IN THE MATTER OF AN OPPOSITION by Abbott Laboratories to application No. 743,371 for the trade-mark ESSENTIALS FROM NU-LIFE filed by Nu-Life Nutrition Ltd.

On December 13, 1993, the applicant, Nu-Life Nutrition Ltd., filed an application to register the trade-mark ESSENTIALS FROM NU-LIFE for "essential fatty acids" based on proposed use. The application was amended to include a disclaimer to the word ESSENTIALS and was subsequently advertised for opposition purposes on August 31, 1994.

The opponent, Abbott Laboratories, filed a statement of opposition on January 31, 1995, a copy of which was forwarded to the applicant on March 21, 1995. The first ground of opposition is that the applied for trade-mark is not registrable pursuant to Section 12(1)(d) of the *Trade-marks Act* because it is confusing with the opponent's trade-mark ESSENTIALS registered under No. 437,935 for "meal replacement drinks". The second ground is that the applicant is not the person entitled to registration of the applied for mark pursuant to Section 16(3) because, as of the applicant's filing date, the applied for trade-mark was confusing with the trade-mark ESSENTIALS previously used in Canada by the opponent for meal replacement drinks and for which the opponent had previously filed an application for registration. The third ground is that the applied for trade-mark is not distinctive in view of the opponent's ESSENTIALS trade-mark.

The applicant filed and served a counter statement in which it denied each of the opponent's grounds of opposition. The opponent filed as its evidence the affidavit of Robert W. Hooper while the applicant submitted as its evidence the affidavits of Ellen Anastacio and A. Louise McLean. As a preliminary matter, I should mention that Ms McLean stated in her affidavit that she was attaching photocopies of labels as exhibits but that the original labels were available for inspection at the applicant's trade-mark agents' offices and would be available at the hearing of this matter. Clearly such originals do not form part of the record and given that the oral hearing was conducted by telephone, such originals were not in fact available at the hearing.

Both parties filed a written argument and an oral hearing was conducted

at which both parties were represented.

I will first consider the issue of confusion as it relates to the Section 16(3) ground of opposition. The material date for such ground is the date of the applicant's application, December 13, 1993.

Sections 16(5) and 17(1) of the *Trade-marks Act* place a burden on the opponent to establish its use of ESSENTIALS prior to December 13, 1993 and non-abandonment of such mark as of the date of advertisement of the present application. The opponent has met this burden by means of the affidavit of Mr. Hooper. Mr. Hooper has attested that the opponent's ESSENTIALS meal replacement drinks were launched in Canada in April 1993 and has provided the related annual sales figures for the years 1993 through 1996. In addition, he has provided specimen labels and packaging. Such labels and packaging refer to Ross Products Division, Abbott Laboratories, Limited. Mr. Hooper has attested that Abbott Laboratories, Limited is a wholly owned subsidiary of the opponent, Abbott Laboratories, and that Abbott Laboratories licenses Abbott Canada, Limited with respect to the trade-mark ESSENTIALS and controls the manufacture of the ESSENTIALS products and the use of the trade-mark ESSENTIALS by Abbott Canada, Limited. He further stated that Abbott Laboratories, Limited does business under the trade style Ross Laboratories. The applicant did not choose to cross-examine Mr. Hooper on his statements concerning the license and control exercised with respect to the opponent's mark and therefore, accepting Mr. Hooper's statements at face value, the use of the trade-mark ESSENTIALS by Abbott Laboratories, Limited will be deemed to have the same effect as use by the opponent pursuant to Section 50(1) of the *Trade-marks Act*. Thus, the legal burden is on the applicant to show that there would have been no reasonable likelihood of confusion between the trade-marks at issue as of the date of filing of its application.

In applying the test for confusion set forth in Section 6(2) of the *Trade-marks Act*, the Registrar must have regard to all the surrounding circumstances, including those specifically enumerated in Section 6(5) of the *Act*.

The opponent's trade-mark ESSENTIALS does not have a great degree of inherent distinctiveness given that it is a common dictionary word, which suggests that the opponent's meal replacement drinks will provide the consumer with essential nutrients, etc. The applicant's trade-mark ESSENTIALS FROM NU-LIFE has a greater degree of inherent distinctiveness, despite the disclaimer of ESSENTIALS, given the distinctive phrase FROM NU-LIFE. However, the extent

to which the trade-marks have become known favours the opponent as the applicant's application was filed on the basis of proposed use whereas the opponent's mark had been in use for approximately eight months as of the applicant's filing date. The extent of sales and promotion of the opponent's ESSENTIALS wares prior to December 13, 1993 is unclear. It is stated that sales amounted to $2,400,000 in 1993 and that $2,100,000 was spent on promotion and advertising that year. I will assume that a significant portion of those figures can be attributed to before the material December 13 date.

The length of time the trade-marks have been in use favours the opponent.

Information concerning the nature of the applicant's wares, business and trade is sparse. The applicant's wares are essential fatty acids but neither party has evidenced the nature or purpose of such wares. I have referred to Webster's Third New International Dictionary and located the following definition of fatty acid: any of the series of saturated aliphatic monocarboxylic acids | many of which occur naturally usu. in the form of esters in fats, waxes, and essential oils; any of the saturated or unsaturated monocarboxylic acids that occur naturally in the form of glycerides in fats and fatty oils, that in almost all cases contain an even number of carbon atoms most commonly 12 to 24 in the higher acids (as palmitic acid or oleic acid), that in a few cases contain a substituting group (as hydroxyl in ricinoleic acid), that are obtained by hydrolysis of fats or by synthesis, and that are used chiefly in making soap, detergents, metallic soaps, and other derivatives.

Such definition is not particularly useful and no definition of essential fatty acids was located. Funk & Wagnall's Standard Desk Dictionary provides a more succinct definition of fatty acid as: any of a class of organic acids derived from hydrocarbons, and occurring in plant and animal fats. Again, no definition of essential fatty acids is provided. If I combine the common meaning of the word ESSENTIAL with the meaning of fatty acids, I am led to believe that the applicant's wares consist of certain acids normally found in plant and animal fats which are necessary for something, presumably good health or nutrition. I assume that the purpose of the applicant's wares is good health or nutrition because the applicant, on page 5 of its written argument, refers to both parties' marks existing "in the health food area". Since no evidence was introduced concerning the applicant's wares, business or channels of trade, it is necessary to deduce what little I can from general knowledge and the argument of the applicant and to draw negative inferences

from the applicant's silence.

The opponent, at page 4 of its written argument, does say the following about essential fatty acids: AEssential fatty acids are involved in producing life energy in human bodies from food substances and moving the energy throughout the system. They govern growth, vitality and mental state. They are also important in oxygen transfer, hemoglobin production, and control of nutrients through cell membranes. Fatty acids are divided in three chemical classes according to their hydrogen content: saturated, mono-saturated and polysaturated. Only the polysaturated ones are considered >essential= meaning they must be ingested as food because they cannot be manufactured by the body. They prevent or relieve the symptoms of dietary deficiency in humans and animals.@ The opponent does not refer to any dictionary or encyclopedia in support of the above statements and I do not believe that they can be taken to be general knowledge. Accordingly, I am concerned that this is a case of improperly introducing evidence in argument. It is noted however that the applicant has not commented either on the propriety of the opponent=s introduction of this information in this manner or the correctness of the information.

There is information concerning the opponent's wares, business and channels of trade. Meal replacement drinks is a self-explanatory definition of wares and the labels and promotional materials filed by Mr. Hooper provide further insight. Clearly the opponent's ESSENTIALS product is intended to provide a nutritional alternative to a meal, presumably for people who do not have the time for a regular meal or who prefer to obtain their nutrition in a controlled form. The labels list the ingredients and the nutrition information but the words "fatty acids" do not appear. Paragraph 12 of Mr. Hooper's affidavit mentions that promotional displays for the opponent's ESSENTIALS product were exhibited in various drug stores so I will assume that drug stores are the primary channels of trade of ESSENTIALS meal replacement drinks. It seems reasonable to infer that the ESSENTIALS FROM NU-LIFE product might also be sold through drug stores, and possibly also health food stores.

The applicant's trade-mark comprises the opponent's mark with the words FROM NU-LIFE added. Thus the marks have a fair degree of resemblance one to the other in appearance and sound. The idea suggested by the opponent's mark is that its drink is either something that you must have or that it will provide you with essential ingredients. The applicant's mark suggests that the associated essential fatty acids come from a company known as Nu-Life or that such company is providing you with what you need. Thus, in one way, the

addition of the words FROM NU-LIFE might be interpreted as adding considerable distinctiveness to the applicant's mark by actually incorporating a reference to the source in the mark itself. However, this distinction might not be very effective in the marketplace if consumers of the opponent's ESSENTIALS product do not in fact know that the source of such products is not Nu-Life. It is noted that there is no evidence of NU-LIFE itself having any independent reputation.

The first component of a mark is often considered more important for the purpose of distinction: see *Conde Nast Publications Inc. v. Union des Editions Modernes* (1979), 46 C.P.R. (2d) 183 (F.C.T.D.). However, when a word is a common, descriptive word, it is entitled to a narrower range of protection than an invented or unique word: see *Park Avenue Furniture Corp. v. Wickes/Simmons Bedding Ltd.* (1991), 37 C.P.R. (3d) 413 (F.C.A.). The word ESSENTIALS is an ordinary, dictionary word and the applicant has attempted to demonstrate that the word ESSENTIAL is a common formative in trade-marks by means of the affidavits of Ms Anastacio and Ms McLean.

The state of the register evidence in the Anastacio affidavit is deficient in several ways. Ms Anastacio merely states that she was instructed to do a search and attaches a copy of her search report. Although the search report has the heading Canadian Trademark Database, it is unknown what the source of this database is. Thus, the results of Ms Anastacio's search cannot be given much weight.

Ms Anastacio has attached to her search report what appear to be copies of a number of registrations with complete particulars and I am prepared to conclude that these copies are reliable. However, there are only three relevant marks registered for closely related wares: EQUISSENTIALS for mineral and vitamin supplements for horse feeds; HEALTH ESSENTIALS for vitamin and mineral supplements; and NUTRISENTIALS for vitamins, minerals and nutritional food supplements. EQUISSENTIALS and NUTRISENTIALS are in my view sufficiently different from ESSENTIALS to not impact on the issue at hand. HEALTH ESSENTIALS, while more similar, cannot on its own be given much weight, especially as there is no evidence of it being in use other than the *de minimus* use that may be assumed from the claim of use made in its registration. In general, the various registrations submitted by Ms Anastacio, although perhaps showing that it is not uncommon in general to adopt the word ESSENTIAL in a trade-mark, do not demonstrate that ESSENTIAL is a common formative for marks in the applicant's or the opponent=s field.

The McLean affidavit introduces products purchased by Ms McLean in December, 1996. Thus this evidence is not noteworthy with respect to the issue of confusion in 1993. In any event, for the reasons discussed below with respect to the Section 12(1)(d) ground, Ms McLean=s evidence would not change my decision concerning the likelihood of confusion.

As a further surrounding circumstance the opponent relies on a letter received by Abbott Laboratories, Limited in July 1994 from a woman who seemed to believe that a product called ESSENTIALS NU-PULSE emanated from them. Mr. Hooper attests that "Nupulse is a fish body oil which was sold at least at that time by the applicant". While the applicant's agent correctly points out that this is certainly not evidence of confusion between the marks in issue here, it might be considered as evidence that members of the public who are familiar with the ESSENTIALS meal replacement drinks might conclude that health food products bearing a trade-mark which begins with the word ESSENTIALS come from the same source. Given that the letter was dated only six months after the filing of the applicant=s application, I think that it is not without relevance to the issue of the likelihood of confusion as of December 13, 1993.

Having considered all the surrounding circumstances, particularly those enumerated in Section 6(5), I conclude that there was a reasonable likelihood of confusion between the marks in issue as of December 13, 1993. The applicant has failed to discharge the onus on it to show otherwise. If the applicant had demonstrated that its wares were in fact dissimilar to those of the opponent in nature, purpose or channels of trade, then I might have concluded otherwise. However, the lack of evidence from the applicant on these points has forced me to make the negative inference that there may be an overlap with respect to each of these points. The evidence of third party marks was insufficient for me to conclude that the ordinary consumer would be familiar with a number of trade-marks in the health food area which incorporate the word ESSENTIAL. Even if the wares in issue are of the sort that consumers would take care in the purchase of, it is unclear to me that the words FROM NU-LIFE would suffice to distinguish ESSENTIALS from ESSENTIALS FROM NU-LIFE and enable the public to recognize that the two parties' products come from different sources. As pointed out by the opponent, the fact that the applied-for mark is a word mark means that the applicant is not obliged to present the mark in such a manner as to give the words FROM NU-LIFE equal prominence to the word ESSENTIALS, and even if it did, the case law recognizes the tendency of consumers to focus on the first word in a trade-mark. In applying the test for confusion, I have of course considered that it is a matter of first

impression and imperfect recollection.

The material date for the Section 12(1)(d) ground of opposition is the date of my decision. Hence, the opponent's case is stronger with respect to the extent to which the trade-mark ESSENTIALS has become known and has been used, given its continued use and promotion of its ESSENTIALS trade-mark and the absence of any evidence of use or promotion of the applicant's mark. The applicant's case is however improved somewhat as of today's date by the addition of the evidence of the state of the 1996 marketplace. Such evidence showed that there were five products located in the marketplace which included the word ESSENTIAL. However, two of these were for non-consumable products. Of the other three, two appear to be from the same source: ESSENTIAL BALANCE essential oils and ESSENTIAL BALANCE JR. flax oil blend. The third, QUALITY ESSENTIAL OILS rosemary leaf, may not be trade-mark use. In any event, I do not think that evidence of one or two other sources using the word ESSENTIAL in this manner is sufficient to rebut the onus which lies on the applicant. This ground of opposition therefore also succeeds.

The material date for the ground of non-distinctiveness is the date of filing of the opposition, January 31, 1995: see *Re Andres Wines Ltd. and E.& J. Gallo Winery* (1975), 25 C.P.R.(2d) 126 at 130 (F.C.A.) and *Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd.* (1991), 37 C.P.R.(3d) 412 at 424 (F.C.A.). The issue of confusion as of that date does not differ significantly from the situation as of the filing of the application and therefore this ground of opposition also succeeds.

Having been delegated by the Registrar of Trade-marks by virtue of Section 63(3) of the *Trade-marks Act*, I refuse the applicant's application in view of the provisions of Section 38(8) of the *Act*.

DATED AT TORONTO, ONTARIO, THIS 8th DAY OF JUNE, 1998.

Jill W. Bradbury
Hearing Officer
Trade-marks Opposition Board