



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

Citation: 2011 TMOB 180
Date of Decision: 2011-09-30

**IN THE MATTER OF AN OPPOSITION
by 674802 BC Limited operating as
Amanda Enterprises to application
No. 1,343,406 for the trade-mark
BOTTLE DEPOT & Design in the name
of Encorp Pacific (Canada)**

[1] On April 13, 2007, Encorp Pacific (Canada) (the Applicant) filed an application to register the trade-mark BOTTLE DEPOT & Design shown below (the Mark) based on use of the Mark by the Applicant in Canada since at least as early as March 2005 in association with recycling boxes (the Wares) and recycling services namely, collection, transportation and disposal services; recycling of waste plastic and plastic products; recycling of waste glass and glass products; recycling of waste paper and paper products; recycling of waste aluminum and aluminum products; promotion of reduction, re-use and recycling of waste in all forms and recovery of energy from waste (the Services).



[2] The application was advertised for opposition purposes in the *Trade-marks Journal* of March 25, 2009.

[3] On May 7, 2009, 674802 BC Limited operating as Amanda Enterprises (the Opponent) filed a statement of opposition. The Applicant filed and served a counter statement in which it denied the Opponent's allegations.

[4] In support of its opposition, the Opponent filed affidavits of Darcy Martens, Corinne Atwood and Kelly Ryshak and a certified copy of a letter from the Applicant to the Registrar of Trade-marks dated December 2, 2008. In support of its application, the Applicant filed an affidavit of Sandy Sigmund. No cross-examinations were conducted.

[5] Both parties filed written arguments. An oral hearing was not requested.

Summary of Grounds of Opposition and Applicable Material Dates

[6] The statement of opposition includes the grounds summarized below:

- (a) contrary to s. 30(b) of the *Trade-marks Act*, R.S.C. 1985, c. T-13 (the Act), the Applicant did not use the Mark in Canada with the Wares and Services since at least as early as March 2005;
- (b) contrary to s. 12(1)(b) of the Act, the Mark is not registrable because the dominant feature of the mark is BOTTLE DEPOT, which words, whether depicted, written or sounded, are either clearly descriptive or deceptively misdescriptive of the Wares and Services; and
- (c) contrary to s. 2 of the Act, the Mark is not distinctive because it is clearly descriptive or deceptively misdescriptive and cannot distinguish the Wares and Services of the Applicant.

[7] The material dates with respect to the grounds of opposition are:

- s. 38(2)(a)/30(b) of the Act - the filing date of the application [*Georgia-Pacific Corp. v. Scott Paper Ltd.* (1984), 3 C.P.R. (3d) 469 (T.M.O.B.) at 475];
- s. 38(2)(b)/12(1)(b) of the Act - the filing date of the application [*Fiesta Barbeques Ltd. v. General Housewares Corp.* (2003), 28 C.P.R. (4th) 60 (F.C.) at para. 26]; and

- s. 38(2)(d)/2 of the Act - the filing date of the opposition [*Metro-Goldwyn-Mayer Inc. v. Stargate Connections Inc.* (2004), 34 C.P.R. (4th) 317 (F.C.) at para. 8].

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[8] 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 support each ground of opposition [see *John Labatt Ltd. v. Molson Companies Ltd.* (1990), 30 C.P.R. (3d) 293 (F.C.T.D.)].

Section 30(b) Ground of Opposition

[9] The Opponent alleges that at the filing date the Applicant had not used the Mark since the date claimed, March 2005, which is interpreted as March 31, 2005. The Opponent's affiant, Ms. Martens, Manager of the Amanda Enterprises Bottle Depot, owned by the Opponent, states the following:

- (a) Bottle depots receive recyclable beverage containers along with other recyclables from individuals and entities. Bottle depots compensate the individuals and entities for the recyclables received and transfer them to a recycler. The Applicant is a recycler (Martens affidavit, para. 4).
- (b) In order to access the Applicant's recycling services, bottle depots are required to be a licensee of the Applicant and use the Applicant's trade-marks (Martens affidavit, para. 11). The Opponent is a licensee of the Applicant and although it has been required to display certain trade-marks of the Applicant, as of September 29, 2009 it had not been requested or required to display the Mark (Martens affidavit, para. 12).
- (c) Ms. Martens has not seen the Mark displayed on the premises of any bottle depot in British Columbia or on the Applicant's web-site *www.encorp.ca* (Martens affidavit, para. 12).

- (d) A representative of the Applicant advised Ms. Martens in about 2008 that it was attempting to produce its own recycling boxes, however, this had been delayed due to an issue with the handles (Martens affidavit, para. 13).

[10] Ms. Martens' statements are insufficient to meet the Opponent's burden as these statements do not preclude the use of the Mark by the Applicant at locations other than bottle depots located in British Columbia or on recycling bins produced by a third party. The facts provided do not necessarily support the conclusion that the Applicant had not used the Mark as of March 31, 2005 [see *John Labatt Ltd. v. Molson Cos.* (1990), 30 C.P.R. (3d) 293 (F.C.T.D.)].

[11] This does not end the inquiry since the Opponent can also meet its initial burden by reference to the Applicant's evidence [see *Labatt Brewing Company Limited v. Molson Breweries, a Partnership* (1996), 68 C.P.R. (3d) 216 (F.C.T.D.) at 230]. However, the Opponent may only do so if the Applicant's evidence is 'clearly' inconsistent with the claims set forth in the application [see *York Barbell Holdings Ltd. v. ICON Health & Fitness Inc.* (2001), 13 C.P.R. (4th) 156 (T.M.O.B.) at 162-163].

[12] The Applicant's affiant, Ms. Sigmund, Director, Marketing and Development of the Applicant, provides the following evidence:

- (a) The Applicant entered into a License Agreement with Alberta Beverage Container Recycling Corporation (ABCRC) providing for use of the Mark in or about 2004 (Sigmund affidavit, para. 2).
- (b) ABCRC launched an advertising campaign in March 2005 promoting recycling services featuring the Mark in school programs, community events, posters, and newspaper, television, radio and washroom advertisements throughout Alberta (Sigmund affidavit, para. 2).
- (c) A copy of the advertising campaign timeline showing campaign activities scheduled for March 28, 2005 onwards (Sigmund affidavit, Exhibit B).

- (d) A copy of the advertisements used in the campaign along with invoices for placement outdoors and in newspapers (Sigmund affidavit, Exhibit C). The “EVERY ONE MATTERS” poster is dated prior to March 31, 2005.
- (e) A print-out from the ABCRC web-site *www.abcrc.com* showing a photo of a recycling bin sold as part of the advertising campaign (Sigmund affidavit, Exhibit E). I consider that this recycling bin may also be described as a recycling box due to its shape and the fact that it is assembled by folding.
- (f) A copy of the April 2005 ABCRC newsletter *Round & Round* including the statement that “Posters will be seen at depots throughout Alberta” (Sigmund affidavit, Exhibit F). A copy of the December 2005 ABCRC newsletter *Round & Round* showing a bin for sale featuring the Mark (Sigmund affidavit, Exhibit F).

[13] The Opponent argues that the Applicant has not satisfactorily evidenced that it has used the Mark since at least as early as March 31, 2005. It is true that the Applicant has only stated that there is a license agreement between it and ABCRC without providing evidence that the license is in compliance with s. 50 of the Act. It is also true that there is no documentary evidence proving use of the Mark in association with the Wares and Services prior to March 2005. However, the Applicant is not obliged to produce such evidence in the absence of sufficient evidence suggesting that it did not in fact use its Mark as claimed. Although the evidence presented by the Applicant is lacking in specificity, it is not clearly inconsistent with the claims made in the application. The fact that Ms. Sigmund has not provided evidence to demonstrate that the licensed use qualifies under s. 50 of the Act is not clearly inconsistent with the Applicant’s claim of use, since the licensed use may well qualify under s. 50 [see *Babcock & Wilcox Canada Ltd. v. MAN AG*, 2001 CarswellNat 4032 (T.M.O.B.) at para. 32]. It was open to the Opponent to cross-examine Ms. Sigmund if it wished to explore what it perceived as the deficiencies in her affidavit, but it chose not to [see *Service Experts Inc. v. Pope & Sons Refrigeration Ltd.* (2011), 93 C.P.R. (4th) 313 (T.M.O.B.) at para. 12].

[14] The s. 30(b) ground is dismissed because the Opponent has not met its initial burden.

Section 12(1)(b) Ground of Opposition

[15] The Opponent has pleaded that the Mark is not registrable pursuant to s. 12(1)(b) and alleges:

...the dominant feature of the applied-for mark is the words BOTTLE DEPOT, which words, whether depicted, written or sounded, are clearly descriptive or deceptively misdescriptive of the character of the associated wares and services.

[16] The Opponent's affiant, Ms. Atwood, Executive Director of the British Columbia Bottle Association, provides the following evidence:

- (a) BOTTLE DEPOT is a commonly used term that describes the services of a business that receives recyclable beverage containers and other items including waste paper and plastic products, glass products, waste metal products and electronics (Atwood affidavit, para. 8).
- (b) A copy of the 2005-2006 BC Bottle Depot Association Membership Book including numerous members containing BOTTLE DEPOT in their names (Atwood affidavit, Exhibit A).

[17] The Opponent's affiant, Ms. Martens, provides a copy of the August 4, 2004 issue of the Applicant's newsletter *Forum* in which BOTTLE DEPOT is used descriptively, as reproduced below:

The Bottle Shop in Sicamous didn't relocate, they just built an entire new building for their customers! Now the houseboat capital of the world has a bright shining new bottle depot for their customers. A great new look for The Bottle Shop (Martens affidavit, Exhibit C).

[18] The Opponent's evidence is sufficient to meet its burden.

[19] The issue as to whether the Mark is clearly descriptive or deceptively misdescriptive of the character or quality of the Wares and Services must be considered from the point of view of the average purchaser. Further, "character" means a feature, trait or characteristic of the Wares

and Services and "clearly" means "easy to understand, self-evident or plain" [see *Drackett Co. of Canada Ltd. v. American Home Products Corp.* (1968), 55 C.P.R. 29 (Ex. Ct.) at 34]. The Mark must not be dissected into its component elements and carefully analyzed but must be considered in its entirety as a matter of immediate impression [see *Wool Bureau of Canada Ltd. v. Registrar of Trade-marks* (1978), 40 C.P.R. (2d) 25 (F.C.T.D.) at 27-8; *Atlantic Promotions Inc. v. Registrar of Trade-marks* (1984), 2 C.P.R. (3d) 183 (F.C.T.D.) at 186]. Finally, the purpose of the prohibition in s. 12(1)(b) is to prevent any single trader from monopolizing a term that is clearly descriptive or common to the trade, thereby placing legitimate traders at a disadvantage [see *Canadian Parking Equipment Ltd. v. Canada (Registrar of Trade-marks)* (1990), 34 C.P.R. (3d) 154 (F.C.T.D.) at para. 15].

[20] The evidence of the Applicant supports the Opponent's allegation that BOTTLE DEPOT is clearly descriptive of a location that accepts recyclable beverage containers. For example:

(a) The ABCRC 2005 Annual Report (Sigmund affidavit, Exhibit A) includes the following statements:

- "What Can I Do? Sort your containers at home for faster service at the bottle depot" (pg. 2).
- "The consumer participates in the beverage container recovery system, primarily by returning their empty non-refillable containers to the over 215 bottle depots" (pg. 3).
- "The partnership between ABCRC, the bottle depots, the Alberta Bottle Depot Association (ABDA), and the Beverage Container Management Board (BCMB) is the foundation of the common collection system in Alberta" (pg. 9).

(b) The April 2005 issue of the ABCRC newsletter *Round & Round* (Sigmund affidavit, Exhibit F) includes the following:

- “This 2005 Advertising Campaign has been designed so that specific containers will be targeted at the most opportune times throughout the year. The first is more general in nature and will be followed by ads that focus on single serve containers, big containers (gable top), tetra containers, and a liquor specific commercial that will be seen around the Christmas holidays” (pg. 1).
- “Last fall Waste Reduction Week was launched the week of October 18. ... The purpose was to increase community knowledge, activity and awareness of bottle depots and the beverage container recycling system” (pg. 2).

[21] In the present case, I find on a balance of probabilities that, as a matter of immediate impression and common sense, as of April 13, 2007, the ordinary consumer would consider the Mark to be clearly descriptive in the English language of the Services. I find that the dominant feature of the Mark, the words BOTTLE DEPOT, is descriptive of a location to which consumers bring their beverage containers made of glass, aluminum, paper and plastic for collection, transport and recycling. I also consider that other traders might wish to use BOTTLE DEPOT to describe and promote their own recycling services.

[22] With respect to the Wares, I do not find that the evidence supports the conclusion that BOTTLE DEPOT is clearly descriptive or deceptively misdescriptive of the Wares since there is no evidence that BOTTLE DEPOT has an accepted meaning in relation to recycling boxes. Rather, with respect to the Wares, I find that BOTTLE DEPOT is highly suggestive of recycling boxes where consumers can deposit their bottles for eventual transport to a recycling facility.

[23] Having found that BOTTLE DEPOT, when sounded, is clearly descriptive of the character of the Services, the question is whether the Mark is still registrable in view of the design components [see *Best Canadian Motor Inns Ltd. v. Best Western International, Inc.* (2002), 23 C.P.R. (4th) 110 (T.M.O.B.), aff'd (2004), 30 C.P.R. (4th) 481 (F.C.)]. The design components of the Mark consist of an arrow forming a border around the text. The design, along with the text, is on an angle and the text grows smaller from left to right. The Applicant argues that the design elements of the Mark are “quite distinctive”. The Applicant relies in part on the fact that the arrow becomes larger as it approaches the arrow head and alludes to recycling but is

distinct from the common three arrows symbol. Given the relative size and simplicity of the design element, I do not find that it stimulates visual interest. Accordingly, BOTTLE DEPOT is the dominant portion of the Mark.

[24] Applying the clearly descriptive test as set out in *Best Canadian Motor Inns*, I find that the Mark as a whole, and as a matter of immediate impression, is clearly descriptive, when sounded, of the Services.

[25] In its written argument, the Applicant submits that the Examiner did not consider the Mark to be clearly descriptive or deceptively misdescriptive as he had not cause to. I do not find this persuasive as a decision by an Examiner is not binding on the Opposition Board, nor does it have precedential value because both the onus before the Opposition Board and the evidence available to it differs from that before an Examiner [see *Effigi Inc. v. ZAM Urban Dynamics Inc.* (2010), 89 C.P.R. (4th) 461 (T.M.O.B.) at para. 67].

[26] For the reasons set out above, the s. 12(1)(b) ground of opposition succeeds with respect to the Services and is dismissed with respect to the Wares.

Distinctiveness Ground of Opposition

[27] The Opponent has pleaded:

The applied-for mark is clearly descriptive or deceptively misdescriptive of the associated wares and services. Therefore, the applied-for mark cannot and does not distinguish the wares and services in association with which it is allegedly used by the applicant from the wares and services of the opponent, or from the wares and services of others. Furthermore, the applied-for mark is not adapted so to distinguish the applicant's wares and services from the wares and services of the opponent or of others.

[28] The Applicant has argued that the Mark's design elements are more influential than the words in size, style and layout and render the mark distinctive.

[29] In addition to the evidence summarized in the section entitled “Section 12(1)(b) Ground of Opposition”, the following evidence is relevant to the distinctiveness ground of opposition.

[30] The Opponent filed an affidavit of Ms. Ryshak, a Registered Trade-mark Agent employed by its Agent. Most of the evidence attached to the Ryshak affidavit falls after the relevant date of May 7, 2009. I have, however, taken note of a January 15, 2009 *CBC News* article from the website *www.cbc.ca*, which shows use of bottle depot to describe a place where recyclables are brought (Ryshak affidavit, Exhibit D).

[31] The Opponent also filed as part of its evidence a certified copy of the Applicant’s December 2, 2008 response to an official action issued by the Examiner with respect to the subject application. In its response, the Applicant argued against the citation of application No. 1,327,500 stating, “The only common element between these two marks are the words BOTTLE DEPOT, which are descriptive.”

[32] The Sigmund affidavit also attaches the following evidence relevant to this ground:

(a) The Spring 2009 issue of the ABCRC Newsletter *Round & Round* which includes the following statement: “Currently over 300 million beverage containers sold in Alberta are not returned to a bottle depot for recycling” (Sigmund affidavit, Exhibit F).

(b) The License Agreement between the Opponent and Applicant which includes as Schedule B a list of the Depot Handling Fees on alcohol and non-alcohol containers including the following container types: aluminum, plastic, glass, drink boxes, non-refillable beer, cider, cooler glass, wine and spirits glass and bag-in-a box (Sigmund affidavit, Exhibit G). This is consistent with the evidence of Ms. Martens and Ms. Atwood that bottle depots accept a range of beverage containers for recycling.

[33] I note that the Applicant has not filed any evidence of the extent of use of the Mark in association with the Wares, such as sales figures.

[34] The following statement of Mr. Justice O’Keefe in *Canadian Council of Professional Engineers v. APA – Engineered Wood Association* (2000), 7 C.P.R. (4th) 239 (F.C.T.D.) at para. 49 is particularly relevant to the case at hand:

While it may be true that a purely descriptive or a deceptively misdescriptive trademark is necessarily not distinctive, it is not correct to hold that merely because a mark is adjudged *not* to be either purely descriptive or deceptively misdescriptive, it is therefore distinctive.

[35] The first part of the above quote is significant with respect to the Applicant’s Services, whereas the second part is significant with respect to the Applicant’s Wares.

[36] My conclusion that the Mark is clearly descriptive of the character of the Applicant’s Services as of April 13, 2007 is equally applicable as of May 7, 2009. Therefore, the Mark is not distinctive of the Applicant’s Services.

[37] The fact that the Mark has not been held to clearly describe a character of the Wares does not mean that the Mark is distinctive of the Wares. Based on the evidence of the many bottle depots existing in Canada prior to the material date, I find that BOTTLE DEPOT for use in association with the Wares will be understood by consumers as signifying a box for deposit of beverage containers for eventual transport to a bottle depot for recycling. As I have found that it is the words BOTTLE DEPOT and not the design element which is the dominant feature of the Mark, the Opponent has met its evidential burden.

[38] Furthermore, I conclude that the Applicant has not met its burden of proving that the Mark can distinguish the Wares of the Applicant from those of others. As the Mark does not include any distinctive features which would make the Mark as a whole distinctive from other uses of BOTTLE DEPOT and recycling boxes may be used as deposit points for recyclable containers to eventually be brought to a bottle depot for recycling, I do not find that the Mark can serve to distinguish the Applicant’s recycling boxes from the recycling boxes of others [see *Procter & Gamble Co. v. SmithKline Beecham Inc.* (2006), 50 C.P.R. (4th) 107 (T.M.O.B.) at paras. 14-16].

[39] Accordingly, the distinctiveness ground of opposition is successful.

Disposition

[40] Pursuant to the authority delegated to me under s. 63(3) of the Act, I refuse the application pursuant to s. 38(8) of the Act.

Jill W. Bradbury
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office