conclusions

respecting the second ground are equally applicable here. Thus, I find that the applicant's trade-mark ACTIVE HYDRATING was not confusing with the opponent's trade-mark HYDRACTIVE as of October 13, 1999 and 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 GATINEAU, QUEBEC, THIS 30th DAY OF APRIL, 2003.

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