

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

Citation: 2013 TMOB 41 Date of Decision: 2013-02-28

IN THE MATTER OF AN OPPOSITION by Benjamin Moore & Co., Limited to application No. 1,422,393 for the trademark BEAUTI-TONE NATURA in the name of Home Hardware Stores Limited

[1] On December 18, 2008, Home Hardware Stores Limited (the Applicant), filed an application for the trade-mark BEAUTI-TONE NATURA (the Mark) based upon proposed use of the Mark in Canada. The statement of wares currently reads:

Interior paint, namely, ceiling paint, interior latex, kitchen and bathroom enamel, interior alkyd melamine, trim and door, primer; wall textures; speciality coatings, namely, clear coat, acrylic sealers, glazing liquid; exterior paint, namely, interior/exterior porch and floor enamel, interior/exterior gloss enamel, exterior semi-gloss enamel, latex exterior silk, primer; deck and siding stain; wood restorer; waterproofing sealant; water repellent clear sealer; paint and varnish removers; brush and roller cleaner; wood filler; hardwood floor reviver; interior wood stain; wood conditioner; sanding sealer; clear coat wood finish; rust paint; spray paint.

- [2] The application was advertised for opposition purposes in the *Trade-marks Journal* of April 22, 2009.
- [3] On June 11, 2009, Benjamin Moore & Co., Limited (the Opponent) filed a statement of opposition against the application. The grounds of opposition are that the Applicant is not the person entitled to registration of the Mark pursuant to section 16(3)(b) of the *Trade-marks Act*, RSC 1985, c T-13 (the Act) because at the date of filing of the application the Mark was confusing with the Opponent's trade-mark NATURA in respect of which an application for

registration had been previously filed on April 18, 2008, under No. 1,391,987; and the Mark is not distinctive because it does not actually distinguish nor is it adapted to distinguish the wares in association with which it is used or proposed to be used from the same or similar wares of the Opponent sold in association with the Opponent's marks NATURA, BENJAMIN MOORE NATURA, and BENJAMIN MOORE NATURA & Design.

- [4] The Applicant filed and served a counter statement, in which it denied the Opponent's allegations.
- [5] The Opponent's evidence consists of the affidavit of Michael Kolind, Market General Manager at Benjamin Moore & Co., Limited. The Applicant filed the affidavit of Jane Buckingham, Trade-mark Searcher with the Applicant. On April 1, 2011, the Applicant requested leave to file as additional evidence pursuant to section 44(1) of the *Trade-mark Regulations*, SOR/96-195 the affidavit of Ray Gabel which allegedly provided evidence of use of the Applicant's NATURA marks in the marketplace, and the affidavit of Barbara Gallagher, which allegedly attached printouts from the Internet referencing the Opponent's trade-marks. By way of letter dated June 2, 2011, the Applicant's request was denied.
- [6] Both the Applicant and the Opponent filed a written argument. An oral hearing was conducted at which both parties were represented.

Onus and Material Dates

- [7] The Applicant bears the legal onus of establishing, on a balance of probabilities, that its application complies with the requirements of the Act. There is however an initial 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 Ltd v Molson Companies Ltd* (1990), 30 CPR (3d) 293 (FCTD) at 298; *Dion Neckwear Ltd v Christian Dior, SA et al* (2002), 20 CPR (4th) 155 (FCA)].
- [8] The material dates that apply to the grounds of opposition are as follows:
 - section 16(3) the filing date of the application [see section 16(3)];

• non-distinctiveness - the date of filing of the opposition [see *Metro-Goldwyn-Mayer Inc v Stargate Connections Inc.* (2004), 34 CPR (4th) 317 (FC)].

Preliminary Comment

[9] At the oral hearing, the Opponent's agent emphasized that the Applicant has not taken a position on the issue of confusion in this case. The Applicant's agent responded by stating that its decision for not taking a position on the issue of confusion was made deliberately and for reasons outside the scope of the present opposition.

Section 16(3)(b) Ground of Opposition

- [10] With respect to this ground of opposition, the Opponent's agent requested at the oral hearing that I exercise my discretion to confirm the existence of its NATURA application, No. 1,391,987. Having regard to the potential public interest in assessing a section 16(3)(b) ground of opposition, the Registrar will exercise his discretion to check the Registrar's records to confirm the existence of a pending application being relied upon in support of such a ground [see *Royal Appliance Mfg Co v Iona Appliances Inc* (1990), 32 CPR (3d) 525 (TMOB) at p. 529]. I have exercised that discretion to confirm that application No. 1,391,987 was filed April 18, 2008, based on proposed use and was pending on April 22, 2009 pursuant to section 16(4) of the Act.
- [11] The section 16(3)(b) ground of opposition turns on the issue of the likelihood of confusion between the Mark and the Opponent's NATURA mark, for interior and exterior paints and coatings in the nature of a paint.

test for confusion

[12] 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. 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 or trade-names 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 or trade-names in appearance or sound or in the ideas suggested by them.

[13] These criteria are not exhaustive and different weight will be given to each one in a context specific assessment [see *Mattel*, *Inc v 3894207 Canada Inc*, [2006] 1 SCR 772 (SCC) at para. 54]. I also refer to *Masterpiece Inc v Alavida Lifestyles Inc* (2011), 92 CPR (4th) 361 (SCC) at para. 49, where the Supreme Court of Canada states that section 6(5)(e), the resemblance between the marks, will often have the greatest effect on the confusion analysis.

section 6(5)(a) - inherent distinctiveness of the trade-marks and the extent to which each trademark has become known

- [14] Both parties' marks are inherently distinctive to the extent that they both include the component NATURA which does not have any clear meaning in association with paint or paint products. The Opponent's mark is inherently stronger then the Mark, however, because the Mark also includes the component BEAUTI-TONE which suggests that the paint or paint product is an attractive colour.
- [15] There is no evidence of any use of either party's mark as of the material date. section 6(5)(b) the length of time each trade-mark has been in use
- [16] The length of time that each mark has been in use does not favour either party. section 6(5)(c) and (d) the nature of the wares, services or business; the nature of the trade
- [17] It is both parties' statement of wares as defined in their applications that govern my determination of this factor [see *Henkel Kommanditgesellschaft auf Aktien v Super Dragon Import Export Inc* (1986), 12 CPR (3d) 110 (FCA); *Mr Submarine Ltd v Amandista Investments Ltd* (1987), 19 CPR (3d) 3 (FCA); *Miss Universe Inc v Bohna* (1994), 58 CPR (3d) 381 (FCA)].

[18] The Applicant's wares are either identical to or overlapping with the Opponent's interior and exterior paints and paint coatings. As a result and in the absence of evidence to the contrary, I assume the parties' channels of trade would also overlap.

section 6(5)(e) - the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them

- [19] As previously indicated, in *Masterpiece*, the Supreme Court stated that the degree of resemblance between the marks is often likely to have the greatest effect on the confusion analysis [see also *Beverley Bedding & Upholstery Co. v. Regal Bedding & Upholstery Ltd.* (1980), 47 CPR (2d) 145_(FCTD) at 149, affirmed 60 CPR (2d) 70] and it chose to begin its confusion analysis by considering that factor. While the Supreme Court observed that for the purpose of distinctiveness, the first word of a trade-mark may be the most important [see *Conde Nast Publications Inc v Union des éditions modernes* (1979), 46 CPR (2d) 183 (FCTD)], it opined that the preferable approach when comparing marks is to begin by determining whether there is an aspect of the trade-mark that is particularly striking or unique. It has also been held that while it is generally accepted that the first component of a mark is the most important for the purposes of distinguishing between the marks, the importance of this factor diminishes if the first component is suggestive or descriptive [see *Reno-Dépôt v Homer TLC Inc* (2009), 84 CPR (4th) 58 (TMOB) at para. 58].
- [20] As noted above, the first component of the Applicant's mark is the word BEAUTI-TONE which is suggestive of a characteristic of the applied for wares. The most striking or unique component of both trade-marks therefore is the component NATURA. It is therefore appropriate for me to consider this component as the most important for assessing the likelihood of confusion, even though this is not the first component of the Mark. As this component is identical to the Opponent's mark, there is a high degree of resemblance between the marks in all respects.

Further surrounding circumstances

[21] As a further surrounding circumstance, I have considered the affidavit of Jane Buckingham, attached to which were copies of the Applicant's BEAUTI-TONE and NATURA

applications and registrations. This evidence shows that the Applicant owns eight registrations for trade-marks that include the component BEAUTI-TONE for paint and related products, and twelve registrations for trade-marks that include the component NATURA for similar wares. The Applicant has submitted that the long standing existence on the register of such a large number of similar marks is a significant factor to consider when assessing the nature of confusion.

- [22] The Opponent's agent, on the other hand, has submitted that this evidence should not have not any bearing on the issue of confusion because the Applicant has provided no evidence that any of these marks are in use.
- I agree with the Opponent's agent. In this regard, in order to rely on a family of trademarks in opposition proceedings, a party must prove use of each mark in the family [see *McDonald's Corp v Alberto-Culver Co* (1995), 61 CPR (3d) 382 (TMOB); *McDonald's Corp v Yogi Yogurt Ltd* (1982), 66 CPR (2d) 101 (FCTD)]. Further, section 19 of the Act does not give the owner of a registration the automatic right to obtain any further registrations no matter how closely they may be related to the original registration [see *Coronet-Werke Heinrich Schlerf GmbH v Produits Menagers Coronet Inc* (1984), 4 CPR (3d) 108 (TMHO) at 115; *Groupe Lavo Inc v Procter & Gamble Inc* (1990), 32 CPR (3d) 533 (TMOB) at 538)].
- [24] I note as an aside that had the Applicant shown use of its NATURA marks, I may have concluded that consumers familiar with these marks would be more likely to assume that the Mark is part of the Applicant's family of NATURA marks and this would have decreased the likelihood of confusion in this case.

Conclusion re confusion

[25] Having regard to the foregoing and, in particular, to the degree of resemblance between the Mark and the Opponent's NATURA mark as applied to overlapping wares which could travel through the same channels of trade, I find that the Applicant has failed to meet the legal burden upon it in respect of the issue of confusion. The section 16(3)(b) ground of opposition is therefore successful.

<u>Distinctiveness Ground of Opposition</u>

- [26] The Opponent's agent has pleaded that the Mark is not distinctive and is not capable of distinguishing the wares in association with which it is proposed to be used from the same or similar wares of the Opponent sold in association with the Opponent's marks NATURA, BENJAMIN MOORE NATURA, and BENJAMIN MOORE NATURA and Design.
- [27] In order to meet its evidential burden with respect to this ground, the Opponent must show that as of the filing of the opposition, June 11, 2009, the Opponent's marks had become known sufficiently to negate the distinctiveness of the Mark [see *Bojangles' International LLC v Bojangles Café Ltd* (2006), 48 CPR (4th) 427 (FC) and *Motel 6, Inc v No 6 Motel Ltd* (1981), 56 CPR (2d) 44 (FCTD)].
- [28] The most pertinent parts of Mr. Kolind's affidavit, as summarized by the Opponent's agent, are as follows:

The Opponent has been in business since 1883 and was incorporated in Canada in 1906. The Opponent manufactures and sells premium quality residential, commercial and industrial maintenance coatings, including paint (Kolind, para. 3);

The Opponent's marks are used in association with interior and exterior paints and coating sold in approximately 464 independently owned retailers across Canada and typical end users of the Opponent's wares are architects and designers, contractors and do-it-yourselfers (Kolind, para. 4);

The Opponent's marks have been used throughout Canada in association with the Opponent's wares since at least as early as April, 2009 (Konlind, para. 6);

In 2009, annual sales of the Opponent's wares in association with the Opponent's marks exceeded \$3.7 million and, from January, 2010 through April, 2010, sales of the Opponent's wares in association with the Opponent's marks exceeded \$1.4 million (Kolind, para. 9);

Since 2009, the Opponent has expended over \$415,000 in advertising and merchandising to promote the Opponent's wares bearing the Opponent's marks and additional sums have been spent by the Opponent's independently owned retailers to the same effect (Kolind, para. 18).

[29] At the oral hearing, the Opponent's agent argued that if sales were \$3.7 million between April and December, 2009, it is reasonable to assume that if the sales were evenly made over that

9 month period, there had been at least \$800,000 in sales by the material date of June 11, 2009. He further submitted that while the sales figures represent all of the Opponent's three marks, the use shown of the BENJAMIN MOORE NATURA and BENJAMIN MOORE NATURA and Design marks also qualify as use of the trade-mark NATURA, since the word NATURA is set apart from the other words in those trade-marks through the use of a significantly different size font [Kolind, Exhibit A]. The Opponent's agent further submitted that the Opponent's posters and brochures promoting the Opponent's marks were launched before the material date, and I should be able to take judicial notice of the fact that magazines are often distributed in advance of their publication date.

- [30] Relying on the decisions in *Bojangles* and *Motel 6*, the Applicant submits that the Opponent has not shown that its marks were known sufficiently to negate the distinctiveness of the Mark as of the material date. In this regard, the Applicant submits that the Opponent's agent has asked me to make assumptions that are inappropriate. For example, the Applicant's agent submits that we cannot assume that \$800,000 of the Opponent's total sales for 2009 (i.e. \$3.7 million) were made during the two month period prior to the material date (i.e. between April and June, 2009). The Applicant further submits that it would be inappropriate to assume that the use shown of all three of the Opponent's registered marks together qualify as use of the Opponent's NATURA mark.
- [31] With respect to the sales figures provided by the Opponent, I am prepared to accept the Opponent's agent's submission that the evidence of use of BENJAMIN MOORE NATURA and BENJAMIN MOORE NATURA and Design marks also qualify as use of the trade-mark NATURA. Therefore, sales of the BENJAMIN MOORE NATURA and BENJAMIN MOORE NATURA and Design wares may also represent sales of the NATURA product. However, I agree with the Applicant that I cannot assume the amount of sales that were made prior to the material date. In this regard, I note that there are five invoices which show that the Opponent's wares sold in association with the Opponent's marks were sold to retailers in four different provinces prior to the material date (Kolind, Exhibit C). The invoices do not, however, show the amount of sales of the Opponent's wares as this information has been blacked out.

- [32] With respect to the Opponent's advertising, Mr. Kolind states that a variety of bilingual brochures and pamphlets regarding the Opponent's wares and bearing the Opponent's marks were supplied to the Opponent's retailers for distribution to the consumers, commencing in April, 2009. While over 80,000 of each of the brochures attached as Exhibit E1 and E2 to the Kolind affidavit were distributed to 464 retailers across Canada commencing in April, 2009, there is no indication of how many were distributed prior to the material date. The same can be said about the Opponent's point of sale materials. The only advertisement for the Opponent's product arguably dated during the relevant period was in the June 2009 issue of *Canadian Today's Parent*, for which 172,501 magazines were distributed. While I am not prepared to take judicial notice of the fact that some magazines are distributed in advance of their publication date, I think it is reasonable to assume from the date of this publication that at least some copies of this issue of this magazine were circulated in Canada prior to the material date.
- [33] All of the advertisements in Canadian newspapers samples of which were attached as Exhibit H to Mr. Kolind's affidavit occurred in July, 2009, which was subsequent to the material date. Finally, while Mr. Kolind states that the Opponent's Canadian website has attracted in excess of 1,961,236 unique Internet visitors since April, 2009, again there is no indication of how many visits would have occurred prior to the material date.
- The Opponent's NATURA product was also referred to in articles appearing in magazines distributed across Canada prior to the material date including "O" The Oprah Magazine, Veranda and Health. While this is not evidence of use or promotion of the Opponent's marks, it does go toward the reputation of the Opponent's marks in Canada prior to the relevant date. However, given the limited Canadian circulation figures of the issues in which these articles appeared (i.e. 109,375 for "O" The Oprah Magazine, 11,103 for Veranda and 54,026 for Health), the exposure to the Opponent's marks through these magazines does not appear to have been very significant.
- [35] In my view, while the onus ultimately rests on the Applicant, the Opponent still had an evidential burden to show that its trade-marks were sufficiently known in Canada to negate the distinctiveness of the applied for Mark. It appears in the present case that the Opponent was vague and ambiguous in bringing forth the evidence of use prior to the material date. In this

regard, the sales figures for the Opponent's products were not broken down by month and the

copies of the five representative invoices which were dated during the relevant period blacked

out both the price per unit and the total amount of sales made. Further, while the Opponent may

have expended a relatively significant amount in advertising and promotion of its trade-marks

since 2009, in my view the Opponent's evidence does not allow me to conclude to what extent

Canadian consumers were exposed to such advertising or promotion prior to the material date.

[36] As a result, the evidence before me does not enable me to conclude that the reputation of

the Opponent's trade-marks was substantial, significant or sufficient as of the material date. I

therefore find that the Opponent has not met its initial onus, with the result that the

distinctiveness ground of opposition is dismissed.

Disposition

[37] 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.

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Cindy R. Folz

Member Trade-marks Opposition Board

Canadian Intellectual Property Office

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