

**IN THE MATTER OF AN OPPOSITION
by Unilever Canada Inc. to application No.
1,043,871 for the trade-mark SUNSMILE &
Design filed by The Sunrider Corporation
doing business as Sunrider International**

On January 15, 2000, The Sunrider Corporation doing business as Sunrider International (the “Applicant”) filed an application to register the trade-mark SUNSMILE & Design (the “Trade-mark”). The Trade-mark is shown below:



The application is based upon use of the Trade-mark in Canada in association with the following wares since at least as early as April 1995:

- (1) Articles for dental products, namely, protective mouthpieces, toothpastes, mouth drops, mouth wash, whitening gels, lip balms.
- (2) Household cleansers, dishwasher detergent, cleaning detergent for clothes, dish detergent, cleanser for produce.
- (3) Antiperspirants and deodorants.

The application was advertised for opposition purposes in the Trade-marks Journal of April 3, 2002. On May 31, 2002, U L Canada Inc., now Unilever Canada Inc., (the “Opponent”) filed a statement of opposition against the application. The Applicant filed and served a counter statement.

As rule 41 evidence, the Opponent filed the affidavit of Carolyn Spriet. As rule 42 evidence, the Applicant filed the affidavits of Patrice Li and Katherine Busse and certified copies of Canadian trade-mark registration No. TMA524,304 for SUNSMILE and application No. 1,043,871 for SUNSMILE & Design. No cross-examinations were conducted.

Both parties filed written arguments and participated in an oral hearing.

Grounds of Opposition

The grounds of opposition are summarized below.

1. Pursuant to s. 38(2)(a), the application does not comply with s. 30(b) of the *Trade-marks Act*, R.S.C. 1985, c. T-13 (the “Act”) because the Applicant has not used the Trade-mark in Canada since April 1995 or at all in association with the wares listed in the application.
2. Pursuant to s. 38(2)(a), the application does not conform with the requirements of s. 30(i) of the Act because the Applicant could not have been satisfied that it was entitled to use the Trade-mark in Canada in association with the wares set out in the application by virtue of its knowledge of the prior use by the Opponent of the trade-marks SUNLIGHT and SUNLIGHT & Design referred to below.
3. Pursuant to s. 38(2)(b), the Trade-mark is not registrable under s. 12(1)(d) of the Act because it is confusing with the registered trade-marks SUNLIGHT, SUNLIGHT Design, SUNLIGHT & Design, ULTRA SUNLIGHT BLEACH Design, ULTRA SUNLIGHT Design, and SUNLIGHT Logo. These marks are the subject of 18 registrations owned by the Opponent. The various design marks are shown in Schedule A.
4. Pursuant to s. 38(2)(c), the Applicant is not the person entitled to registration of the Trade-mark because, contrary to s. 16(1)(a) of the Act, at the date on which the Applicant claims it first so used the Trade-mark, it was confusing with the Opponent’s registered trade-marks which had been previously used throughout Canada.
5. Pursuant to s. 38(2)(d), the Trade-mark is not distinctive of the Applicant within the meaning of s. 2 of the Act in view of the rights of the Opponent as set out above.

Onus

Although 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 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 Limited v. The Molson Companies Limited*, 30 C.P.R. (3d) 293 at 298; *Dion Neckwear Ltd. v. Christian Dior, S.A. et al.* (2002), 20 C.P.R. (4th) 155 (F.C.A.)]

Material Dates

The material dates with respect to the grounds of opposition are as follows: s. 30 - the date of filing of the application [see *Georgia-Pacific Corp. v. Scott Paper Ltd.*, 3 C.P.R. (3d) 469 at 475]; s. 12(1)(d) - the date of my decision [see *Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd. and The Registrar of Trade Marks*, 37 C.P.R. (3d) 413 (F.C.A.)]; s. 16(1)(a) – the Applicant’s claimed date of first use; non-distinctiveness - the date of filing of the opposition [see *Metro-Goldwyn-Meyer Inc. v. Stargate Connections Inc.* (2004), 34 C.P.R. (4th) 317 (F.C.T.D.) at 324].

Evidence

I will briefly summarize the most pertinent parts of the parties’ evidence below.

Spriet Affidavit

Ms. Spriet, the Opponent’s Category Director of Home Care products, attests that the Opponent’s SUNLIGHT mark has a very long history of use. For over 100 years, there have been extensive sales of laundry detergent products and household cleaning products under the SUNLIGHT trade-mark across Canada. Ms. Spriet believes that the SUNLIGHT trade-mark is and has been a famous household brand name in Canada.

Ms. Spriet provides the details of numerous registrations that the Opponent owns for SUNLIGHT trade-marks. The oldest of these issued in 1889. Although the four registrations that predate 1915 include some personal care products in their statements of wares, the subsequent

registrations focus on household products, primarily laundry detergent and dishwashing detergent.

Ms. Spriet provides various details concerning the Opponent's use of SUNLIGHT in association with detergent in Canada, including packaging, promotional items and sales figures for each of the years 1998 through 2002. Sales with respect to laundry detergent were approximately \$150 million or 12 million units annually. Sales with respect to dishwashing detergent were broken down between hand dishwashing detergent and machine dishwashing detergent: approximately \$48 million or 1.5 million cases annually, and \$7.5 million or 270 thousand cases annually, respectively.

The Opponent's SUNLIGHT products are sold in "the widest variety of retail outlets including grocery chains and stores, 'big box' outlets such as Costco, convenience stores, drug stores and the like."

The Opponent has promoted its SUNLIGHT products extensively through various media. Its promotional expenses in each of the years 1998 through 2002 amounted to approximately \$16 million.

Ms. Spriet opines, "The Applicant's alleged adoption and application for SUNSMILE & Design in association with 'household cleansers, dishwasher detergent, cleaning detergent for clothes, dish detergent, cleanser for produce' is a transparent attempt by the Applicant to ride on the coat-tails of the fame and goodwill created and preserved by My Company in Canada through its famous SUNLIGHT and SUNLIGHT & design trade-marks." Ms. Spriet does not express a similar concern about the other wares listed in the Applicant's application.

Li Affidavit

Mr. Li is the Country Manager of Sunrider International Canada, which is a related company and licensee of the Applicant. He states that the Applicant is one of the largest herbal food and beauty product companies in the world. Its products include herbal foods and beverages, vitamins,

minerals, herbs, dietary supplements, skin care and cosmetics, and personal care and household items. At the time of Mr. Li's affidavit, there were more than 8,000 distributors selling the Applicant's products throughout Canada.

Mr. Li refers to the Applicant's SUNSMILE word mark and SUNSMILE & Design trade-mark collectively as the "Sunrider Sunsmile Marks". Canadian sales with respect to Sunrider Sunsmile personal care and household products were approximately \$470 thousand in each of the years 1998 through 2003. Mr. Li provides representative packaging and promotional materials. Contrary to the Opponent's submissions, the appearance of another company's name on the packaging does not detract from the Applicant's evidence since that company is identified as the importer of the wares.

Busse Affidavit

Ms. Busse is a trade-mark searcher. She provides registration pages for the following third party SUN marks: SUN MOON STARS; SUN SWIM AND SURF; SUN-STOP; THE OTTAWA SUN & Design; THE SATURDAY SUN; THE SATURDAY SUN & Circle Design; and THE SATURDAY SUN & Design. None of these marks are registered for laundry detergent, dishwasher detergent or household cleaning products but six of the seven cover some type of personal care product or toiletry.

Section 30(b) Ground

There is an initial evidential burden on the Opponent respecting the issue of the Applicant's non-compliance with s. 30(b). This burden can be met by reference not only to the Opponent's evidence but also to the Applicant's evidence [see *Labatt Brewing Company Limited v. Molson Breweries, a Partnership* (1996), 68 C.P.R. (3d) (F.C.T.D.) 216 at 230]. However, while the Opponent may rely upon the Applicant's evidence to meet its evidential burden in relation to this ground, the Opponent must show that the Applicant's evidence is clearly inconsistent with the Applicant's claims as set forth in its application.

At the oral hearing, the Opponent submitted that the Applicant's affiant, Mr. Li, had made no

affirmative statement concerning the alleged use of the Applicant's mark since at least as early as April 1995. Moreover, it is the Opponent's position that Mr. Li made an admission against interest at paragraph 11 of his affidavit, where he stated:

The SUNRIDER SUNSMILE Marks have been used in association with their respective wares sold in Canada as represented in the following sales figures (in Canadian dollars) for the last six years:

SUNSMILE Personal Care and Household Products	
1998	429,714.20
1999	444,388.18
2000	527,755.09
2001	519,233.58
2002	467,455.00
2003 (Jan. – Oct.)	361,299.72
Total	2,749,845.77

The Opponent has also pointed out that all of the exhibits provided by Mr. Li bear dates that are later than 1995.

The Opponent submits that Mr. Li's evidence is more than clearly inconsistent with the Applicant's claims and that, because it contains an admission against interest, there was no need for the Opponent to cross-examine Mr. Li.

In response, the Applicant submits that the Opponent has misinterpreted Mr. Li's paragraph 11 and takes the position that Mr. Li is simply providing evidence of the sales figures for the last six years, not stating that the mark has only been used for the last six years.

I agree with the Applicant's interpretation of paragraph 11 and I dismiss the s. 30(b) ground of opposition for failure by the Opponent to meet its evidential burden.

Section 30(i) Ground

This ground of opposition fails because the Opponent has not met its initial evidential burden to show that the Applicant had knowledge of the Opponent's prior use of the Opponent's marks

when it filed its application. I disagree with the Opponent's submission that I should accept that the Applicant must have had knowledge in view of the extensive use and promotion of the Opponent's marks. In any event, where an applicant has provided the statement required by s. 30(i), a s. 30(i) ground should only succeed in exceptional cases such as where there is evidence of bad faith on the part of the applicant. [*Sapodilla Co. Ltd. v. Bristol-Myers Co.* (1974), 15 C.P.R. (2d) 152 (T.M.O.B.) at 155]

Likelihood of Confusion

The remainder of the grounds of opposition are based on the likelihood of confusion between SUNSMILE & Design and the various trade-marks owned by the Opponent that include the word SUNLIGHT. In my view, the Opponent's strongest case is with respect to its word mark SUNLIGHT and so I will assess the likelihood of confusion between SUNLIGHT and SUNSMILE & Design.

The test for confusion is one of first impression and imperfect recollection. In applying the test for confusion set forth in s. 6(2) of the Act, the Registrar must have regard to all the surrounding circumstances, including those specifically enumerated in s. 6(5)(a) through (e) of the Act.

The weight to be given to each relevant factor may vary, depending on the circumstances. [see *Clorox Co. v. Sears Canada Inc.* (1992), 41 C.P.R. (3d) 483 (F.C.T.D.); *Gainers Inc. v. Tammy L. Marchildon and The Registrar of Trade-marks* (1996), 66 C.P.R. (3d) 308 (F.C.T.D.)] In the circumstances of this case, nothing turns on which of the material dates the issue of confusion is determined as of.

Section 6(5)(a): the inherent distinctiveness of the trade-marks and the extent to which they have become known

Each of the parties' marks is inherently distinctive as neither mark is particularly related to their associated wares.

The Opponent's trade-mark clearly has acquired more distinctiveness than has the Applicant's Trade-mark since the Opponent's mark has been used and promoted much more extensively.

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

The Opponent's SUNLIGHT mark has been used much longer in Canada than has the Applicant's Trade-mark.

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

The Applicant's household cleansers clearly overlap with the Opponent's detergents and their channels of trade could overlap. Although the registrations that the Opponent obtained in 1884, 1889 and 1912 include personal care products in their statements of wares, the Opponent's subsequent registrations do not and there is no evidence of any use or promotion of the Opponent's marks in association with any wares other than household cleaning products.

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

I acknowledge that in *Conde Nast Publications Inc. v. Union des Editions Modernes* (1979), 46 C.P.R. (2d) 183 (F.C.T.D.) Mr. Justice Cattanach stated at page 188, "It is axiomatic that the first word or the first syllable in a trade mark is far the more important for the purpose of distinction." Here the first word in the mark that the Applicant seeks to register is identical to the first syllable of the Opponent's mark. However, despite this common feature, the marks as a whole are distinguishable one from the other both visually and aurally. In addition, there are differences between the ideas that each mark suggests. As stated in *Sealy Sleep Products Ltd. v. Simpson's-Sears Ltd.* (1960), 33 C.P.R. 129 (Ex. Ct.) at 136:

It is not a proper approach to the determination of whether one trade mark is confusing with another to break them up into their elements, concentrate attention upon the elements that are similar and conclude that, because there are similarities in the trade marks, the trade-marks as a whole are confusing with another. Trade marks may be different from one another and, therefore, not confusing with one another when looked at in their totality, even if there are similarities in some of the elements when viewed separately. It is the combination of the elements that constitutes the trade mark and it is the effect of the trade mark as a whole, rather than that of any particular part in it, that must be considered.

Other surrounding circumstances

Another surrounding circumstance to be considered is the Applicant's evidence of the state of the Trade-marks Register. It is well accepted that state of the register evidence is only relevant insofar as one can make inferences from it about the state of the marketplace and 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. [*Ports International Ltd. v. Dunlop Ltd.* (1992), 41 C.P.R. (3d) 432 (T.M.O.B.); *Del Monte Corporation v. Welch Foods Inc.* (1992), 44 C.P.R. (3d) 205 (F.C.T.D.); *Kellogg Salada Canada Inc. v. Maximum Nutrition Ltd.* (1992), 43 C.P.R. (3d) 349 (F.C.A.)] In the present case, I find that the number of relevant third party trademark registrations evidenced by the Busse affidavit is insufficient for me to draw any meaningful inferences about the state of the marketplace.

A further surrounding circumstance is the lack of evidence of confusion despite approximately ten years co-existence. It is of course not necessary for the Opponent to evidence confusion in order for me to find that there is a likelihood of confusion but the absence of confusion despite an overlap of the wares and channels of trade may entitle one to draw a negative inference about the Opponent's case. [see *Dion Neckware Ltd. v. Christian Dior, S.A.* (2002), 20 C.P.R. (4th) 155 (F.C.A.) at 164, *MonSport Inc. v. Vetements de Sport Bonnie (1978) Lteé* (1988), 22 C.P.R. (3d) 356 (F.C.T.D.), *Mercedes-Benz A.G. v. Autostock Inc. (formerly Groupe T.C.G. (Québec) Inc.)*, 69 C.P.R. (3d) 518 (T.M.O.B.)]

I note that the Opponent has not evidenced that it has ever adopted any marks that include the word SUN in any form other than in the word SUNLIGHT. Nor has it claimed that it has ever used the word SUN *simpliciter* or that it has adopted a family of SUN prefix marks. In addition, there is no evidence that it is common practice for companies to adopt a single mark for use in association with both household cleaning products and personal care items, or any evidence that these two product lines often stem from a single source.

The Applicant inappropriately relies on to its existing registration for SUNSMILE as a factor favouring the dismissal of the present opposition. As stated by the Chairperson of the Trade-

marks Opposition Board in the unreported November 12, 1998 decision *Edolf William Eliason v. Shachihata Inc.*, at page 6:

...as pointed out by the hearing officer in *Coronet-Werke Heinrich Schlerf GmbH v. Produits Menagers Coronet Inc.*, 4 C.P.R. (3d) 108, at p. 115, Section 19 of the *Trade-marks 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 also *Groupe Lavo Inc. v. Procter & Gamble Inc.*, 32 C.P.R. (3d) 533, at p. 538].

At the oral hearing, the Opponent relied on the as yet unreported decision in *Remo Imports Ltd. v. Jaguar Cars Limited and Ford Motor Company of Canada, Limited*, 2006 FC 21. The Opponent relied on this decision in part for the proposition that ordinary dictionary words can be distinctive trade-marks and I have no difficulty with that proposition. However, I agree with the Applicant's position that the *Remo* decision is distinguishable from the present case in several ways. First, *Remo* was an infringement/expungement action, not an opposition proceeding. Second, the parties' marks in *Remo* were identical. Third, I note that in *Remo* there was evidence that the owner of the JAGUAR car mark had in fact extended the use of its mark to the category of wares with which Remo was using JAGUAR. There is no evidence in the present case that the Opponent has any present or recent intention to use its SUNLIGHT mark in association with anything other than detergents. Nor is there any evidence that it is common in the industry for companies to use a single mark for both detergents and personal care products such as toothpaste.

Conclusion re Likelihood of Confusion

Having considered all of the surrounding circumstances, I conclude that on a balance of probabilities there is not a reasonable likelihood of confusion between SUNSMILE & Design articles for dental products, antiperspirants and deodorants and the Opponent's SUNLIGHT products. I reach this conclusion because the differences between the marks combined with the differences between detergent and those personal care products are sufficient to make confusion unlikely. However, given the lengthy and extensive use of the Opponent's SUNLIGHT trade-marks in association with laundry soap and detergent, I have some doubt as to whether confusion might arise between the Opponent's SUNLIGHT products and the Applicant's SUNSMILE & Design household cleansers, dishwasher detergent, cleaning detergent for clothes, dish detergent and cleanser for produce. Although the Applicant claims to have used the Trade-mark in

association with household cleansers since 1995, its evidence is not broken down to show the extent of sales of those specific wares, with the result that no meaningful inference can be drawn concerning their possible co-existence. As the legal onus lies on the Applicant to show that there is not a reasonable likelihood of confusion, I find that the Applicant has not met its onus with respect to the aforementioned wares, with the result that the opposition succeeds with respect to such wares pursuant to s. 38(2)(b), (c) and (d).

Disposition

Having been delegated by the Registrar of Trade-marks by virtue of s. 63(3) of the Act, pursuant to s. 38(8) I reject the opposition with respect to the following wares: articles for dental products, namely, protective mouthpieces, toothpastes, mouth drops, mouth wash, whitening gels, lip balms; antiperspirants and deodorants. The application is however refused with respect to the following wares: household cleansers, dishwasher detergent, cleaning detergent for clothes, dish detergent, cleanser for produce. Authority for issuing a split decision is set out in *Produits Ménagers Coronet Inc. v. Coronet-Werke Heinrich Schlerf GmbH* (1986), 10 C.P.R. (3d) 492 (F.C.T.D.).

DATED AT TORONTO, ONTARIO, THIS 27th DAY OF MARCH 2006.

Jill W. Bradbury
Member
Trade-marks Opposition Board

Schedule A

The Opponent's Design Marks



