



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

Citation: 2014 TMOB 123
Date of Decision: 2014-06-18

**IN THE MATTER OF AN OPPOSITION
by Coca-Cola Ltd. to application
No. 1,399,662 for the trade-mark
Powerthirst in the name of Picnicface
Productions Ltd.**

[1] On June 16, 2008 Picnicface Productions filed an application to register the trade-mark Powerthirst (the Mark). The application was subsequently assigned to Picnicface Productions Ltd. (both Picnicface Productions and Picnicface Productions Ltd. will be referred to as the Applicant). The application was filed on the basis of the Applicant's proposed use in Canada with the following wares and services (as amended):

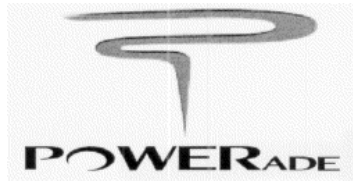
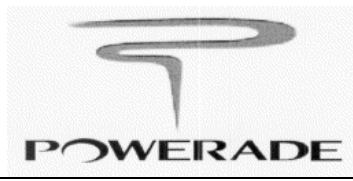

Wares: (1) Beverages, namely energy drinks; Marketing materials, namely posters, t-shirts, labels, signs, and videos.

Services: (1) The delivery, distribution, dispensing, manufacture, warehousing, marketing of beverages, namely the advertisement and promotion of the beverages through live performances, online internet videos, comedy skits, and advertisements.

[2] The application was advertised for opposition purposes in the *Trade-marks Journal* of November 18, 2009.

[3] On April 19, 2010, Coca-Cola Ltd. (the Opponent) filed a statement of opposition pleading the grounds summarized below:

- (a) contrary to section 30(e) of the Act, that at the time the application was filed, the Applicant did not intend to use the Mark;
- (b) contrary to section 30(b) of the Act, that at the time the application was filed, the Applicant did not include the date from which the Applicant had so used the Mark;
- (c) contrary to section 30(i) of the Act, that at the time the application was filed, the Applicant could not have been satisfied that it is or was entitled to use the Mark;
- (d) contrary to section 12(1)(d) of the Act, the Mark is not registrable because it is confusing with the Opponent's trade-marks set out below:

Appl. or Reg. No.	Trade-mark
1,462,814	POWER STATION
TMA707,298	POWERADE OPTION
TMA584,214	
TMA584,276	
TMA459,843	POWERADE
TMA459,818	
TMA392,881	POWERADE
TMA580,925	POWERFUL THIRST RELIEF

Appl. or Reg. No.	Trade-mark
TMA534,206	POWERFLO
TMA468,108	POWER VALVE
TMA497,855	POWERCASE
TMA444,370	CUTS THIRST IN A POWERFUL WAY
TMA580,489	GOT A POWERFUL THIRST?
TMA509,777	SHUTS OUT THIRST IN A POWERFUL WAY

(e) contrary to section 16(3)(a) of the Act, the Applicant is not the person entitled to registration of the Mark given the Opponent's previous use of its trade-marks listed in paragraph 3(d); and

(f) contrary to section 2 of the Act, the Mark is not distinctive of the Applicant.

The entitlement ground contains a typographical error in the statement of opposition and should read section 16(3)(a) as the subject application is based on proposed use.

[4] The Applicant filed and served a counter statement in which it denied the Opponent's allegations.

[5] In support of its opposition, the Opponent filed the affidavits of Andrea Pitts, Karen E. Thompson and Diego Moratorio and a supplementary affidavit of Mr. Moratorio. In support of its application, the Applicant filed the affidavit of Chase Barlet.

[6] Both parties filed a written argument and the Opponent made representations at a hearing on June 2, 2014.

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. However, there is an initial evidential 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 [*John Labatt Limited v The Molson Companies Limited* (1990), 30 CPR (3d) 293 (FCTD) at 298].

[8] The material dates with respect to the grounds of opposition are as follows:

-sections 38(2)(a)/30 of the Act - the filing date of the application [*Georgia-Pacific Corp v Scott Paper Ltd* (1984), 3 CPR (3d) 469 (TMOB) at 475];

-sections 38(2)(b)/12(1)(d) of the Act - the date of my decision [*Park Avenue Furniture Corporation v Wickes/Simmons Bedding Ltd and The Registrar of Trade Marks* (1991), 37 CPR (3d) 413 (FCA)];

-sections 38(2)(c)/16(3) of the Act - the date of filing the application; and

- sections 38(2)(d) of the Act - the date of filing the opposition [*Metro-Goldwyn-Mayer Inc v Stargate Connections Inc* (2004), 34 CPR (4th) 317 (FC)].

Affidavits Filed by Employees of the Applicant and Opponent

[9] The Opponent objects to the affidavit of Chase Barlet on the basis that Mr. Barlet is an employee of the Applicant's agent. I note that both the Applicant and the Opponent filed affidavits sworn by employees of their agents on points of substance.

(a) Karen E. Thompson, a trade-mark searcher with the agent for the Opponent, obtained certified copies of various registrations. Given section 54(1) of the Act, this evidence cannot be impugned on the basis that an employee of the Opponent's agent attached it to her affidavit.

(b) Andrea Pitts, a summer law student with the agent for the Opponent, visited various retail stores to purchase POWERADE beverages.

(c) Chase Barlet, an articled clerk with the agent for the Applicant, attached printouts from various websites discussing Powerthirst, as well as print-outs of various

registrations obtained from the CIPO web-site including the component ADE and a United States registration certificate for POWERTHIRST.

[10] The Opponent argues that the situation with respect to Mr. Barlet's affidavit differs from Ms. Pitt's affidavit since Mr. Barlet's evidence is the only evidence filed by the Applicant. The case law does not support such a distinction. Contentious evidence should not be introduced by an employee of a party's agent [*Cross-Canada Auto Body Supply (Windsor) Ltd v Hyundai Auto Canada* (2006), 53 CPR (4th) 286 (FCA)]. Whether or not the impugned evidence is the only evidence of a party is not the only factor to be considered. In this case, both the Pitt and Barlet affidavits put in evidence of use by the Opponent or the Applicant respectively. Notwithstanding *Cross-Canada, supra*, in situations where both parties have filed such evidence the Registrar has declined to find such evidence inadmissible [*Spirits International BV v Nemiroff Intellectual Property Establishment*, 2009 CanLII 90301 (TMOB) at para 20]. As both parties have filed evidence of an employee of their respective agents, I do not find Mr. Barlet's evidence inadmissible on this basis.

Objection to Mr. Barlet's Evidence

[11] The Opponent raises an objection to the evidence of Mr. Barlet obtained from the Internet. This evidence includes screenshots of a Powerthirst video on the Youtube and College Humour websites (Exhibits A-B); print-outs of discussions of Powerthirst on the Know Your Meme and Urban Dictionary websites (Exhibits C-E); a GOOGLE search showing the results for a search for "powerthirst" (Exhibit F); and a screenshot of the website through which Powerthirst is sold (Exhibit G). This evidence is hearsay. There is no evidence of record setting out why it was necessary for Mr. Barlet to provide such evidence, nor any evidence concerning its reliability. In these circumstances, I am not prepared to find this evidence admissible for the truth of its contents albeit with diminished weight [*R v Khan*, 1990 CanLII 77 (SCC), [1990] 2 SCR 531 (SCC); *Gowling Lafleur Henderson LLP v Guayapi Tropical* (2012), 104 CPR (4th) 65 (TMOB) at paras 7-9]. That being said, if I had found the Internet evidence of Mr. Barlet admissible, it would not have impacted my ultimate decision in this case.

Section 12(1)(d) Ground of Opposition

[12] I will focus my analysis on the likelihood of confusion between the Opponent's registration Nos. TMA392,881 and TMA459,843 for POWERADE and the Mark. If the Opponent is not successful based on these marks, then it will not be successful based on its other mark since the Mark has a greater degree of resemblance to these marks as compared to the others. I have exercised the Registrar's discretion to confirm that these registrations are extant [*Quaker Oats Co of Canada Ltd/La Compagnie Quaker Oats du Canada Ltée v Menu Foods Ltd.* (1986), 11 CPR (3d) 410 (TMOB)]. The particulars of these marks are set out below:

Registration No.	Trade-mark	Wares and Services
POWERADE	TMA392,881	sports beverage, namely non-alcoholic, non-carbonated, fruit-flavoured beverage and preparations for making same
POWERADE	TMA459,843	advertising, marketing and promotion of non-alcoholic sports beverages

[13] The test to determine the issue of confusion is set out in section 6(2) of the Act where it is stipulated that the use of a trade-mark causes confusion with another trade-mark if the use of both trade-marks in the same area would likely lead to the inference that the wares and services associated with those trade-marks are manufactured, sold or leased by the same person, whether or not the wares and services are of the same general class. In making such an assessment, I must take into consideration all the relevant surrounding circumstances, including those listed in section 6(5): the inherent distinctiveness of the trade-marks and the extent to which they have become known; the length of time the trade-marks have been in use; the nature of the wares and services or business; the nature of the trade; and the degree of resemblance between the trade-marks in appearance, or sound or in the ideas suggested by them.

[14] 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.

inherent distinctiveness and extent known

[15] I can take judicial notice of dictionary definitions [*Tradall SA v Devil's Martini Inc* (2011), 92 CPR (4th) 408 (TMOB) at para 29]. The on-line dictionary *www.dictionary.com* defines power as “to give power to; make powerful”. The first component of each mark fancifully suggests that the drink will make one powerful or give one power. The second part of each party’s trade-mark is descriptive of a beverage [*www.dictionary.com* defines *ade* as “a noun suffix indicating a drink made of a particular fruit, normally a citrus: *lemonade*” and *thirst* as “a sensation of dryness in the mouth and throat caused by need of liquid”]. Given these definitions, the POWERADE trade-mark and the Mark have a similar degree of inherent distinctiveness.

[16] The strength of a trade-mark may be increased by means of it becoming known through promotion or use. The evidence of Diego Moratorio, Brand Strategy and Architecture Manager of the Still Business Unit of the Opponent, provides the following:

- The Opponent launched POWERADE beverages in 1991 in Canada (para 6 of the Diego Moratorio affidavit sworn June 27, 2011 (Moratorio Affidavit));
- POWERADE beverages combine carbohydrates with fluids which replenish key electrolytes that are depleted during sports and other intense activity (para 7 of the Moratorio Affidavit);
- The POWERADE trade-marks appear on the labels of the beverages (para 10 of the Moratorio Affidavit; Exhibit A of the Diego Moratorio affidavit sworn October 1, 2012);
- Over 5,500,000 cases have been sold in Canada in each of the years between 2005-2010 (Moratorio Affidavit, para 11);

- From 2005-2011 the total expenditures on marketing of products bearing the trade-mark POWERADE in Canada were over \$10 million (Moratorio Affidavit, para 12); and
- The POWERADE trade-mark has been featured on Facebook pages advertising POWERADE beverages (Exhibit A of the Diego Moratorio affidavit sworn October 1, 2012).

Based on the above, I conclude that the Opponent's POWERADE beverages are well known in Canada. In contrast, there is no evidence that the Mark has become known to any extent in Canada. As such, this factor favours the Opponent.

the degree of resemblance

[17] When considering the degree of resemblance between the marks, the law is clear that the marks must be considered in their totality; it is not correct to lay the trade-marks side by side and compare and observe similarities or differences among the elements or components of the marks [*Veuve Clicquot Ponsardin v. Boutiques Cliquot Ltée*, (2006), 49 CPR (4th) 401 at para 20]. The Supreme Court in *Masterpiece*, *supra* [at para 64] advises 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.

[18] Given the descriptive nature of the suffix component of each mark, it is the first component, POWER, that is the most striking. Further, this component is usually considered more important for the purpose of distinction [*Conde Nast Publications Inc v Union des Editions Modernes* (1979), 46 CPR (2d) 183 (FCTD)]. Although the Applicant argues that there is little that is particularly striking or unique about the word power since it is synonymous with energy (Applicant's Written Argument, para 37), there is no evidence that POWER is a common component of trade-marks or has been used descriptively in the beverage field such that its impact on consumers would diminish. As a result of the shared component POWER, the marks have a significant degree of resemblance in sound and appearance. Furthermore, as both trade-marks fancifully suggest a drink which gives one power or energy or makes one powerful, the degree of resemblance with respect to idea suggested is also high. I do not agree with the

Applicant's submissions that the different suffix components result in marks which do not evoke the same idea (Applicant's Written Argument, para 37).

[19] In its written submissions, the Applicant argues that the component "thirst" results in a very different sounding mark (at para 38):

The words "Powerade" and "Power thirst" sound very different when pronounced. The "th" sound in the middle of "Powerthirst" forms an abrupt transition between the two parts of the word ("power" and "thirst"), which is in contrast to the natural flow between the words "power" and "ade" in the Powerade Marks. Though as Rothstein J. stated in *Masterpiece Inc v Alavida Lifestyles Inc* that the first word (or syllable, in this case) may be the most important in some cases, the Applicant submits the abrupt transition (by use of a voiced dental fricative phoneme) caused by the "th" sound places further emphasis on the "thirst"... Finally, the final sound in "Powerthirst" introduces another abrupt, dental fricative that makes it sound very different from "powerade"...

[20] The Applicant's approach, however, appears to involve a side-by-side comparison of the type warned against by the courts [*Veuve Clicquot, supra; International Stars SA v Simon Chang Design Inc*, 2013 FC 1041 at para 9].

length of time in use

[21] This factor favours the Opponent who has sold POWERADE beverages in Canada since 1991. In contrast, there is no evidence that the Mark has been in use.

nature of the wares, services, business or trade

[22] This factor favours the Opponent as the nature of the wares is the same. The Applicant argues that the nature of trade is different since its wares are sold on the Internet (Applicant Written Argument, para 42). Even if I had accepted Mr. Barlet's evidence of this, as neither the application or registration restrict the manner of sale of the wares this does not result in a different nature of trade.

no instances of confusion

[23] The Applicant argues that "if the Opponent had any evidence of actual confusion, surely it would bring it to this tribunal's attention" (Applicant's Written Argument, para 31).

An adverse inference concerning the likelihood of confusion may be drawn when concurrent use on the evidence is extensive and no evidence of confusion has been given by an opponent [see *Christian Dior SA v Dion Neckwear Ltd* (2002), 20 CPR (4th) 155 (FCA) at para 19]. However, in the present case, I cannot draw such an inference because there is no evidence of extensive concurrent use.

United States registration

[24] I do not consider the United States registration for POWERTHIRST (Exhibit H to the Barlet Affidavit) to be relevant since determinations as to the registrability of trade-marks in another country are generally not persuasive since they are based on the particular facts and laws of that country [*Roux Laboratories Inc v Clairol Inc* (1969), 61 CPR 89 at 90 (TMOB)].

conclusion

[25] The test to be applied is a matter of first impression in the mind of a casual consumer somewhat in a hurry who sees the Mark when he or she has no more than an imperfect recollection of the Opponent's POWERADE trade-marks, and does not pause to give the matter any detailed consideration or scrutiny [*Veuve Clicquot Ponsardin, supra*].

[26] For the reasons explained above, and in particular the similarity between the parties' marks and the overlap in the nature of the wares and trade, I conclude that the Applicant has not discharged its burden of establishing, on a balance of probabilities, that the Mark is not confusing with the Opponent's trade-marks. This ground of opposition is successful.

Section 16(3)(a) Ground of Opposition

[27] The Opponent has also pleaded that the Mark is confusing with its use of its POWERADE trade-marks under section 16 of the Act. The assessment of this ground of opposition differs from that under section 12(1)(d) in that the material date under section 16(3)(a) is June 16, 2008.

[28] In order to meet its initial burden under section 16, the Opponent must evidence that it was using its POWERADE trade-marks in Canada prior to June 16, 2008 and had not abandoned

its marks as of November 18, 2009, the date of advertisement of the subject application (s 16(5) of the Act). The evidence of the Opponent is sufficient to meet its evidential burden. In my view, the differences in material dates do not have any significant impact on the determination of the issue of confusion between the trade-marks of the Opponent and the Mark. Therefore, this ground of opposition is successful.

Remaining Grounds of Opposition

[29] Having already refused the application under two grounds, I will not discuss the remaining grounds of opposition with respect to this application.

Disposition

[30] 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.

Natalie de Paulsen
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office