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LE REGISTRAIRE DES MARQUES DE COMMERCE  
THE REGISTRAR OF TRADEMARKS

**Citation: 2022 TMOB 155**  
**Date of Decision: 2022-08-10**

**IN THE MATTER OF AN OPPOSITION**

**Methanex Corporation**

**Opponent**

**and**

**Suez International, société par actions  
simplifiée**

**Applicant**

**1,871,598 for METHANIS**

**Application**

OVERVIEW

[1] Suez International, société par actions simplifiée (the Applicant) has applied to register the trademark METHANIS (the Mark), which is the subject of application No. 1,871,598 (the Application) in association with the following goods, as revised by the Applicant:

Machinery system to purify and convert biogas into renewable natural gas namely gas purification machines, separators for the cleaning and purification of gases. (The Goods)

[2] Methanex Corporation (the Opponent) is a chemical company that produces and supplies methanol. The Opponent opposes the Application based on alleged confusion with its trade name “Methanex Corporation” (the Business Name) and registered trademarks METHANEX and METHANEX & Globe Design (collectively, the METHANEX Marks), the full particulars of which are set out in Schedule A hereto.

[3] For the reasons that follow, the opposition is rejected.

## THE RECORD

[4] The Application was filed on December 6, 2017 on the basis of proposed use of the Mark in Canada and advertised for opposition purposes in the *Trademarks Journal* on August 7, 2019.

[5] On October 4, 2019, the Opponent filed a statement of opposition against the Application pursuant to section 38 of the *Trademarks Act*, RSC 1985, c T-13 (the Act). I note that the Act was amended on June 17, 2019. As the Application was advertised after June 17, 2019, the Act as amended applies (see section 69.1 of the Act).

[6] The Opponent raises grounds of opposition based on non-registrability of the Mark under sections 38(2)(b) and 12(1)(d) of the Act; non-entitlement to registration of the Mark under sections 38(2)(c) and 16(1)(a) and (1)(c) of the Act; non-entitlement to use the Mark under section 38(2)(f) of the Act; and non-distinctiveness of the Mark under sections 38(2)(d) and 2 of the Act.

[7] The Applicant filed a counter statement denying the grounds of opposition.

[8] In support of its opposition, the Opponent filed an affidavit of its Vice President North America, Mark Allard, sworn March 6, 2020 (the Allard affidavit) and certified copies of registration Nos. TMA405,397 and TMA908,802 for the METHANEX Marks. In support of its Application, the Applicant filed a statutory declaration of Michael Theodoulou, who identifies himself as the P. Eng. Senior Product Manager – Anaerobic Digestion Systems of Suez Water Technologies & Solutions Canada (Suez Water), sworn July 27, 2020 (the Theodoulou declaration). None of the affiants were cross-examined.

[9] Both parties filed written representations and were represented at an oral hearing.

## ONUS

[10] The Opponent has the initial evidential burden to adduce sufficient admissible evidence from which it could reasonably be concluded that the facts alleged to support each ground of opposition exist. Once that burden is met, the Applicant bears the legal onus of establishing, on a balance of probabilities, that the particular grounds of opposition should not prevent the

registration of the Mark [*John Labatt Ltd v Molson Companies Ltd* (1990), 30 CPR (3d) 293 (FCTD); *Dion Neckwear Ltd v Christian Dior, SA et al*, 2002 FCA 29, 20 CPR (4th) 155].

#### ANALYSIS

#### **Non-registrability of the Mark under section 12(1)(d) of the Act**

[11] The Opponent has pleaded that the Mark is not registrable because it is confusing with the Opponent's METHANEX Marks.

[12] I have exercised the Registrar's discretion to confirm that the Opponent's registrations are in good standing as of today's date, which is the material date for assessing a section 12(1)(d) ground of opposition [*Park Avenue Furniture Corp v Wickers/Simmons Bedding Ltd* (1991), 37 CPR (3d) 413 (FCA)].

[13] Hence, the Opponent has met its evidential burden in respect of this ground of opposition. The Applicant must therefore establish, on a balance of probabilities, that there is not a reasonable likelihood of confusion between the Mark and either one or both of the Opponent's METHANEX Marks.

#### The test for confusion

[14] The test for confusion is one of first impression and imperfect recollection. Section 6(2) of the Act provides that the use of a trademark causes confusion with another trademark if the use of both trademarks in the same area would be likely to lead to the inference that the goods or services associated with those trademarks are manufactured, sold, leased, hired or performed by the same person, whether or not the goods or services are of the same general class or appear in the same class of the Nice Classification.

[15] Thus, section 6(2) of the Act does not concern the confusion of the trademarks themselves, but of the goods or services from one source as being from another. In the present case, the question is essentially whether a consumer, with an imperfect recollection of the Opponent's METHANEX Marks, who sees the Applicant's Goods in association with the Mark, would think that they emanate from, are sponsored by, or are approved by the Opponent.

[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 trademarks and the extent to which they have become known; (b) the length of time the trademarks 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 trademarks, including 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 SCC 22, 49 CPR (4th) 321; *Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée* 2006 SCC 23, 49 CPR (4th) 401; and *Masterpiece Inc v Alavida Lifestyles Inc*, 2011 SCC 27, 92 CPR (4th) 361 for a thorough discussion of the general principles that govern the test for confusion].

*The inherent distinctiveness of the trademarks and the extent to which they have become known*

[17] Although the parties' trademarks are coined words, neither of them is inherently strong.

[18] Indeed, it is readily apparent that the word METHANEX comprising the Opponent's METHANEX Marks is derived from the word "methanol", which is exactly the only product sold by the Opponent. I shall add that I do not consider the stylised design of a terrestrial globe comprising the Opponent's METHANEX & Globe Design mark to lend any significant inherent distinctiveness as it is suggestive of the international scope of the Opponent's business activities.

[19] Turning to the Mark, I note that the Applicant takes the position that it possesses a higher degree of inherent distinctiveness than the Opponent's METHANEX Marks since the Applicant's Goods consist of a machinery system to purify and convert biogas into renewable natural gas. Stated differently, it is not the renewable natural gas (also called "biomethane", as explained in the Applicant's exhibited materials attached to the Theodoulou declaration, particularly its METHANIS brochure at Exhibit MT-5) itself that the Applicant sells but the machinery to produce it. However, as the Applicant's machinery system is for biomethane recovery from biogas, I agree with the Opponent that the connection or link between the Mark and the Applicant's Goods is also readily apparent.

[20] The degree of distinctiveness of a trademark may be increased by means of it becoming known through promotion or use.

[21] This brings me to review the parties' respective evidence and submissions on this point.

Review of the evidence – Preliminary remarks – What are methane and methanol?

[22] Considering the specialized and technical nature of the parties' respective goods, I find some background information with respect to methane and methanol is necessary. Based on my review of the Allard affidavit (and accompanying Exhibit 4), methane and methanol can be defined as follows:

- Methanol (also known as methyl alcohol) as is an odourless, colourless, water soluble and flammable liquid chemical with the molecular formula of CH<sub>4</sub>O or CH<sub>3</sub>OH.

Methanol occurs naturally in the environment and as an organic molecule, is a building block of life.

Globally, methanol is predominantly manufactured on an industrial scale from natural gas. It can also be derived from methane through different methods.

Methanol is an essential chemical used to produce other chemical derivatives, which in turn are used to produce hundreds of consumer and industrial items, including, paints, plastics, building materials, foams, resins, polyester, solvent, antifreeze and a wide variety of health and pharmaceutical products.

Methanol is also a clean-burning, biodegradable fuel. Approximately 45% of the world's methanol at present is used in energy-related applications. For example, methanol can be used on its own as a vehicle fuel or blended directly into gasoline to produce a high-octane, efficient fuel.

- Methane is an odourless, colourless and flammable gas with the molecular formula of CH<sub>4</sub>.

It is a principal component of natural gas, constituting the majority of natural gas by volume.

In addition to occurring naturally in the environment, methane can also be manufactured, including via biomass burning and waste management (through decomposition of sludge by bacteria in the management facilities).

Methane can also be used to produce hydrogen and to produce plastic.

#### The Opponent's evidence – the Allard affidavit

[23] I summarize below those portions of the Allard affidavit that I consider to be the most pertinent regarding the extent of use and promotion of the METHANEX Marks.

[24] Mr. Allard essentially attests to the following:

- the Opponent is a chemical company that is now the world's largest producer and supplier of methanol. Headquartered in Vancouver, the Opponent distributes methanol in Canada as well as internationally with 11 regional sale offices located in 8 countries. The Opponent operates 6 methanol production sites with 11 plants in Canada and 5 other countries. In 1995, the Opponent developed its own shipping company – Waterfront Shipping Company Limited (Waterfront Shipping), that now operates the world's largest fleet of methanol ocean tankers, for purposes of facilitating safe, responsible and effective delivery of methanol worldwide. The Opponent also manages a network of terminals and storage facilities in various countries [para 4];
- the Opponent started using the coined word METHANEX as a trademark and trade name in Canada since its incorporation in 1992. There has been no interruption of use [para 7];
- the Opponent has obtained trademark registrations in Canada and other jurisdictions worldwide for the METHANEX word mark and/or the design versions thereof, namely the METHANEX & Globe Design mark (the “Current Logo”, as reproduced in Schedule A) and former METHANEX & Design mark (the “Old Logo”) reproduced

below (Mr. Allard asserts that the change of use of the Old Logo to the Current Logo occurred in 2013) [paras 8, 9 and 11];



- the Opponent owns numerous METHANEX domain names. The Opponent's main website *www.methanex.com* (the Website) became operational and publicly accessible in 1996;
- the worldwide revenue of the Opponent in the 23 years between 1996 and 2018 is provided in paragraph 22 of the affidavit. The figures from 2011 onward show annual revenue ranged between USD 2 and 4 billion. The revenue attributed to Canada in the same period ranged from USD 100 and 250 million [paras 22 and 23];
- compared to other sectors such as retail, chemistry and energy is a highly specialized industry with a fairly small group of providers. As such, there is neither the need nor the reason for the Opponent to engage in traditional channel of promotion such as advertisements or commercials. Instead, the Opponent promotes its businesses through trade conferences, private meetings and sale pitches [para 25]. A list of some of the conferences attended by the Opponent from 2017 to 2019 is provided at paragraph 26 of the affidavit;
- since 1996, the Opponent has been a member of the Chemical Industry Association of Canada ("CIAC"), which represents the leading businesses in the chemistry industry in Canada. The Opponent has also been a member of the Methanol Institute, a global trade association representing the world's leaders in the methanol industry, since at least 1999 (with the exception of the 2004/2005 year) [paras 13 and 15];
- in November 1997, the Opponent became the first chemical company in the world to receive the global verification under the Responsible Care® program. The Responsible Care® program is a global initiative recognized by the United Nations of the chemical

manufacturing industry to enhance and achieve the highest environment, health, safety and security performance standards [para 5]; and

- throughout the years, the Opponent has won corporate and industry awards of different nature in Canada (from rail safety to protection of the environment to giving back to our society). A list of some of the awards by the Opponent from 2014 to 2019 is provided at paragraph 27 of the affidavit.

[25] In support of the above assertions, Mr. Allard attaches the following exhibits to his affidavit:

- Exhibit 1: a summary of the Opponent's corporate history published in 2018, covering the period from 1968 to 2018, as well as copies of two certificates issued by Canadian authorities showing good standing status of the Opponent;
- Exhibit 2: a list of the trademark registrations obtained by the Opponent for the METHANEX Marks in 19 jurisdictions worldwide;
- Exhibits 3 and 4: 10 sample screen shots of the Opponent's Website at different periods of times from 1996 to the date of the Allard affidavit and printouts of "selected pages" of the Opponent's Website as of the date of the Allard affidavit, all prominently displaying either one of the Old Logo or Current Logo of the METHANEX mark;
- Exhibit 5: the "About Us" page and the "Members and Partners" page obtained from the CIAC's website, listing the Opponent as a "current member";
- Exhibit 10: 30 representative samples invoices issued to Canadian clients from 2015 to January 2020, which prominently display the METHANEX & Globe Design mark in the top right corner of all of the invoices and the Opponent's Business Name in the top left corner followed by the Opponent's address in Vancouver; and
- Exhibit 11: copy of the advertisement of the CIAC Chemistry Canada Conference, held in Gatineau-Ottawa in May 2019, identifying the Opponent (through the display of the METHANEX & Globe Design mark) as one of the conference sponsors. Mr. Allard



asserts that the conference was attended by approximately 100 people, including members of the CIAC, government officials, politicians, as well as companies that service the chemistry industry and that in addition to being one of the conference sponsors, the Opponent (through one of its representative) was a speaker at the event.

[26] I note at this juncture that I am satisfied that all uses made of the Old Logo or Current Logo (either alone or in combination with the phrase “the power of agility” displayed in much smaller size beneath the word METHANEX) in the above exhibits also amount to use of the word mark METHANEX as this word stands out prominently from the globe design element (and other reading matter) [per *Registrar of Trade-marks v Compagnie Internationale pour l’informatique CII Honeywell Bull* (1985), 4 CPR (3d) 523 (FCA); and *Nightingale Interloc v Prodesign* (1984), 2 CPR (3d) 535 (TMOB)].

[27] Both in its written representations and at the hearing, the Applicant submitted that the Allard affidavit does not show use in accordance with section 4 of the Act of the METHANEX Marks in association with methanol *per se*, or any of the services (1), (2), (4) and (5) covered by the Opponent’s registration No. TMA908,802. In essence, the Applicant submitted that the Opponent’s evidence of use is deficient in many respects because: (i) none of the exhibited materials show how either one of the METHANEX Marks is associated with the methanol produced and distributed by the Opponent; (ii) the sales figures provided by Mr. Allard do not identify what generated the revenue; and (iii) the invoices in Exhibit 10 refer to quantities of products only – they do not identify the nature of the products, nor do they provide any indication about the connection between the products and any of the Opponent’s METHANEX Marks at the time of sale.

[28] I partly disagree with the Applicant.

[29] As submitted by the Opponent at the hearing, and as transpired from the Opponent’s exhibited materials, methanol is the *only product* produced by the Opponent. For example, I note that on the Opponent’s website excerpts attached as Exhibit 4 to the Allard affidavit, the Opponent’s business is described as follows:

We are the world's largest producer and supplier of methanol to major international markets in North America, Asia Pacific, Europe and South America.

Our strategically positioned production sites and extensive global supply chain enable us to provide our customers with a reliable and secure supply of methanol.

[...]

The world's leading companies choose Methanex because they trust us to deliver. We provide our customers peace of mind through our ability to quickly adapt and respond to their needs and provide a secure supply of methanol through our safe, reliable and cost effective operations.

We are proud to be the primary supplier to some of the world's largest consumers of methanol. Across North America, Asia Pacific, Europe and South America, our customers rely on us to deliver this essential chemical building block used in countless industrial and consumer products and energy-related applications.

Through our extensive global supply chain and distribution network of terminals and storage facilities, we deliver methanol to customers worldwide by tanker, barge, rail, truck and pipeline. Our global supply chain is supported by the world's largest fleet of methanol ocean tankers.

[30] I therefore agree with the Opponent that it can reasonably be inferred that the product, identified in volume (Kg), in all of the invoices attached as Exhibit 10 to the Allard affidavit consists of methanol.

[31] However, I agree with the Applicant that the exhibited invoices do not provide any indication about the association between the Opponent's methanol and any of the METHANEX Marks at the time of transfer. Indeed, while the invoices bear the METHANEX & Globe Design mark, there is no indication that the invoices accompanied the products at the time of transfer so that notice of association between the METHANEX Marks and the methanol sold be given pursuant to section 4 of the Act. Further, I am not prepared to assume that the invoices accompanied the products at the time of transfer in the absence of evidence to that effect [per *Riches, McKenzie & Herbert v Pepper King Ltd* (2000), 2000 CanLII 16133 (FC), 8 CPR (4th) 471]. In this regard, it is noteworthy that except for six invoices, the shipping date of the products and the issuance date of the invoices do not coincide. Furthermore, for those few invoices showing identical shipping date and issuance date, the "Bill to" and "Destination" information indicated in the non-redacted portion of the invoices does not coincide, but rather shows different "Customer # CAN" numbers.

[32] I appreciate that methanol is a chemical product that must be handled safely and that, as such, “traditional” packaging may not apply. However, the fact remains that the Opponent’s evidence of record fails to show how either one of the METHANEX Marks is associated with methanol *per se* at the time of transfer pursuant to section 4 of the Act.

[33] Turning to the Opponent’s registered services, I agree with the Applicant that, except for the services (3) described as “distribution and supply of methanol”, the Allard affidavit fails to evidence use of either of the METHANEX Marks with any of the services (1), (2), (4) and (5). As conceded by the Opponent at the hearing, the “selected” website excerpts attached as Exhibits 3 and 4 to the Allard affidavit do not provide any information with respect to these particular services. I do not mean to say by this that the Opponent does not provide any of these latter services, but only that there is simply insufficient factual basis on which use of the METHANEX Marks can be inferred with respect to these services in Canada.

[34] As the sales figures provided by Mr. Allard at paragraphs 22 and 23 of his affidavit are not broken down, I agree with the Applicant that I cannot ascertain precisely what percentage of the Opponent’s revenue is attributable to sales of methanol and what revenue relates to the Opponent’s registered services. However, considering the Allard affidavit as a whole, I find reasonable to infer that at least a portion of those sales would be attributable to the distribution and supply of methanol in association with the METHANEX Marks. In this regard, I note that most of the invoices attached as Exhibit 10 to the Allard affidavit apparently relate to the delivery of methanol at different dates spread over about a one-month period. For example, invoice No. CA20150000013 dated January 31, 2015 billed to #Customer CAN10010 in Toronto shows 31 “Order/Release#” together with corresponding “Transport Details” to #Customer CAN10262 in Grande Prairie, Canada, between January 5 and 30, 2015; and invoice No. CA2018000821 dated June 30, 2018 billed to #Customer CAN10053 in Delta, BC shows 12 “Order/Release#” together with corresponding “Transport Details” to #Customer CAN10160 in Grande Prairie, Canada, between June 1 and 30, 2015.

[35] To sum up, in view of the deficiencies and imprecise nature of the Opponent’s evidence regarding the manner or extent of use of its METHANEX Marks, I am not prepared to conclude, as the Opponent wishes me to, that its METHANEX Marks (and Business Name) have become

well-known in Canada and “rank very high on the spectrum of the degree of distinctiveness”. However, noting the limited number of chemical providers in Canada (members of CIAC – approximately 50 [Exhibit 5 to the Allard affidavit]), I am prepared to conclude that the Opponent is recognized as a chemical provider in Canada and that its METHANEX Marks (and Business Name) have become known to some extent in Canada in association with the distribution and supply of methanol.

The Applicant’s evidence – the Theodoulou declaration

[36] I summarize below those portions of the Theodoulou declaration that I consider to be the most pertinent regarding the extent of use and promotion of the Mark.

[37] Mr. Theodoulou essentially attests to the following:

- Suez Water is an Ontario partnership that has its primary office in Oakville, Ontario, whereas the Applicant is a “*société par actions simplifiée*” that is organized and existing pursuant to the laws of France and has its principal place of business in Paris La Défense, France. Suez Water and the Applicant are part of the Suez group of companies [paras 2, 5 and 6].
- the Applicant controls the quality of the products and services rendered by Suez Water in Canada, including the Goods covered by the Application for the Mark [para 7];
- regarding the METHANIS Goods, the Applicant’s biogas management system upgrades raw biogas to renewable natural gas for pipeline injection with more than 99% methane recovery [para 9];
- the METHANIS Goods are mainly targeted at municipalities and the biogas industries and destined to the following projects: industrial wastewater, municipal wastewater, biosolids management, municipal and industrial organic waste [para 11];
- the Mark has been used to identify the Goods for several project proposals, two to be installed in Canada and one to be constructed in Canada and installed in the United States of America [para 12]; and

- the Applicant’s machinery system is custom-made for installation on large municipal or industrial sites [para 13]

[38] In support of the above assertions, Mr. Theodoulou attaches the following exhibits to his affidavit:

- Exhibit MT-1: images of the METHANIS equipment;
- Exhibit MT-2: copy of three “proposals”; namely:
  - a proposal dated September 9, 2019 “for the SUEZ Methanis™ system for the purification and compression of biogas from the existing anaerobic digesters at the CTBM [Biomass Treatment Centre de la Monteregie Inc.] facility located in Saint-Pie in the Monteregie region of Quebec;
  - a proposal dated June 19, 2019 for “the SUEZ Methanis™ system for the purification and compression of biogas from the existing anaerobic digesters at the Gold Bar WWTP [Wastewater Treatment Plant]) located in Edmonton, Alberta”; and
  - a proposal dated June 14, 2018 for the Montreal Biomethanation facility.
- Exhibits MT-3 and MT-4: extracts from the website *www.suezwatertechnologies.com*, showing references to the METHANIS gas upgrading system as a solution for biogas management;
- Exhibit MT-5: a downloadable brochure describing the METHANIS biogas upgrading system and how it works;
- Exhibit MT-6: a press release from Paris dated October 8, 2019, announcing that the City of Montreal has signed a contract with “Suez” to design, build, operate and maintain an organic waste treatment center on the east side of Montreal Island, and which includes a footnote about the METHANIS system being part of that. As mentioned in this press release, and as further explained by Mr. Theodoulou, the facility is expected to be

commissioned in 2022 and is the second contract won in 2019 by the Applicant in Montreal. More particularly, this facility is the second organic waste treatment centres planned by the City of Montreal to recover and divert away its organic waste from landfills. In April 2019, the Applicant was selected by the City of Montreal to design, build and operate the city's first organic waste treatment center, located in the Saint-Laurent borough using the METHANIS equipment;

- Exhibit 7: a deck from a presentation that Mr. Theodoulou gave to an unidentified “industry group” of potential customers in the summer 2019 in Quebec City.

[39] Both in its written submissions and at the hearing, the Opponent submitted that “the Theodoulou declaration clearly states that the first machinery system branded under the Mark is not scheduled for completion until at least 2022” and that “since no transfer of property could occur prior to completion of the project, there cannot be used of the [Mark] for the Goods within the meaning of section 4 of the Act.” I agree with the Opponent.

[40] I further agree with the Opponent that even assuming the Mark has become known through presentations to a few people, the extent of acquired distinctiveness is “insignificant in light of the long-term use of the [Opponent’s METHANEX Marks and Business Name]”. Besides, I note that the Applicant does not seemingly deny that the Mark has not acquired any significant distinctiveness through use in Canada.

#### Conclusion on this first factor

[41] Taking into account the combination of inherent and acquired distinctiveness of the parties’ trademarks, I find that this factor favours the Opponent, but only insofar as the distribution and supply of methanol is concerned.

#### *The length of time the trademarks have been in use*

[42] In view of my findings made above, this factor also favours the Opponent insofar as the distribution and supply of methanol is concerned.

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

[43] 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 and services in the registrations relied upon by the Opponent [*Henkel Kommanditgesellschaft auf Aktien v Super Dragon Import Export Inc* (1986), 12 CPR (3d) 110 (FCA); *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. Evidence of the parties' actual trades is useful in this respect [*McDonald's Corp v Coffee Hut Stores Ltd* (1996), 68 CPR (3d) 168 (FCA); *Procter & Gamble Inc v Hunter Packaging Ltd* (1999), 2 CPR (4th) 266 (TMOB); *American Optional Corp v Alcon Pharmaceuticals Ltd* (2000), 5 CPR (4th) 110 (TMOB)].

[44] The Applicant's Goods cover a machinery system that converts biogas into renewable natural gas, whereas the Opponent's METHANEX Marks cover methanol, as well as various services relating to the supply and distribution of methanol and the operation of methanol production sites, among other things.

[45] As acknowledged by the Opponent, there is no overlap on the face of the statements of goods and services. However, the Opponent submits that the great similarities and relatedness in the nature of methane and methanol render the differences between what appear to be clearly distinct goods and services much less clear cut. More particularly, the Opponent submits that:

56. The machinery system associated with the [Mark] is for recovery of methane from biogas for direct injection into natural gas pipelines (methane is a primary component of natural gas [...]). Natural gas/methane is a source of energy fuel. Methanol is also a source of energy fuel. The applications of the two chemicals also overlap outside of energy use, such as for production of plastics. Both chemicals are flammable, odourless and colourless, and share a molecular composition that is nearly identical. If a machine that produces a good does not suggest a highly similar good, they, at the minimum, cannot be too diverse. The two goods are not identical, but they ought to be considered, at the very least, related. [...] the chemical makeup of the two chemicals is nearly identical, with the exception of one-part oxygen found in methanol.

57. Further and importantly, with the extensive and long-term use, the Opponent ought to be entitled to protection representing the natural and progressive expansion of its

established goods and services. The Opponent operates sites and terminals that produce methanol. We submit the building of a machinery system that recovers a closely related chemical (methane) for production of a substance that is of overlapping application (fuel) is not at all far-fetched.

58. The [Opponent's registration TMA908,802 for the Current Logo] covers significantly more than just methanol. In particular, it covers the following services, the nature of which directly overlaps with or is closely similar to the services to be provided by the Applicant or Suez Water:

TMA908802

(1) business management services relating to methanol production;...industry expertise in the... safe handling of methanol

(3) operation of methanol storage terminals

(4) operation of methanol production facilities including ... treatment facilities for methanol, operation of equipment, utilities, material handling and infrastructure facilities...

[...]

59. The Theodoulou Declaration [...] states that the Applicant or Suez Water is to operate the biomethane production equipment and facilities for at least some of its clients. [...] As such, while the Application identifies only the machinery system, the Applicant's actual offerings in commerce are much more than that and include rendering of operation and industry expertise services, both of which directly overlap with those covered by the registration of the Current Logo.

60. We submit that even most of the services covered by the registration of the Current Logo are specifically related to methanol and that the operation, advice and services offered by the Applicant or Suez Water are related to methane, the close relationship between methanol and methane renders any differences in the nature of the services insignificant, if not meaningless. This is especially the case considering that both methanol and methane are dangerous substances [...]. We invite the Board to draw the inference that the nature of the operation of the two facilities share a fair level of similarities. If registration of the [Mark] was granted, it is tantamount to allowing the Applicant to infringe on, or otherwise depreciate the goodwill of, the Registered Marks, having in mind the actual services intended to be provided by the Applicant or Suez Water under the [Mark] for a closely related substance. The services that the Applicant or Suez Water intend to render directly overlap with the services that the Opponent has been offering for a long time.

[46] I respectfully disagree with the Opponent's position for the following reasons.

[47] As stressed by the Applicant, a distinction must be drawn between a provider of a chemical, which is a component used in multiple products of all sorts, and a producer of machinery for clients who wish to transform waste into methane, a source of energy.



[48] As evidenced by the Allard affidavit, the Opponent is a chemical company, producer and supplier of a raw material – methanol. There is no reference to any use or registration of the METHANEX trademark (or Business Name) in connection with any product derived from the methanol. There is also no reference and no evidence of any use of the METHANEX trademark (or Business Name) by the Opponent in connection with any service of transformation of the methanol into any finished product.

[49] As evidenced by the Theodoulou declaration, the Applicant builds custom-made machinery and is in the field of smart and sustainable resource management. The Applicant does not produce methane – its machinery is aimed at clients who wish to purify and convert biogas into renewable natural gas (biomethane).

[50] In this regard, I agree with the Applicant that in doing the “equation” between methane and methanol as set out in paragraph 56 of the Opponent’s written representations reproduced above, the Opponent is making an “artificial link”. The Opponent is not comparing its methanol with the Applicant’s product.

[51] I further agree with the Applicant that the Opponent’s argument set out in paragraph 57 of its written representations reproduced above is not persuasive. As noted by the Applicant in paragraph 60 of its written representations:

Not only the well-established worldwide Opponent has never expanded to any engineering conception and construction of machinery of any sort for third party but there is no evidence that would suggest in any way, shape or form that it is the natural progression for such company. The skills, engineering work, craftsmanship, expertise of the Applicant has no common denominator with the Opponent’s activities.

[52] I shall add in this regard that at the hearing, the Opponent also relied on the following excerpt from the summary of the Opponent’s corporate history [Exhibit 1 to the Allard affidavit] to submit that as the Opponent has developed an expertise in the operation of methanol production sites, there would be no reason why it could not develop machinery like the Applicant’s Goods:

1998: Methanex completes a CDN\$5 million environmental upgrading of its wastewater handling and treatment system at the Kitimat production site.

[53] With respect, I do not find this submission more persuasive. The mere fact that the Opponent completed an environmental upgrading of its wastewater handling and treatment system in 1998 is insufficient in itself to draw any meaningful conclusion as to the Opponent's expertise in the development of such machinery system, not to mention that had the Opponent developed such an expertise, one would have expected Mr. Allard to particularly say so and expand on this topic in his affidavit.

[54] I further agree with the Applicant that the Opponent's field of activity (chemical industry) as well as the Applicant's field of activity (anaerobic sector) are very specialized.

[55] As outlined by the Applicant in paragraph 63 of its written representations, many different statements in the Allard affidavit confirm the degree of specialty of the Opponent's products and activities:

- the fact that the Opponent developed its own shipping company to manage a fleet of dedicated methanol tankers [Exhibit 1];
- the existence of a network of terminals and storage facilities in various countries of the world [para 4];
- the Opponent is a member of the Methanol Institute;
- installations are huge [Exhibit 1];
- the Opponent begins construction to expand its existing methanol storage terminal in Yeosu, Korea, to nearly 140,000 tonnes; and
- compared to other sectors such as retail, chemistry and energy is a highly specialized industry with a fairly small group of providers [para 25].

[56] Likewise, when reading the Theodoulou affidavit, one understands the use and destination of the Applicant's machinery system and how complex it is. As explained by Mr. Theodoulou at paragraph 20 of his affidavit, the Applicant sells and installs gas processing equipment systems which are based on a gas separating technology. Its customers are mainly municipalities, but can be any biogas facility: waste water treatment plants, industrial companies that process food and have residual processes to digest waste and produce biogas, or private

owners of a renewable biogas facility. All systems are custom made, to specifications for each customer and the price depends on the scale of the customer's facility, in the range of CA\$2,000,000 to CA\$10,000,000. The time frame from customer inquiry to delivery on site is between 12 months and 18 months.

[57] I agree with the Applicant that the costs of the design and implementation of the Applicant's machinery and the length of time for such implementation are eloquent as to the very specialized nature of the Applicant's Goods.

[58] Finally, contrary to what the Opponent's argument set out in paragraphs 58 to 60 of its written representations reproduced above may suggest, there is no indication that the Applicant will operate the biomethane production equipment and facilities for its clients in association with the Mark. In this regard, it is my understanding that the proposals and press release attached as Exhibits MT-2 and MT-6 to the Theodoulou affidavit only refer to the METHANIS equipment as being part of the Applicant's global offering. In any event, and more importantly, the Application is for the machinery system only.

[59] This brings me to discuss the nature of the trade.

[60] In its written representations, the Opponent submits that:

62. Judging from the Goods, we submit it is fair to assume that the relevant universe of the Applicant's customers are organizations that possess or have access to a large amount of biomass or biogas. Though not restricted in the Application, the Theodoulou Declaration specifically identifies the Goods to be sold mainly to municipalities and industries (Para. 11).

63. The Opponent produces methanol and offers various services regarding methanol. Considering the many potential applications of methanol, the relevant universe of the Opponent's customers is diverse, including very significantly, the industrial sector [...].

64. The Opponent is the world's largest producer and supplier of methanol, and one of the limited number of chemical suppliers in Canada. The Opponent is a member of the CIAC, which membership includes companies that produce biofuels from biomass (and thus probably possess machines and systems to produce biofuels). As such, even if the [Mark] is not used in association with the actual chemical, the direct causation relationship between the system and the product derived from and generated by such system ought to be considered to be materially the same for purposes of the trademark confusion analysis. The Opponent is a regular sponsor, panel speaker and participant of industry events and conferences, which are participated by government officials and

representatives, politicians, in addition to the industries. Since this group of people is also the intended targeted clients of the Goods, the difference in the nature and channel of trade between the Opposed Mark and the Registered Marks cannot be meaningful. The Responsible Care® certification and the various awards won (including that in environmental) have earned the Opponent recognition in the protection of environment. We believe environmental protection is an important feature of the Goods. All of the above indicate that, although overlap in the nature of customers may not look obvious on the face of the Application and the registrations of the Registered Marks, it is reasonable, if not highly likely, that the Opposed Mark and the Registered Marks will be encountered by the same group of people.

[61] In contrast, the Applicant submits that:

65. The plant environment shows how complex the Applicant's products under its trademark METHANIS are. Furthermore, the RFP shows how a contract is gained and who are the people susceptible to analyze and understand the proposals made. Only engineers specialized in this type of installation have the ability to understand the charts, plans and potential structure of the machinery and made a decision about the proposals.

*(v) The Channels of trade for the Opponent and the Applicant do not overlap*

*Opponent*

66. Mr. Allard informs us that the Opponent controls its own distribution channels:

- ✓ Through its extensive global supply chain and distribution network of terminals and storage facilities, we deliver methanol to customers worldwide by tanker, barge, rail, truck and pipeline.
- ✓ The Opponent's global supply chain is supported by the world's largest fleet of methanol ocean tankers.

*Applicant*

67. As said by Mr. Theodoulou the METHANIS product is sold mainly to municipalities and large-scale industries and destined to the anaerobic digestion of organic material to [convert raw biogas into renewable natural gas for pipeline injection]:

- industrial wastewater;
- municipal wastewater;
- biosolids management;
- municipal and industrial organic waste.

68. These large-scale projects are handled by specialized members of industries and municipalities. Tas [sic] it can easily be deduced, these projects are managed by engineers in the field.

69. As the Applicant's witness says, its customers are mainly municipalities, but can be any biogas facility [...]

71. Contrary to what is mentioned in the Opponent's written arguments [...] the "rather mythical consumer" described [by Cattnach J. in *Canadian Schenley Distilleries Ltd v Canada's Manitoba's Distillery* (1975), 25 CPR (2d) 1 at 5] does not correspond to the ultimate ordinary consumers for either the Applicant or the Opponent. It is very clear from the documentation provided by the Applicant that its customers need to understand the machinery, design and construction requirements in order to purify and convert biogas into renewable natural gas. Uninformed customers cannot study RFP of all the submissions received to assess who should win the contract that would be worth millions of dollars.

*(vi) Customers of both parties are not buying in a hurried manner*

72. The evidence on both sides are eloquent as to the types of products, businesses, costs of the design and implementation of Applicant's machinery, the length of time for such implementation and clientele involved.

[62] Except as otherwise indicated below, I am in general agreement with the Applicant's above submissions.

[63] At the hearing, the Opponent developed its submissions and further submitted that there is a potential overlap between the parties' respective customers in that the Opponent's customers may also include industries that generate large amounts of biomass or wastewater. The Opponent gave, verbally, the example of one of its clients that is a manufacturer of wood panels and whose manufacturing process would generate large amounts of wood waste and wastewater. When questioned on this particular example at the hearing, the Opponent relied on the "Methanex: methanol frequently asked questions" [included in Exhibit 4 to the Allard affidavit], which explains that "methanol is used by chemical manufacturers in the production of other industrial chemicals that are used to make countless array of consumer and industrial products such as building materials and plastics" [my underlining]. The Opponent went further and submitted the hypothesis that some of its clients could use the Applicant's Goods to generate biomethane and sell it back to the Opponent to produce methanol.

[64] With respect, I am of the view that the Opponent is conflating the different uses of methanol with that of other industrial chemicals, which are produced from methanol and which are used to make a vast array of consumer and industrial products. Further, while I acknowledge that Mr. Allard states, in broad terms, at paragraph 17 of his affidavit that "[m]ethanol can also be derived from methane through different methods including by direct oxidation of methane [...], as well as by biomass and biogas through gasification of glycerine, a by-product of

biodiesel production”, it is my understanding, based on the summary of the Opponent’s corporate history [Exhibit 1], that the Opponent’s industrial-scale production of methanol is derived from natural gas. More particularly, the Opponent’s supply of natural gas comes from both its own development and acquisition of natural gas reserves (e.g. in Chile) or long-term natural gas supply agreements with third parties (e.g. Painted Pony Energy Ltd. for the Opponent’s existing methanol plant in Medicine Hat, Alberta). All that to say that I am not prepared to afford weight to the hypothesis developed above by the Opponent based on the evidence of record, not to mention that one would have expected Mr. Allard to particularly say so and expand on this topic in his affidavit. However, that said, I agree with the Opponent that one cannot exclude the possibility that the Opponent’s customers might include industries that happen to generate large amounts of biomass or wastewater and that there is thus a potential overlap between the parties’ respective customers.

[65] Still, assuming that there is a potential overlap between the parties’ customers, I agree with the Applicant that given the highly specialised nature of the Applicant’s Goods and the Opponent’s registered products and services, “the rather mythical consumer” does not correspond to the ultimate ordinary consumers for either the Applicant or the Opponent. That being so, I find it reasonable to infer that the Applicant’s Goods and the Opponent’s registered goods and services would likely not be targeted to the very same people within those large-scale industries.

[66] Finally, while I accept that the Opponent and the Applicant may both be engaged in the protection of the environment – as illustrated by the 2017 “SUEZ Water Technologies & Systems Return on Environment Award” won by the Opponent [as per the list of some of the awards won by the Opponent provided in paragraph 27 of the Allard affidavit], I agree with the Applicant that this is insufficient to draw any meaningful conclusion with respect to the potential overlap existing between the parties’ targeted customers as environmental considerations/issues can be quite broad.

[67] To sum up, considering the fact that the parties are not competitors, do not sell the same nature of products and are highly specialists in their respective field as are their clients, I find that the sections 6(5)(c) and (d) factors favour the Applicant.

*The degree of resemblance between the trademarks in appearance or sound or in the ideas suggested by them*

[68] When considering the degree of resemblance between trademarks, they must be considered in their totality; it is not correct to lay them side by side and compare and observe similarities or differences among the elements or components of the trademarks [*Veuve Clicquot, supra*, at para 20].

[69] In *Masterpiece, supra* at paragraph 64, the Court further advised that, while in some cases, the first word or syllable of a trademark will be the more important for the purpose of distinction, the preferable approach to considering resemblance “is to first consider whether there is an aspect of the trade-mark that is particularly striking or unique”.

[70] In the present case, the Mark and the Opponent’s trademark METHANEX both consist of a three-syllable coined word, with no striking or dominant feature. Likewise, while the METHANEX & Globe Design mark also comprises a stylised design of a terrestrial globe, I do not consider such design to be particularly striking or unique given its highly suggestive connotation in the context of the Opponent’s international business activities. I shall add in this regard that I also do not consider this design element to be a dominant feature of the METHANEX & Globe Design mark, especially when the mark is sounded or in terms of ideas suggested.

[71] As the Mark and the METHANEX Marks differ only by their last syllables (“NEX” vs “NIS”), there is therefore a considerable degree of resemblance between them in appearance and sound. Conceptually though, the parties’ trademarks differ when considered in the context of their associated goods and/or services. As indicated earlier, it is readily apparent that the Opponent’s METHANEX Marks is derived from the word “methanol”, which is exactly the only product sold by the Opponent, whereas the Mark is derived from the word “methane” since the Applicant’s machinery system is for biomethane recovery from biogas.

[72] As the resemblance between the parties’ trademarks is due to the presence of the highly suggestive and evocative common component “METHAN”, I agree with the Applicant that this

lessens the importance of this component and that consumers in such a context will tend to distinguish between the non-common features of the parties' trademarks.

[73] To sum up, I find that the parties' trademarks are about as alike as they are different.

#### Conclusion regarding the likelihood of confusion

[74] As stated in *Dion Neckwear, supra*, at page 163, the Registrar "need not be satisfied beyond doubt that confusion is unlikely. Should the 'beyond doubt' standard be applied, applicants would, in most cases, face an insurmountable burden because certainty in matters of likelihood of confusion is a rare commodity."

[75] In view of my analysis above, I find that the Applicant has satisfied the onus on it to show that, on a balance of probabilities, a consumer having an imperfect recollection of the Opponent's METHANEX Marks would be unlikely to conclude that the Applicant's applied-for goods originate from the same source or are otherwise related to or associated with the Opponent's goods and services.

[76] Accordingly, the section 12(1)(d) ground of opposition is rejected.

#### **Remaining Grounds of Opposition**

[77] The grounds of opposition pleaded under sections 2, 16(1)(a) and 16 (1)(c) of the Act are all premised, in part or in whole, on an allegation that there is a likelihood of confusion between the Mark and one or more of the Opponent's METHANEX Marks and/or its Business Name.

[78] The Opponent's strongest case on the issue of confusion was with its section 12(1)(d) ground of opposition, because that ground of opposition had a material date which permitted all of the Opponent's evidence concerning its reputation to be considered. The grounds of opposition under sections 2, 16(1)(a) and 16(1)(c) all have earlier material dates.

[79] In these circumstances, as the Opponent was unsuccessful with its section 12(1)(d) ground of opposition, for essentially the same reasons as discussed above for that ground, I find that the Opponent also fails with respect to its grounds of opposition under sections 2, 16(1)(a) and 16(1)(c) of the Act.



[80] Finally, with respect to the section 38(2)(f) ground of opposition, I note that the Opponent pleads that the Applicant is not the person entitled to use the Mark in association with the Goods on the basis of:

[...] the Opponent's extensive and long term use of the [METHANEX Marks] and the Business Name, which are highly similar to the [Mark] in appearance, sound and idea suggested, and in the same, overlapping or highly related field.

[81] I find this ground of opposition, as pleaded, does not raise a proper ground of opposition for the following reasons.

[82] A section 38(2)(f) ground of opposition, which alleges that an applicant "was not entitled to use the trademark" in Canada at the date of filing of the application, is distinct from a section 38(2)(c) ground of opposition, which alleges that an applicant "is not the person entitled to registration". Indeed, section 38(2)(f) addresses the applicant's entitlement to use the trademark (*e.g.* in compliance with relevant federal legislation and other legal obligations prohibiting "use" of the trademark within the meaning of section 4 of the Act) as opposed to the applicant's entitlement to *register* the mark (*e.g.* relative to another person's trademark, pursuant to section 16 of the Act).

[83] In this case, the facts pleaded are not ones that can support a section 38(2)(f) ground of opposition. Accordingly, this ground also fails.

DISPOSITION


[84] Pursuant to the authority delegated to me under section 63(3) of the Act, I reject the opposition pursuant to section 38(12) of the Act.

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Annie Robitaille  
Member  
Trademarks Opposition Board  
Canadian Intellectual Property Office

SCHEDULE A

**Particulars of the registered trademarks pleaded by the Opponent in its statement of opposition**

Trademark	Reg. No./ Reg. Date	Goods and/or Services/ Declaration of Use
METHANEX	TMA405,397 Nov. 20, 1992	<p><u>Goods:</u> Chemicals, namely methanol.</p> <p>Declaration of Use filed September 30, 1992 on goods.</p>
	TMA908,802 Oct. 22, 2013	<p><u>Goods:</u> Methanol.</p> <p><u>Services:</u> (1) Business management services relating to methanol production and marketing, including analysis of the market for demand and supply of methanol, defining the overall service delivery strategy, analyzing the commercial feasibility of product application of methanol, developing budgets and tracking costs, managing methanol supplies; negotiation and execution of contracts and commercial agreements relating to the sale, supply and distribution of methanol; procurement services, namely, purchasing of methanol for others; providing industry expertise in the development of methanol markets, safe handling of methanol and product application of methanol. (2) Providing venture capital, development capital, private equity and investment funding in the development of methanol markets and product application of methanol. (3) Distribution and supply of methanol; operation of methanol storage terminals; provision of ship berthing facilities; provision of ship loading port facilities; operation of loading port facilities; providing ocean, rail and ground transportation, supply chain logistics, storage and delivery services of methanol; providing ocean transportation services</p>

		<p>of gasoline, fuel, inflammables and chemicals for others.</p> <p>(4) Operation of methanol production facilities, including natural gas inlet, compression, conversion, distillation, processing and treatment facilities for methanol; operation of equipment, utilities, access, material handling and infrastructure facilities ancillary to the operation of methanol facility sites.</p> <p>(5) Research and development in the field of methanol, energy and renewable energy involving the use of methanol.</p> <p>Declaration of Use filed July 17, 2015 on goods and on services.</p>
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**TRADEMARKS OPPOSITION BOARD  
CANADIAN INTELLECTUAL PROPERTY OFFICE  
APPEARANCES AND AGENTS OF RECORD**

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**HEARING DATE** 2022-06-06

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