

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

> Citation: 2013 TMOB 182 Date of Decision: 2013-10-28

IN THE MATTER OF AN OPPOSITION by BIOP Biopolymer Technologies AG to application No. 1,400,539 for the trade-mark BIOBAR in the name of Resilux N.V.

FILE RECORD

[1] On June 20, 2008, Resilux N.V. filed an application to register the mark BIOBAR, based on (1) use and registration of the mark in Belgium and (2) proposed use of the mark in Canada, in association with a fairly long list of wares (including polyethylene teraphthalate preforms and bottles) and services. The applicant also claims a priority filing date of December 21, 2007 in Canada, pursuant to s. 34 of the *Trade-marks Act*, R.S.C. 1985, c. T-13 , based on its earlier filing of a corresponding application in the Benelux Office for IP (Belguim).

[2] By letter dated February 23, 2009, the Examination Section of the Canadian Intellectual Property Office (under whose aegis this Board operates) objected to the mark on the basis that it was confusing with a co-pending application for the mark BIOPAR used in association with biodegradable plastic products. The applicant responded with (i) submissions explaining why, in its view, the marks were not confusing and (ii) a revised application deleting the proposed use portion of the application. The Office accepted the applicant's submissions as well as the revised application which now covers only

polyethylene teraphthalate preforms and bottles.

[3] The subject application was advertised for opposition purposes in the *Trade-marks Journal* issue dated August 3, 2011 and was opposed by BIOP Biopolymer Technologies AG, the owner of the cited mark BIOPAR, on September 26, 2011. The Registrar forwarded a copy of the statement of opposition to the applicant on October 20, 2011, as required by s.38(5) of the *Trade-marks Act*. The applicant responded by filing and serving a counter statement generally denying the allegations in the statement of opposition.

[4] The applicant's evidence consists of the affidavits of Dirk De Cuyper and Mary Noonan. The opponent's evidence consists of certified copies of (i) the opponent's registration for the mark BIOPAR, (ii) the opponent's application for the mark BIOPAR, which later issued to registration, and (iii) the Notice of Approval (for registration) relating to the application for BIOPAR. Only the applicant filed a written argument. Neither party requested an oral hearing.

STATEMENT OF OPPOSITION

[5] The opponent pleads that it is the owner of the registered mark BIOPAR (its application issued to registration on November 23, 2009) used in association with biodegradable unprocessed plastics and packaging materials made of plastics, and the like: see Schedule 1, attached, for the complete list of wares.

[6] The grounds of opposition are (i) the application does not comply with various sub-sections of s.30, (ii) the mark BIOBAR is not registrable, pursuant to s.12(1)(d), (iii) the applicant is not entitled to register the mark BIOBAR, pursuant to s.16(2)(b), and (iv) the mark BIOBAR is not distinctive of the applicant's wares pursuant to s.2.

[7] The last three grounds turn on the issue of confusion between the applied-for mark BIOBAR and the opponent's mark BIOPAR, which issue will be the main focus for

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discussion after a review of the evidence of record, the evidential burden on the opponent and the legal onus on the applicant.

APPLICANT'S EVIDENCE

Dirk De Cuyper

Mr. De Cuyper identifies himself as the Managing Director of the applicant [8] company, residing in Destelbergen, Belgium. The applicant was incorporated in Belgium in 1992 and since then has been manufacturing plastic containers. The containers are made out of polyethylene teraphthalate ("PET") which is a thermoplastic polymer resin commonly used in beverage and food containers. There are two basic molding methods for PET bottles, commonly known as "one-step" and "two-step" methods. In one-step molding, raw materials are processed into a finished product in a single machine. In twostep molding, an injection machine molds a "preform" version of the final bottle. The preform is inflated into its final shape by a second machine using a method known as "stretch blow molding." The applicant sells preforms as well as finished bottles to its customers. The customers who buy preforms conduct the second stage of the process themselves - there are economic incentives for its customers in doing so. The applicant's PET preforms and bottles are intended for water, soft drinks, juice, milk, beer, wine and other products. The term BIOBAR is derived from the words "biological barrier" and is intended to convey a product that is advantageous to product life and storage.

[9] The applicant sells its products world wide and has been selling its products in Canada since 2005. World wide sales of PET preforms and bottles amounted to 1,400 million units in 2005 and rose steadily to 118,600 million units in 2012; in North America sales amounted to 5% of world wide sales.

[10] However, I cannot infer from Mr. De Cuyper's testimony that any of the above sales in North America in general or in Canada in particular were under the mark BIOBAR.

[11] According to Mr. De Cuyper, the opponent operates at an entirely different stage of the production chain than the applicant, that is, the opponent supplies granulates in bags to plastic processers for further manufacturing via injection molding and blow molding. The differences in the parties' businesses are further explained in paragraphs 32 and 33 of his affidavit, shown below:

32. I would say that comparing granulate that is used to make plastic products to the PET preforms and bottles that are made and sold by Resilux would be like comparing a logging company to a company that makes and sells wooden furniture. One provides the raw materials and the other uses those raw materials to manufacture and sell a completely different type of product to a completely different target market.

33. In the 20 or so years that Resilux has been in business, at no time has there ever been any instance or suggestion of any confusion between Resilux and a raw materials provider, including the Opponent, or their respective product offerings. I would be extremely surprised if there ever was any such confusion, given the different product offerings that are made at different ends of the manufacturing process, as well as the different customer base that such companies would target.

Mary Noonan

[12] Ms. Noonan identifies herself as a trade-mark searcher employed by the firm representing the applicant. In November 2012 she conducted a search of the Canadian Trade-mark Database for active trade-mark registrations or allowed applications containing the element BIO that were associated with extruded or unprocessed materials for use in the manufacture of plastic products. Fifteen marks were located including, for example, BIORENE, BIOCOM, and BIOSTAR. A similar search was conducted for marks associated with wares manufactured from plastic. Twenty-one marks were located including, for example, BIOLIFE, BIOWARE, BIO-CERT and BIOFLEX.

LEGAL ONUS AND EVIDENTIAL BURDEN

[13] As mentioned earlier, before considering the allegations in the statement of opposition, it is necessary to review some of the technical requirements with regard to

(i) the evidential burden on the opponent to support the allegations in the statement of opposition and (ii) the legal onus on the applicant to prove its case.

[14] 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. 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.

[15] The opponent has not adduced any evidence in support of the grounds of opposition pursuant to s.30 of the *Trade-marks Act*. Therefore those grounds are rejected for the reason that the opponent has not met its evidential burden to put those grounds into issue. The determinative issue with respect to the remaining grounds is whether the applied-for mark BIOBAR is confusing with the opponent's mark BIOPAR.

DETERMINATIVE ISSUE

[16] The legal onus is on the applicant to show that there would be no reasonable likelihood of confusion, within the meaning of s.6(2) of the *Trade-marks Act*, shown below, between the applied-for mark BIOBAR and the opponent's mark BIOPAR:

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.

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[17] Thus, s.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 s.6(2) is whether purchasers of the applicant's wares sold under the mark BIOBAR would believe that those wares were produced or authorized or licensed by the opponent who sells its wares under the mark BIOPAR.

Test for Confusion and Material Dates

[18] 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 s.6(5)(a) to s.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 Trademarks (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 s.6(5), it is the statutory factor that is often likely to have the greatest effect in deciding the issue of confusion. The earliest material date to asses the issue of confusion is the date of filing the application (June 20, 2008) while the latest material date is the date of my decision: 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 at 206 - 209 (FCTD). In the circumstances of the present case, nothing turns on whether the issue of confusion is assessed at a particular material date.

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Consideration of s.6(5) Factors

First and Second Factors – inherent and acquired distinctiveness; length of time in use The applied-for mark BIOBAR possesses a fair degree of inherent distinctiveness [19] as it is a coined word. However, the first portion of the mark, BIO, would likely be perceived as a truncation of the word "biology" and, in the context of the applicant's wares, the second component, BAR, would likely be perceived as a truncation of the word "barrier." The inherent distinctiveness of the applied-for mark would therefore be lessened to the extent that the mark would be perceived as suggesting a functional feature of the applicant's wares. Similarly, the opponent's mark BIOPAR possesses a fair degree of inherent distinctiveness as it is a coined word, however, the inherent distinctiveness of the mark is lessened to the extent that the first portion of the mark would be perceived as a truncation of the word "biology." Ms. Noonan's evidence underscores that the term BIO contributes little to the inherent distinctiveness of the mark. There is no evidence that either party's mark had acquired any distinctiveness in Canada through sales or advertising under their marks. Accordingly the first factor in s.6(5), which is a combination of the marks' inherent and acquired distinctiveness, does not favour either party or perhaps favours the opponent marginally. As neither party has established any use of its marks in Canada for any extended time period, the second factor in s.6(5), that is, the length of time each mark has been in use, is not an applicable factor.

Third and Fourth Factors - the nature of the parties' wares, businesses and trades [20] With respect to the third and fourth factors, I am in substantial agreement with the applicant's submissions at paragraphs 50 - 54 of the applicant's written argument, shown below:

50. The evidence before the Board is that the Applicant's <u>preforms and finished bottles</u> are manufactured by it in a wide variety of shapes, sizes and colours designed for single use or multiple use and sold to customers who produce beverages such as water, soft drinks, juice, beer, wine, edible oils and ketchups, among other products: *De Cuyper Affidavit, paras. 14 - 16.*

51. On the other hand, the Opponent's wares are <u>raw materials</u> that include "granulates" available in differing bag sizes that are sold to specialized plastic processors for further manufacturing such as injection molding and blow molding. Customers of the Opponent for

its granulates would include the Applicant as well as other companies that buy granules and other raw materials and use them to make products such as bottles and other plastic materials: *DeCuyper Affidavit, paras. 27 - 32.*

52. This large difference in the type of wares that are associated with the Applicant's wares and the Opponent's wares reduces any likelihood of confusion.

53. In addition to a comparison of wares, regard must be had to the channels of trade and the ultimate purchasers when assessing the likelihood of confusion between marks. The Opponent's raw materials are distributed to customers at the initial stage of the plastics manufacturing process whereas customers of the Applicant's wares purchase products at the very end and who are thus engaged in the production and/or sale of products to fill plastic bottles e.g. beverages: *United Artists Corp. v. Pink Panther Beauty Corp.* (1998), 80 C.P.R. (3d) 247 at 261 - 62 (F.C.A.).

54. Further, purchasers of wares of both the Applicant and the Respondent[sic] are not part of the ordinary purchasing public; they are sophisticated and have a more intimate knowledge of the products they are purchasing. They would most certainly exercise care in their selection decisions: *Dastous v. Matthews-Wells Co.* (1947), 8 C.P.R 2 at 14 (Can. Ex. Ct., reversed but not on this point (1949), 12 C.P.R 1 (S.C.C.).

Accordingly, the third and fourth factors favour the applicant.

Fifth Factor – degree of resemblance

[21] The marks in issue resemble each other to a fair degree in all respects (that is, in appearance, sounding and ideas) owing to the prefix component BIO comprising each mark. However, as discussed earlier, the component BIO possesses little inherent distinctiveness and therefore purchasers of the parties' wares may be expected to focus on the differences in the marks, that is, the suffixes BAR and PAR, which are quite different in ideas suggested, although less so visually and in sounding. Nevertheless, the focus on the suffixes lessens the significance of the resemblance between the marks in their totalities.

DISPOSITION

[22] Considering the factors in s.6(5) as discussed above, and in the absence of any challenges to the applicant's evidence, I find that at all material times the applicant has met the legal onus on it to show, on a balance of probabilities, that there is no reasonable likelihood of confusion between the applied-for mark BIOBAR and the opponent's mark BIOPAR.

[23] Accordingly, the opposition is rejected. This decision has been made pursuant to a delegation of authority under s.63(3) of the *Trade-marks Act*.

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

Schedule 1

Wares specified in Registration No. TMA 753,715 - BIOPAR

(1) biodegradable extruded plastic for use in manufacturing and plastic materials in form of powder, liquid, paste, granules and pellets for use in manufacturing;

biodegradable unprocessed plastics and plastic material in form of powder, liquid, paste, granules and pellets.

(2) starch used in the preparation and processing of chemical and pharmaceutical preparations;

starch for the manufacture of plastics and packaging materials; garbage bags;

foils and hoses made of biodegradable unprocessed plastic for packaging use;

packaging materials made of plastics, namely packaging bags, films, stuffing material, bubble packs and pellets;

carrier bags made of plastic;

coated paper and board for packaging and wrapping;

plastic foils and plastic film tubes for use in garden, agriculture and sepulture.