



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

Citation: 2014 TMOB 281
Date of Decision: 2014-12-17

**IN THE MATTER OF AN
OPPOSITION by Tiger Calcium
Services Inc. to application
No. 1,482,475 for the trade-mark
ENVIRO-GUARD in the name of
Sifto Canada Corp.**

FILE RECORD

[1] On May 25, 2010, Sifto Canada Corp. filed an application to register the trade-mark ENVIRO-GUARD, based on proposed use in Canada in association with
de-icing and ice prevention preparations for
roadways and sidewalks and other paved surfaces.

[2] The application was advertised for opposition purposes in the *Trade-marks Journal* issue dated November 10, 2010 and was opposed by Tiger Calcium Services Inc. on January 10, 2011. The Registrar forwarded a copy of the statement of opposition to the applicant on January 18, 2011, as required by section 38(5) of the *Trade-marks Act*, R.S.C. 1985, c. T-13. The applicant responded, on March 8, 2011, by filing and serving a counter statement generally denying the allegations in the statement of opposition.

[3] The opponent's evidence consists of the affidavit of Richard Kolodziej, who was cross-examined on his affidavit, the transcript thereof forming part of the evidence of record. The applicant's evidence consists of the affidavits of Ken Johnston and Karen Lau Cardinell. Mr. Johnston was cross-examined on his affidavit, the transcript thereof and exhibits thereto forming part of the evidence of record. The opponent's reply

evidence consists of a second affidavit of Richard Kolodziej. Both parties filed a written argument and both were represented at an oral hearing held on September 29, 2014.

[4] At the oral hearing, the parties advised me that the original applicant Sifto Canada Corp. changed its name to Compass Minerals Canada Corp., which is not indicted in the file record.

[5] The main issue for consideration is whether the applied-for mark ENVIRO-GUARD would cause confusion with one or more of the opponent's marks, comprised of the components GUARD and ENVIRO, used in association with wares similar to the applicant's wares. For the reasons that follow, I have found that the applied-for mark would not cause confusion and I have rejected the opposition.

STATEMENT OF OPPOSITION

[6] The marks that the opponent is relying on, and the grounds of opposition alleged, are set out below, in full:

Marks Relied On

[7] The Opponent is relying on its marks CLEAR GUARD, registration number TMA780,782; ROAD GUARD PLUS, registration number TMA781,908; and NANUK ENVIRO NON/CHLORIDE, registration number TMA589,398. In this regard, the opponent pleads that it, and its licensees, have since before May 25, 2010 extensively used the above marks and other trade-marks containing the word "road" and/or the word "enviro" in association with a liquid de-icer in Canada and the United States of America

Grounds of Opposition

- [8] 1. The proposed trade-mark is not registrable in view of Sections 30 and 38(2) of the Trade-marks Act (the "Act") in that the Application does not comply with the statutory application requirements. In particular, contrary to Section 30(a), the applied-for wares are not defined in ordinary commercial terms.
2. The proposed trade-mark is not registrable in view of Section 30 and 38(2) of the Act, in that the Application does not comply with the statutory

application requirements. In particular, contrary to Section 30(i), the Applicant could not have been satisfied on the day it applied for the proposed trade-mark, namely May 25, 2010, that it was entitled to use the proposed trade-mark in Canada in association with the wares set out in the Application, in light of the prior use and making known by the Opponent and/or its licensees of its trade-marks identified or referred to . . . above.

3. The proposed trade-mark is not registrable in view of Section 30 and 38(2) of the Act, in that the Application does not comply with the statutory application requirements. In particular, contrary to Section 12(1)(d), the proposed trade-mark is confusing with the registered trade-marks CLEAR GUARD, (registration number TMA780,782) ROAD GUARD PLUS, (registration number TMA781,908) NANUK ENVIRO NON/CHLORIDE (registration number TMA589,398) which are in good standing and have been and continue to be used in Canada.

4. The proposed trade-mark is not registrable in view of Sections 16(3)(a), 16(3)(b), 16(3)(c) and 38(2)(c) of the Act, in that the Applicant is not the person entitled to registration of the proposed trade-mark. In particular, as of the date on which the Applicant filed the Application, namely May 25, 2010, and at all material times, the proposed trade-mark was confusing with, or likely to be confusing with, the trade-marks identified or referred to . . . above previously used and made known in Canada by the Opponent and/or its licensees.

5. The proposed trade-mark is not registrable in view of Section 38(2)(d) of the Act, as the proposed trade-mark is not, and at all material times has not been and could not be, distinctive of the wares of the Applicant. In particular, the trade-marks identified or referred to . . . above which have been previously used and made known by the Opponent and/or its licensees in Canada in association with a liquid de-icer. Therefore, having regard to Section 2 of the Act, the proposed trade-mark - being confused with, or likely to be confusing with, the trade-marks of the Opponent previously used and made known in Canada by the Opponent and/or its licensees - is not adapted to and does not distinguish the wares of the Applicant from the wares of the Opponent.

[9] I will consider the grounds of opposition in the order in which they are pleaded. However, before doing so, I will review the initial evidential burden on the opponent, the legal onus on the applicant, and the evidence of record.

EVIDENTIAL BURDEN AND LEGAL ONUS

[10] As in civil law proceedings, there is (i) an evidential burden on the opponent to support the allegations in the statement of opposition and (ii) a legal onus on the applicant to prove that its application ought to proceed to registration.

[11] With respect to (i) above, there is in accordance with the usual rules of evidence, an evidential burden on the opponent to prove the facts inherent in its allegations pleaded in the statement of opposition: see *John Labatt Limited v. The Molson Companies Limited*, 30 CPR (3d) 293 at 298 (FCTD). The presence of an evidential burden on the opponent with respect to a particular issue means that in order for the issue to be considered at all, there must be sufficient evidence from which it could reasonably be concluded that the facts alleged to support that issue exist. With respect to (ii) above, the legal onus is on the applicant to show that the application does not contravene the provisions of the *Trade-marks Act* as alleged by the opponent in the statement of opposition (for those allegations for which the opponent has met its evidential burden). The presence of a legal onus on the applicant means that if a determinate conclusion cannot be reached once all the evidence is in, then the issue must be decided against the applicant.

OPPONENT'S EVIDENCE

Richard Kolodziej

Affidavit Evidence

[12] Mr. Kolodziej identifies himself as the Chief Financial Officer of the opponent company. The opponent specializes in anti-icing and de-icing products, and the like, which it sells under various marks including the registered marks CLEAR GUARD, ROAD GUARD PLUS, and NANUK ENVIRO NON/CHLORIDE. Other registered marks owned by the opponent include CHINOOK ICE MELTER, NORTH COUNTRY ICE MELTER, YUKON GOLD, and YUKON INDUSTRIAL. The opponent sells its products to municipalities, road maintenance firms, wholesalers and "home improvement" retailers. The opponent promotes and advertises its products through its website, active since 2003, as well as through marketing materials which feature its marks.

[13] Annual sales under the opponent's marks amounted to about \$100,000 in 2004 rising to \$1 million in 2006, then rising steadily to about \$1.8 million in 2009 and 2010. Projected sales for 2011 are about \$2.3 million. The opponent advertises its marks though

promotional items such as golf shirts, jackets, baseball caps and valise bags. Yearly expenditures for such promotional items amounted to about \$5,000 in 2004, rising steadily to \$18,000 in 2008, and averaging \$34,500 for 2009 and 2010.

Cross-examination Testimony

[14] At cross-examination Mr. Kolodziej was asked what percentage of sales are to home improvement retailers. His response was that “Municipalities and governments are a significant portion of the anti-icing and de-icing liquids.” Mr. Kolodziej also clarified that the sales figures referred to in para. 13 above are for ROAD GUARD and CLEAR GUARD products only, that is, the figures do not include sales under any other of opponent’s marks. He also testified that retail outlets for the ROAD GUARD and CLEAR GUARD products include Costco, Home Depot and Home Hardware.

APPLICANT’S EVIDENCE

Ken Johnson

Affidavit Evidence

[15] Mr. Johnson identifies himself as an executive of the applicant company. The applicant provides food salt to consumers and also provides rock salt for highway de-icing. However, the applicant’s ENVIRO-GUARD de-icing product is too expensive for highway use and is sold to residential customers primarily through retail and hardware stores such as Home Depot and Canadian Tire.

[16] The applicant has been selling its ENVIRO-GUARD de-icing product since November 2010. The product is sold in the following sizes: 5.44 KG jugs; 10 KG and 20 KG bags; and 20 KG pails. From 2010 to 2012, the applicant sold 81 tons of its product, in 5.44 KG jugs and 20 KG bags, with a gross sales value of \$36,000. The applicant advertises its ENVIRO-GUARD de-icing product in trade publications. The annual cost of such advertising ranges from about \$20,000 to 50,000. Exhibit D of Mr. Johnson’s affidavit, illustrated below, shows how the applied-for mark appears on product packaging:



Cross-examination Testimony

[17] Mr. Johnson agreed that the figures for advertising, summarized in para. 16 above, relate to the applicant's entire family of products, and therefore the expenditures that pertain to ENVIRO-GUARD would be divided by a factor of three: see pp. 42-43 of the transcript. Mr. Johnson also testified that the applicant is owned by its parent Compass Minerals, and that all the applicant's employees are employees of the parent Compass: see pp. 18 and 32 of the transcript.

[18] Mr. Johnson further states that (1) he is familiar with the opponent as it is a former customer of the applicant for salt used to blend the opponent's ice-melters, and (2) the opponent does not compete with the applicant in the consumer retail market or retail channels with respect to ice-melters for residential/domestic use.

Karen Cardinell

[19] Ms. Cardinell identifies herself as an employee of the firm representing the applicant. Her affidavit serves to introduce into evidence, by way of exhibits, a state of the trade-marks register search, conducted on August 3, 2012, for active trade-marks containing the word, and word combinations, (i) "enviro" and (ii) "enviro" and "guard." The search located 561 marks containing "enviro" as an element and 14 third party marks containing the words "enviro" and "guard."

OPPONENT'S REPLY EVIDENCE

Richard Kolodziej

[20] The opponent's reply evidence concerns the opponent's presence in the retail market. The CLEAR GUARD product is sold for residential purposes in 5, 10, and 20

litre volumes. Included in Mr. Kolodziej's affidavit are photographs of the opponent's retail product line showing the CLEAR GUARD product, sold "to hardware stores, home improvement stores, farm supply stores and petroleum and fuel outlets."

Mr. Kolodziej also refers to the opponent's retail products being sold through its licensee and wholly-owned subsidiary Keg River Chemical Corp. and attaches as Exhibit D a list of retail products for melting ice. The list shows (i) four retail products from Keg River sold under the mark YUKON GOLD, (ii) four retail products from the applicant sold under the trade-marks ICE MELT EXTREME; ICE MELT 5510 EXTREME; ICE MELT 5520 EXTREME; and SAFE-T-SALT. There is no reference in Exhibit D to any of the trade-marks in issue in this proceeding.

THE PARTIES' CHANNELS OF TRADE - CONCLUSION FROM THE EVIDENCE

[21] It appears to me, from the weight of the evidence of record, that only a small portion of the opponent's sales are to retail consumers. In my view, the opponent's evidence does little to detract from the applicant's evidence that the parties are not competitors, or at least that the opponent is an insignificant competitor, in the retail market where the applicant sells its ENVIRO-GUARD de-icing product.

[22] The applicant, at pg. 6 of its written argument, submits that the opponent's reply evidence should not, in any event, form part of the evidence of record:

. . . the Reply Affidavit is not confined at all to matters in reply to the Applicant's evidence and as such should be rejected in its entirety. Rather, the evidence is meant to overcome the obvious deficiencies and inconsistencies in the Kolodziej Affidavit submitted as the Opponent's Rule 41 Evidence, which were revealed in cross-examination. The Opponent gives no explanation as to why this evidence was not and could not have been included in the Kolodziej Affidavit.

[23] There is some merit to the applicant's submission, however, my conclusion that the parties sell their wares, under the marks in issue in this proceeding, through predominantly different channels of trade would be the same regardless of whether the opponent's reply evidence is taken into account. The weight of the evidence would still support, for the most part, the applicant's submissions at pg. 9 of its written argument:

. . . the Applicant and the Opponent occupy two very different channels of trade. The Applicant operates in the residential customer market selling its

rock salt ENVIRO-GUARD product in green crystalized form through retailers and hardware stores, which is sold in small quantities, whereas the Opponent sells its calcium-chloride products for its CLEAR GUARD and ROAD GUARD PLUS branded products in brown liquid and its NANUK ENVIRO NON/CHLORIDE branded product in pink granular form, all for highway road use and extremely harsh winter conditions to cities, counties, governments and road maintenance firms in bulk and large quantities.

(emphasis added)

[24] I would add that the opponent has not provided any evidence whatsoever indicating the extent of sales under its mark NANUK ENVIRO NON/CHLORIDE.

CONSIDERATION OF THE GROUNDS OF OPPOSITION

First Ground based on section 30(a) - Applicant's Wares Not Described in Ordinary Commercial Terms

[25] In my view, the opponent has not its evidential burden to put the first ground of opposition into issue: see *Corporativo de Marcas GJB, SA de CV v. Bacardi & Company Ltd.*, 2014 FC 323 at paragraphs 30-38 (CanLII). Further, I accept the applicant's submissions on this issue at pg. 7 of its written argument that the wares are in fact described in compliance with section 30(a):

The Applicant submits that the applied-for wares are described with enough specificity and in ordinary commercial terms to easily understand what the ENVIRO-GUARD product is and what specifically the product is used for. The terms used to describe the wares are common words used in every-day language. The Applicant does not operate in a highly technical field where it would be necessary to use and explain further industry terms and/or unfamiliar technical words to describe the products it offers. Conversely, "de-icing", "ice prevention preparations" and "roadways and sidewalks and other paved surfaces" are common words that convey a straightforward meaning without the need for further specification.

Second Ground based on section 30(i) - Applicant Could Not have been Satisfied that it was Entitled to Registration

[26] An allegation based on section 30(i) is established by showing that the applicant has acted in bad faith or fraudulently or is in non-compliance with a Federal statute: see, for example, *Sapodilla Co. Ltd. v. Bristol-Myers Co.* (1974), 15 CPR (2d) 152 (TMOB)

at 155 and *Canada Post Corporation v. Registrar of Trade-marks* (1991), 40 CPR (3d) 221 (FCTD).

[27] The fact that the applicant was, or should have been, aware of the opponent's marks does not, by itself, preclude the applicant from genuinely and accurately making the statement required by subsection 30(i) that the applicant was satisfied that it was entitled to use the mark: see *Lorillard, Inc. v. Fabriques de Tabac Reunies S.A.* (1990), 30 CPR(3d) 406 at p. 408 (TMOB); *Taverniti S.A.R.L. v. D.G.G.M. Britton Holdings Inc.* (1986), 8 CPR(3d) 400 at pp. 404-405 (TMOB).

[28] Accordingly, the opponent has not pleaded sufficient facts to raise a ground of opposition based on section 30(i). The second ground is therefore rejected.

Remaining Grounds - Confusion is the Main Issue

[29] The determinative issue for decision is whether the applied-for mark ENVIRO-GUARD is confusing with one or more of the opponent's marks CLEAR GUARD; ROAD GUARD PLUS; and NANUK ENVIRO NON/CHLORIDE. The material dates to assess the issue of confusion are the date of my decision with respect to the ground of opposition alleging non-registrability, pursuant to section 12(1)(d) of the *Trade-marks Act*; the date of filing the application (May 25, 2010) with respect to the grounds alleging non-entitlement, pursuant to section 16 of the *Act*; and the date of opposition (January 10, 2011) with respect to the last ground alleging non-distinctiveness, pursuant to 2: for a review of case law concerning material dates in opposition proceedings see *American Retired Persons v. Canadian Retired Persons* (1998), 84 CPR(3d) 198 (FCTD) at 206 - 209.

When Are Trade-marks Confusing?

[30] Trade-marks are confusing when there is a reasonable likelihood of confusion within the meaning of section 6(2) of the *Trade-marks Act*, shown below:

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 . . . or performed by the same person, whether or not the wares or services . . . are of the same general class.

[31] Thus, section 6(2) does not concern the confusion of the marks themselves, but confusion of goods or services from one source as being from another source. In the instant case, the question posed by section 6(2) is whether purchasers of the applicant's de-icing product sold under the mark ENVIRO-GUARD would believe that those wares were provided or authorized or licensed by the opponent who offers its de-icing wares under the marks CLEAR GUARD; ROAD GUARD PLUS; and NANUK ENVIRO NON/CHLORIDE. The legal onus is on the applicant to show, on the usual civil balance of probabilities standard, that there would be no reasonable likelihood of confusion.

Test for Confusion

[32] The test for confusion is one of first impression and imperfect recollection. Factors to be considered, in making an assessment as to whether two marks are confusing, are "all the surrounding circumstances including" those specifically mentioned in section 6(5)(a) to section 6(5)(e) of the *Act*: the inherent distinctiveness of the marks and the extent to which they have become known; the length of time each has been in use; the nature of the wares, services or business; the nature of the trade; the degree of resemblance in appearance or sound of the marks or in the ideas suggested by them. This list is not exhaustive and all relevant factors are to be considered. Further, all factors do not necessarily have equal weight as the weight to be given to each depends on the circumstances: see *Gainers Inc. v. Tammy L. Marchildon and The Registrar of Trade-marks* (1996), 66 CPR(3d) 308 (FCTD). However, as noted by Mr. Justice Rothstein in *Masterpiece Inc. v. Alavida Lifestyles Inc.* (2011), 92 CPR(4th) 361 (SCC), although the degree of resemblance is the last factor cited in section 6(5), it is the statutory factor that is often likely to have the greatest effect in deciding the issue of confusion.

Consideration of section 6(5) Factors

First Factor - Inherent and Acquired Distinctiveness.

[33] The applied-for mark ENVIRO-GUARD does not possess a high degree of inherent distinctiveness as the first component of the mark would be perceived as a

truncation of the word “environment” and the second component is a commonly used dictionary word. The mark as a whole suggests either that the applicant’s protect is environmentally friendly or that the consumer will be protected against the environment by using the applicant’s product. Ms. Cardinell’s evidence underscores the non-distinctive nature of the component ENVIRO. The applied-for mark is therefore a relatively weak mark. Similarly, the opponent’s marks CLEAR GUARD and ROAD GUARD PLUS are relatively weak marks because they are composed of commonly used dictionary words and suggestive of the protective nature of the opponent’s wares. The opponent’s mark NANUK ENVIRO NON/CHLORIDE is also a relatively weak mark as the first component would be perceived as a masculine Inuit name and the last component is descriptive of the opponent’s wares. Thus, the inherent distinctiveness of the marks in issue favours neither party.

[34] The opponent’s marks CLEAR GUARD and ROAD GUARD PLUS had acquired a fair reputation as of the earliest material date May 25, 2010, and continued to acquire distinctiveness thereafter. There is no evidence to indicate that the opponent’s mark NANUK ENVIRO NON/CHLORIDE had acquired any more than a minimal degree of distinctiveness at any material time. The subject application for ENVIRO-GUARD is based on proposed use and therefore the applicant cannot claim any distinctiveness for its mark as of the earliest material date. However, the applicant’s mark began to acquire some distinctiveness through sales and advertising beginning in November 2010. The acquired distinctiveness of the parties’ mark favours the opponent at all material times. Nevertheless, the advantage to the opponent is significantly lessened given that the opponent has established a reputation for its marks with large scale institutional buyers rather than with consumers in the retail market.

Second Factor - Length of Time the Parties’ Marks have been in Use

[35] The second factor favours the opponent as the evidence indicates that the opponent was using its marks CLEAR GUARD and ROAD GUARD PLUS since about 2003, while the applicant did not begin to use its mark ENVIRO-GUARD until late 2010.

Third and Fourth Factors - The Nature of the Parties' Wares and Channels of Trade

[36] The nature of the parties' wares is essentially the same, which favours the opponent. However, as discussed earlier, the parties' channels of trade are distinct with, at best, minimal overlap, which favours the applicant. The third and fourth factors, considered together, balance each other and therefore favour neither party.

Fifth Factor - Resemblance between the Parties' Marks

[37] Given that the first part of a mark is the more important for the purposes of distinction, I find that the parties' marks are more different than alike visually, in sounding and in ideas suggested: see *Conde Nast Publications Inc. v. Union Des Editions Modernes* (1979) 26 CPR(2d) 183 at 188 (FCTD). The fifth and most important factor therefore favours the applicant. Additionally, there is a principle of trade-mark law that further favours the applicant namely, that comparatively small differences may suffice to distinguish between "weak" marks, that is, between marks of low inherent distinctiveness (see *GSW Ltd. v. Great West Steel Industries Ltd.* (1975) 22 CPR(2d) 154 (FCTD)) - particularly when the opponent has not presented any evidence of acquired distinctiveness for its marks so as to entitle the opponent's marks to a broadened scope of protection.

[38] Having regard to the above, and considering in particular that the parties' marks are relatively weak marks, that the parties' channels of trade are different, and that the parties' marks are more different than alike in each of the three facets of resemblance, I find that, at all material times, the marks in issue are not confusing.

[39] I would also mention that in its written argument, and at the oral hearing, the opponent submitted that the fifth ground of opposition, alleging non-distinctiveness, must succeed because the applicant's product packaging will sometimes feature the marks SAFE STEP and CLEARING THE WAY TO A BEAUTIFUL HOME, which marks are owned by different affiliates of the applicant, together with the applicant's marks. The opponent argues that the applicant has not evidenced any trade-mark licensing

agreements between it and its affiliates and, in such circumstances, the applied-for mark cannot be distinctive of the applicant's wares.

[40] There is some merit in the opponent's submissions, however, I do not agree that the fifth ground, as pleaded in the statement of opposition, can be read so broadly as to include an allegation of non-distinctiveness based on the above facts argued by the opponent. The opponent is limited to the allegations pleaded, in this case confusion. In some instances the evidence of record may act to cure deficiencies in a ground of opposition (see, for example, *Novopharm Ltd. v. AstraZeneca AB* (2002) 21 CPR (4th) 289 (FCA) at para. 23), however, this is not one of those cases: see, for example, *Massif Inc. v. Station Touristique Massif du Sud (1993) Inc.* (2011) 95 C.P.R. (4th) 249 (FC) at paras. 26-28. Even if it were, I would have found that the evidence of record was insufficient to meet the opponent's initial burden to put the above allegation of non-distinctiveness into issue.

[41] Having regard to my conclusion in para. 38 above, the opposition is rejected.

[42] This decision has been made pursuant to a delegation of authority by the Registrar of Trade-marks under section 63(3) of the *Trade-marks Act*.

Myer Herzig, Member,
Trade-marks Opposition Board
Canadian Intellectual Property Office