OPIC CIPO

LE REGISTRAIRE DES MARQUES DE COMMERCE

THE REGISTRAR OF TRADE-MARKS

**Citation: 2017 TMOB 173**

**Date of Decision: 2017-12-18**

**IN THE MATTER OF AN OPPOSITION**

| | |
|---|---|
| **The Clorox Company of Canada, Ltd.** | **Opponent** |
| **and** | |
| **Escola de Natação E Ginastica Bioswin Ltda.** | **Applicant** |
| **1,671,742 for SMART FIT** | **Application** |

INTRODUCTION

[1] The Clorox Company of Canada, Ltd. (Clorox Canada) opposes registration of the trade-mark SMART FIT that is the subject of application No. 1,671,742 by Escola de Natação E Ginastica Bioswin Ltda. (the Applicant).

[2] The application is based upon proposed use in Canada in association with the following goods:

> Mineral and aerated water and other non-alcoholic beverages, namely cocoa-based beverages, coffee-based beverages, tea-based beverages; fruit beverages and fruit juices; syrups and other preparations for making beverages, namely powder used in the preparation of fruit juices and soft drinks.

[3] The opposition was brought under section 38 of the *Trade-marks Act*, RSC 1985, c T-13 (the Act) and raises grounds of opposition based upon sections 2 (non-distinctiveness); 12 (non-registrability); and 16 (non-entitlement) of the Act, all revolving around the likelihood of

confusion between the Mark and Clorox Canada's trade-mark FITSMART registered under No. TMA823,003 in association with the following goods:

> Natural health products; dietary supplements; nutritional supplements; food supplements; nutraceuticals; herbal supplements; vitamin supplements; mineral supplements; botanicals; herbal remedies; and meal replacements, all of the above for the treatment of low dietary fibre, protein supplementation, vitamin supplementation, mineral supplementation, enzyme supplementation, cholesterol lowering and maintenance, promoting weight loss, promoting weight management and the treatment of digestive disorders.

[4] For the reasons that follow, the opposition is successful, in part.

## THE RECORD

[5] The application was filed on April 8, 2014 and advertised for opposition purposes in the *Trade-marks Journal* on February 4, 2015.

[6] The application was originally opposed by Renew Life Canada Inc. (Renew Life) on July 2, 2015. The statement of opposition was thereafter amended twice. First, by Renew Life in response to the Applicant's request for an interlocutory ruling (see Office letter dated October 2, 2015). Second, by Clorox Canada to reflect the assignment from Renew Life to Clorox Canada in the rights of the trade-mark FITSMART referred to in the statement of opposition (with leave of the Registrar granted orally at the outset of the hearing held in this file). Unless indicated otherwise, I will refer collectively to Renew Life and Clorox Canada as the Opponent.

[7] The Applicant filed and served a counter statement denying each of the grounds of opposition set out in the statement of opposition.

[8] In support of its opposition, the Opponent filed an affidavit of Thomas Bedford, President of Renew Life, sworn January 7, 2016 (the Bedford affidavit). The Applicant elected not to file evidence.

[9] Only the Opponent filed a written argument, but both parties made submissions at an oral hearing.

ANALYSIS

**The parties' respective burden or onus**

[10] 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 evidentiary 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); and *Dion Neckwear Ltd v Christian Dior, SA et al* (2002), 2002 FCA 29, 20 CPR (4th) 155 (FCA)].

**Non-registrability of the Mark based on section 12(1)(d) of the Act**

[11] The Opponent has pleaded that the Mark is not registrable having regard to the provisions of section 12(1)(d) of the Act in that it is confusing with the Opponent's registered trade-mark FITSMART described above.

[12] I have exercised the Registrar's discretion to confirm that this registration is in good standing as of today's date, which is the material date for assessing a section 12(1)(d) ground of opposition [see *Park Avenue Furniture Corp v Wickers/Simmons Bedding Ltd* (1991), 37 CPR (3d) 413 (FCA)]. Of note, by decision of today's date involving the same parties, I concluded that this registration ought to be amended under section 45 of the Act to delete the goods: "Natural health products; nutritional supplements; food supplements; nutraceuticals; herbal supplements; vitamin supplements; mineral supplements; botanicals; herbal remedies; an meal replacements" from the statement of goods [see *Escola de Natação E Ginastica Bioswin Ltda v The Clorox Company of Canada, Ltd.*, 2017 COMC 172]. However, the parties have the right to appeal that decision to the Federal Court until the time period for submitting the appeal expires [see section 56 of the Act]. Thus, for the purposes of this decision, I must consider the Opponent's registration as if it is still in force and as if it still contains all of the goods, including those which I have concluded should be deleted from the registration.

[13] As the Opponent's evidentiary burden has been satisfied, the Applicant must therefore establish on a balance of probabilities that there is not a reasonable likelihood of confusion between the Mark and the Opponent's registered trade-mark FITSMART.

*The test for confusion*

[14] Section 6(2) of the Act provides 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 be likely to lead to the inference that the goods or services associated with those trade-marks are manufactured, sold, leased, hired or performed by the same person, whether or not the goods or services are of the same general class.

[15] Thus, this section does not concern the confusion of the trade-marks themselves, but confusion of goods or services from one source as being from another source.

[16] In applying the test for confusion, the Registrar must have regard to all the surrounding circumstances, including those listed at section 6(5) of the Act, namely: (a) the inherent distinctiveness of the trade-marks and the extent to which they have become known; (b) the length of time the trade-marks have been in use; (c) the nature of the goods, services or business; (d) the nature of the trade; and (e) the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them. This list is not exhaustive and all relevant factors are to be considered. Further, all factors are not necessarily attributed equal weight as the weight to be given to each depends on the circumstances [see *Mattel, Inc v 3894207 Canada Inc* (2006), 2006 SCC 22, 49 CPR (4th) 321 (SCC); *Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée* (2006),2006 SCC 23, 49 CPR (4th) 401 (SCC); and *Masterpiece Inc v Alavida Lifestyles Inc* (2011), 2011 SCC 27, 92 CPR (4th) 361 (SCC) for a thorough discussion of the general principles that govern the test for confusion].

*The inherent distinctiveness of the trade-marks and the extent to which they have become known*

[17] I assess the inherent distinctiveness of the parties' marks as about the same. They are both made up of two ordinary easily discernable dictionary words, which are either descriptive or suggestive in nature in the context of the parties' marks and their respective goods. As submitted by the Applicant at the hearing, the trade-mark FITSMART suggests to consumers that the Opponent's products are a smart way to get or stay fit, whereas the Mark suggests that the

Applicant's applied-for goods are a smart choice to fit their needs. I will return to the ideas suggested by the parties' marks when assessing the degree of resemblance between them.

[18] The strength of a trade-mark may be increased by making it known through promotion or use. There is no evidence that the Applicant's Mark has become known to any extent whatsoever in Canada. In comparison, the Opponent's evidence filed through the Bedford affidavit speaks to the issue of the Opponent's promotion and use of its trade-mark FITSMART. According to Mr. Bedford:

- Renew Life is in the business of manufacturing, selling, distributing, advertising, and promoting natural health products throughout Canada. [Bedford affidavit, para 2]
- Renew Life's natural health products are sold across Canada to retail health food stores, grocery stores, and to health-care practitioners. These entities then sell the products to the ultimate consumer. [Bedford affidavit, para 3]
- Renew Life's head office is located in Oakville, Ontario. The company employs approximately 48 individuals and has annual sales in excess of $25,000,000. [Bedford affidavit, para 4]
- Renew Life markets a variety of natural health products, including: probiotics, digestive enzymes, essential fatty acids, fibre supplements, digestive cleansing products, and weight management products. [Bedford affidavit, para 5; and Exhibit A: printouts from Renew Life's website *www.renewlife.ca* showing the various products sold by the company]
- Renew Life won various awards for the quality of its products. Of particular relevance in this proceeding, Renew Life Canada's FITSMART "Shakes" have won the 2008: "Silver Weight Management"; and 2007: "Silver Weight Management" awards. [Bedford affidavit, para 6]
- The application for the FITSMART trade-mark was filed on September 10, 2010 based upon use of the trade-mark in Canada since at least as early as March 2007, and was registered on April 27, 2012. [Bedford affidavit, para 8; and Exhibit B: particulars of this registration printed from the Canadian Intellectual Property Office's database]

- Renew Life has continuously used the FITSMART trade-mark in association with "a line of meal supplementation products" since at least as early as March 2007. [Bedford affidavit, para 9]
- More particularly, Renew Life uses the FITSMART trade-mark in association with:

  …protein and fibre based meal supplement shakes ("FITSMARTS Products"). The FITSMART Products also contain other vitamins and nutrients, for example vitamins A, D, and E. The FITSMART products are sold as a dry power [*sic*] to be reconstituted by the consumer with water or milk. The FITSMART Products are marketed as a meal replacement or supplement to facilitate weight loss while promoting a well-rounded and balanced diet. The products are marketed towards the general consumer, but also have appeal in specific markets, including the fitness industry due to the protein-based nature of the products. [Bedford affidavit, para 10]

- The FITSMART Products are available in five flavors: Old-Fashioned Vanilla, Chocolate Crème, Strawberry Dream, Pomegranate Berry, and Chocolate Delight. [Bedford affidavit, para 11].
- Renew Life sells the FITSMART Products to various retailers throughout Canada, including: pharmacies, grocery stores, and supplement and health food stores. Particular retailers include Loblaws, Shoppers Drug Mart, London Drugs, Nutrition House, Real Canadian Superstore, Save-On Foods, Rexall pharmacies, Planet Organic, Bulk Barn, and GNC. These retailers then sell the FITSMART Products to the consumer in "brick and mortar" retail outlets or online. [Bedford affidavit, para 12; and Exhibit D: screenshots and a list of the retail outlets in Vancouver, Calgary, Toronto and Montreal that sell the FITSMART Products]
- Since March 2007, FITSMART Products have amassed $4,638,846.00 in sales. [Bedford affidavit, para 13; and Exhibit E: copies of sample invoices for sales of the FITSMART Products dating back to 2007]
- Renew Life spent considerable time, money, and effort on advertising and promoting its various products, including the FITSMART Products. Since being introduced in 2007, the FITSMART Products have been advertised in printed publications such as magazines, newspapers, and flyers, as well as on the radio and Internet. [Bedford affidavit, para 14; and Exhibit F: examples of advertisements displaying the FITSMART trade-mark and FITSMART Products which featured in various printed publications]

[19] As I pointed out to the Opponent at the hearing, Mr. Bedford does not explicitly correlate the FITSMART Products with the goods which are listed in the Opponent's registration. In reply, the Opponent submitted that the validity of its registration is not in issue in this opposition proceeding, although it is the subject of the section 45 proceeding referred to above. The Opponent further submitted that the FITSMART Products are both "natural health products" and "dietary supplements". In the same vein, the Opponent submitted that because of their nutritional value, the FITSMART Products are also both "nutritional supplements" and "food supplements". The Opponent further went over the screenshots of the product pages for the FITSMART Products from the Renew Life's website filed under Exhibit C and highlighted some of the ingredients composing the FITSMART Products, such as various vitamins, protein extracts, dried herbs, etc. as examples of others of the listed goods described as "herbal supplements", "vitamin supplements", "botanicals", etc.

[20] While I acknowledge that the validity of the Opponent's registration is not in issue in this opposition proceeding, I must still come to a conclusion as to the extent to which the Opponent's trade-mark has become known in association with the goods which are listed in the Opponent's registration. That being said, I do not intend to undertake a detailed analysis of the Opponent's characterization of the FITSMART Products as nothing really turns on whether they properly fall under more than one of the listed categories of goods. Suffice it to say that based upon my review of the descriptions of the FITSMART Products and their attributes found under Exhibits C and F (including Exhibits F-1, F-3, F-5, and F-7, which expressly indicate that the FITSMART "shakes" can be used as a meal replacement, especially for breakfast), the sales figures provided by Mr. Bedford, and the list of the retail outlets under Exhibit D, I am prepared to conclude that the FITSMART trade-mark has become known at least to some extent in Canada in association with protein and fibre based shakes that are used as "dietary supplements" and "meal replacements" "for the treatment of low dietary fibre, protein supplementation, vitamin supplementation, mineral supplementation, enzyme supplementation, cholesterol lowering and maintenance, promoting weight loss and weight management and for the treatment of digestive disorders" (hereinafter collectively referred to as the FITSMART Shakes).

[21] In this regard, I wish to add that I disagree with the Applicant's submission at the hearing that in the absence of any detailed information pertaining to the Opponent's advertising and

promotion of the FITSMART Shakes (e.g. advertising and circulation figures, detailed information and supporting documentation as to the awards won by the FITSMART Shakes, etc.), I am precluded from making such finding. The Applicant elected not to cross-examine Mr. Bedford on his affidavit, and I therefore have no reason to discount Mr. Bedford's evidence.

[22] In view of the foregoing, I find that the overall consideration of the section 6(5)(a) factor, which involves a combination of inherent and acquired distinctiveness of the parties' marks favours the Opponent insofar as its FITSMART Shakes are concerned.

*The length of time the trade-marks have been used*

[23] In view of the above, it follows that the length of time the trade-marks have been used also favours the Opponent insofar as its FITSMART Shakes are concerned.

*The nature of the goods, services or business, and the nature of the trade*

[24] When considering the nature of the goods, services or business and the nature of the trade, I must compare the Applicant's statement of goods with the statement of goods in the registration relied upon by the Opponent [see *Henkel Kommanditgesellschaft auf Aktien v Super Dragon Import Export Inc* (1986), 12 CPR (3d) 110 (FCA); and *Mr Submarine Ltd v Amandista Investments Ltd* (1987), 19 CPR (3d) 3 (FCA)]. However, those statements must be read with a view to determining the probable type of business or trade intended by the parties rather than all possible trades that might be encompassed by the wording. The evidence of the parties' actual trades is useful in this respect [see *McDonald's Corp v Coffee Hut Stores Ltd* (1996), 1996 CanLII 3963 (FCA), 68 CPR (3d) 168 (FCA); *Procter & Gamble Inc v Hunter Packaging Ltd* (1999), 2 CPR (4th) 266 (TMOB); and *American Optional Corp v Alcon Pharmaceuticals Ltd* (2000), 5 CPR (4th) 110 (TMOB)].

[25] As indicated above, the FITSMART Shakes are sold as a dry powder to be reconstituted by the consumer with water or milk. They can be used with or between meals. They are designed as a meal replacement or dietary supplement to facilitate weight loss while promoting a well-rounded and balanced diet. They are available in five flavors, including chocolate, strawberry or pomegranate berry. They are marketed towards the general consumer. They are sold to various

retailers throughout Canada, including pharmacies, grocery stores, and supplement and health food stores, and these retailers then sell to the consumer.

[26] The Applicant's preparations for making beverages also come in powder form and a range of flavours. Likewise, the Applicant's other non-alcoholic beverages also come in a range of flavours. I acknowledge that there is no indication that any of these preparations and beverages is specifically designed as a meal replacement or dietary supplement to facilitate weight loss while promoting a well-rounded and balanced diet. However, in the absence of any evidence to the contrary, I find there could be some overlap between the functional properties of the Applicant's preparations and beverages and the Opponent's shakes. Indeed, there is no indication that the Applicant's preparations and beverages could not consist of some sort of functional beverages, such as protein-enriched or vitamin-enriched beverages. Furthermore, there is no reason to conclude that these goods would not travel through the same channels of trade and be directed to the same consumers.

[27] However, I find there is no overlap between the Applicant's goods described as "mineral and aerated water" and "fruit juices" and any of the Opponent's registered goods.

> *The degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them*

[28] As noted by the Supreme Court in *Masterpiece*, *supra*, at paragraph 49, "the degree of resemblance, although the last factor listed in [section] 6(5) [of the Act], is the statutory factor that is often likely to have the greatest effect on the confusion analysis […] if the marks or names do not resemble one another, it is unlikely that even a strong finding on the remaining factors would lead to a likelihood of confusion".

[29] Moreover, it is well-established in the case law that likelihood of confusion is a matter of first impression and imperfect recollection. The trade-marks must be examined from the point of view of the average consumer having a general and not a precise recollection of the earlier mark [see *Pernod Ricard v Molson Breweries* (1992), 44 CPR (3d) 359 (FCTD) at 369]. In this regard, "[w]hile the marks must be assessed in their entirety (and not dissected for minute examination), it is still possible to focus on particular features of the mark that may have a determinative

influence on the public's perception of it" [see *Pink Panther Beauty Corp v United Artists Corp* (1998), 1998, CanLII 9052 (FCA), 80 CPR (3d) 247 (FCA), at para 34]. Even though the first word or portion of a trade-mark is generally the most important for the purpose of distinction, the preferable approach is to first consider whether any aspect of the trade-mark is particularly striking or unique [see *Masterpiece*, *supra*, at para 64].

[30] In the present case, I do not find that any one part of either of the parties' marks stands out at being more striking or unique. As indicated above, the Mark and the FITSMART trade-mark are both made up of the two common dictionary words "smart" and "fit" combined together, although in reverse order.

[31] The Opponent submits that "notwithstanding this inconsequential modification, both trade-marks convey the same overall impression and suggest the exact same idea." Conversely, the Applicant submits that although the marks are transposed terms, they suggest different meanings.

[32] I find the truth is somewhere between the two parties' views.

[33] As indicated above, the trade-mark FITSMART suggests to consumers that the Opponent's products are a smart way to get or stay fit, as further aptly demonstrated by the Opponent's own product advertisements filed under Exhibit F-7 to the Bedford affidavit, which refer to the Opponent's FITSMART Shakes as: "The **Smart Way** to Get Your *Protein*!" and "*Smart & Simple* Weight Loss – FitSMART Shakes are a smart addition to any day".

[34] In comparison, and as submitted by the Applicant, the Mark suggests that the Applicant's applied-for goods are a smart choice to fit their needs.

[35] Still, given the laudatory connotation attaching to the word "smart", and the fact that both parties' marks convey the idea of something that is intended to fit one's objective or needs, I find there is a relatively fair degree of resemblance between the parties' marks as to the ideas suggested.

[36] Furthermore, I find there is a strong resemblance between the parties' marks when viewed and sounded. Indeed, I do not find the inversion of the words "smart" and "fit" (and the fact that the Mark is spelled in two words) to result in significant differences between the marks.

*Additional surrounding circumstances*

[37] While not expressly alleged as an additional surrounding circumstance, the Opponent submits that the Applicant's failure to file any evidence should result in an adverse inference that any evidence it has would not have supported its case. The Opponent submits that without any supporting evidence, the Applicant cannot discharge its legal burden to show on a balance of probabilities that it is entitled to register the proposed Mark.

[38] In response, at the hearing, the Applicant correctly reminded us that parties to an opposition proceeding are not required to file evidence and that the Registrar regularly makes findings on the issue of confusion in the absence of evidence from the parties. Consequently, the Applicant submitted it would be inappropriate for me to draw an adverse inference from the Applicant's failure to file evidence.

[39] I agree with the Applicant.

[40] While it would have been of assistance to have had evidence of use of the Mark by the Applicant, I refuse to draw an adverse inference from the Applicant's failure to file any such evidence [see *Zotos International, Inc v Biopharmapro Inc*, (2011) 96 CPR (4th) 334, 2011 TMOB 142 at paras 11-13]. This is particularly true given the fact that the application is based upon proposed use of the Mark.

*Conclusion regarding the likelihood of confusion*

[41] As indicated above, section 6(2) of the Act is not concerned with the confusion of the trade-marks themselves, but confusion of goods or services from one source as being from another. In the present case, the question posed is whether an individual, who has an imperfect recollection of the Opponent's FITSMART word mark as applied to the Opponent's registered goods, would, as a matter of first impression and imperfect recollection, be likely to conclude that the Applicant's goods are manufactured or sold by the Opponent.

[42] Having considered all of the surrounding circumstances, I find the balance of probabilities as to the likelihood of confusion to be evenly balanced with respect to certain goods, namely:

> […] non-alcoholic beverages, namely cocoa-based beverages, coffee-based beverages, tea-based beverages; fruit beverages […]; syrups and other preparations for making beverages, namely powder used in the preparation of fruit juices and soft drinks.

[43] I reach this conclusion due to the similarities between the marks, the potential overlap with respect to such goods and their channels of trade, and the fact that only the Opponent's trade-mark FITSMART has acquired any distinctiveness in Canada.

[44] As the onus is on the Applicant to show, on a balance of probabilities, that there is no reasonable likelihood of confusion, I must find against the Applicant.

[45] However, I find there is no reasonable likelihood of confusion between the remaining goods set out in the application, namely: "mineral and aerated water" and "fruit juices" as I do not find there is any significant potential overlap in the nature of these goods with any of the Opponent's registered goods.

[46] Accordingly, the section 12(1)(d) ground succeeds, but only to the extent set out above.

**Non-distinctiveness of the Mark based on section 2 of the Act**

[47] The Opponent has pleaded that the Mark does not distinguish the applied-for goods of the Applicant from the goods of the Opponent, nor is it adapted so as to distinguish them in view of the Opponent's prior use and registration in Canada of its trade-mark FITSMART.

[48] An opponent meets its evidentiary burden with respect to a distinctiveness ground if it shows that as of the filing date of the opposition, its trade-mark had become known to some extent at least to negate the distinctiveness of the applied-for mark [see *Motel 6, Inc v No 6 Motel Ltd* (1981), 56 CPR (2d) 44 (FCTD)]. As per my review above of the Bedford affidavit, the Opponent has met its burden insofar as its FITSMART Shakes are concerned.

[49] The difference in relevant dates does not substantially affect my analysis above under the section 12(1)(d) ground of opposition. Therefore, the outcome of the non-distinctiveness ground is the same as the outcome of the section 12(1)(d) ground.

**Non-entitlement of the Applicant based on section 16(3)(a) of the Act**

[50] The Opponent has pleaded that the Applicant is not the person entitled to registration of the Mark having regard to the provisions of section 16(3)(a) of the Act in that at the date of filing of the Applicant's application, the Mark was confusing with the trade-mark FITSMART of the Opponent that has been previously used or made known in Canada by the Opponent.

[51] An opponent meets its evidentiary burden under such a ground if it shows that as of the date of filing of the applicant's application, its trade-mark had been previously used in Canada and had not been abandoned as of the date of advertisement of the applicant's application [section 16(5) of the Act]. As per my review above of the Bedford affidavit, the Opponent has met its burden insofar as its FITSMART Shakes are concerned.

[52] The difference in relevant dates does not substantially affect my analysis above under the section 12(1)(d) ground of opposition. Therefore, the outcome of the non-entitlement ground is the same as the outcome of the section 12(1)(d) ground.

DISPOSITION

[53] In view of all the foregoing, pursuant to the authority delegated to me under section 63(3) of the Act, I refuse the application with respect to the goods:

> […] and other non-alcoholic beverages, namely cocoa-based beverages, coffee-based beverages, tea-based beverages; fruit beverages and […]; syrups and other preparations for making beverages, namely powder used in the preparation of fruit juices and soft drinks

and I reject the opposition with respect to the goods: "mineral and aerated water; fruit juices" pursuant to section 38(8) of the Act [see *Produits Ménagers Coronet Inc v Coronet-Werke Heinrich Schlerf Gmbh* (1986), 10 CPR (3d) 482 (FCTD); and *Les Marques Metro / Metro Brands S.E.N.C. v 1161396 Ontario Inc*, 2017 FC 806 as authority for a split decision].

Annie Robitaille
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office

**TRADE-MARKS OPPOSITION BOARD**
**CANADIAN INTELLECTUAL PROPERTY OFFICE**
**APPEARANCES AND AGENTS OF RECORD**

**HEARING DATE**: 2017-10-11

**APPEARANCES**

| | |
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| Mark Edward Davies | FOR THE OPPONENT |
| Gabriel St-Laurent | FOR THE APPLICANT |

**AGENT(S) OF RECORD**

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