

## Canadian Intellectual Property Office

#### THE REGISTRAR OF TRADEMARKS

Citation: 2024 TMOB 47

**Date of Decision: 2024-03-18** 

#### IN THE MATTER OF AN OPPOSITION

**Opponent:** Herbalife International, Inc.

Applicant: 1180056 B.C. Ltd.

**Application:** 1,964,467 for Lift Off

#### **Introduction**

- [1] 1180056 B.C. Ltd. (the Applicant) has applied to register the trademark Lift Off (the Mark). The Mark is applied for in association with the following goods (the Applicant's Goods):
  - (1) Dietary supplements for general health and well-being; nutritional supplements for general health and well-being; protein powders for meal replacement for use as a dietary supplement; vitamin and mineral dietary supplements; vitamin and mineral supplements; vitamins for adults; vitamins for children
- [2] Herbalife International, Inc. (the Opponent) opposes registration of the Mark. The opposition is based on allegations that Mark is confusing with the Opponent's trademark "LIFTOFF", registration No. TMA661,098 (the Opponent's Mark), registered in

association with the goods "Effervescent tablets for making non-alcoholic drinks and beverages" (the Opponent's Goods).

[3] For the reasons that follow, the application is refused.

#### THE RECORD

- [4] The application was filed on May 23, 2019. The application was advertised for opposition purposes in the *Trademarks Journal* on January 12, 2022. On July 12, 2022, the Opponent opposed the application by filing a statement of opposition under 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 in this case was advertised after June 17, 2019, the Act as amended applies (see section 69.1 of the Act).
- [5] The grounds of opposition are summarized below:
  - Contrary to sections 38(2)(b) and 12(1)(d) of the Act, the Mark is not registrable because it is confusing with the Opponent's Mark.
  - Contrary to sections 38(2)(c) and 16(1)(a) of the Act, the Applicant is not the
    person entitled to registration of the Mark in Canada in association with the
    Opponent's Goods because, at the filing date of the application, the Mark
    was confusing with the Opponent's Mark which was previously used in
    Canada by the Opponent.
  - Contrary to sections 38(2)(d) and 2 of the Act, the Mark is not distinctive because it does not actually distinguish nor is it adapted to distinguish the Applicant's Goods from the goods of others, and in particular, from the Opponent's Goods.
- [6] On September 12, 2022, the Applicant served and filed a counter statement. Only the Opponent filed evidence, which is discussed below. No cross-examination took place with respect to the Opponent's evidence. Both parties filed written representations; no oral hearing was held.

#### **EVIDENCE**

- [7] As its evidence in this proceeding, the Opponent filed the affidavit of Vicki Alaniz, the Vice President, North America Marketing, Communications, and Product for the Opponent, sworn April 12, 2023.
- [8] The Alaniz affidavit contains the following:
  - Information about the Opponent, a global nutrition company that operates in more than 90 countries, offering various types of nutrition products in Canada through independent distributors;
  - Particulars for the Opponent's Mark, which Ms. Alaniz states has been used in association with effervescent drink tablets in Canada for over 15 years;
  - Exhibit C: a photograph of packaging for effervescent drink tablets displaying the Opponent's Mark, which Ms. Alaniz states is representative of how products displaying the Opponent's Mark have been sold since at least 2012;
  - A chart for the years 2012 through 2022 showing the numbers of independent distributors for the Opponent's Goods in Canada, with numbers in the tens of thousands for each year;
  - Sales figures of effervescent drink tablets displaying the Opponent's Mark for the years 2012 to 2022, with figures ranging from over \$340,000 in 2014 to over \$4.3 million in 2022; and
  - Social media screenshots for the Opponent's Facebook, Instagram, and Twitter accounts, each of which has hundreds of thousands or millions of followers, including posts advertising effervescent drink tablets displaying the Opponent's Mark as early as 2017.

#### **ANALYSIS**

#### Ground of Opposition: Section 12(1)(d)

[9] The Opponent alleges that contrary to section 12(1)(d) of the Act, the Mark is not registrable due to the Opponent's registration for the Opponent's Mark. I have exercised

my discretion to check the register and confirm that this registration remains extant [per *Quaker Oats Co of Canada v Menu Foods Ltd* (1986), 11 CPR (3d) 410 (TMOB)]. The Opponent has therefore met its initial evidential burden for the section 12(1)(d) ground of opposition.

- [10] Since the Opponent has discharged its evidentiary burden regarding this ground of opposition, I must assess whether the Applicant has discharged its legal onus to prove, on balance of probabilities, that there is no confusion between the Applicant's Mark and the aforementioned registration of the Opponent. The material date with respect to confusion with a registered trademark is the date of this decision [Simmons Ltd v A to Z Comfort Beddings Ltd (1991), 37 CPR (3d) 413 (FCA)].
- [11] In applying the test for confusion, the Registrar must have regard to all the surrounding circumstances, including those specifically enumerated in 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 each has 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. These enumerated factors need not be attributed equal weight [see, in general, *Mattel USA Inc v 3894207 Canada Inc*, 2006 SCC 22, and *Masterpiece Inc v Alavida Lifestyles Inc*, 2011 SCC 27 (*Masterpiece*)]. Moreover, in *Masterpiece*, the Supreme Court stated that the degree of resemblance between the trademarks is often likely to have the greatest effect on the confusion analysis.
- [12] Finally, section 6(2) of the Act does not concern confusion between the trademarks themselves, but confusion regarding goods or services from one source as being from another source. In this case, the question posed by section 6(2) is whether there would be confusion regarding the goods and services sold under the Mark such that they would be thought to have emanated from the Opponent.

#### Inherent and acquired distinctiveness

- [13] In my view, both the Mark and the Opponent's Mark have a relatively low degree of distinctiveness, since both are comprised of common dictionary words. Contrary to the Opponent's submissions, I do not find that the distinctiveness of its trademark is enhanced by its formulation as "liftoff", as opposed to "lift off".
- In any event, the distinctiveness of a trademark can be increased through its use and promotion in Canada [see *Sarah Coventry Inc v Abrahamian* (1984), 1 CPR (3d) 238 (FCTD)]. In this respect, the Opponent has provided substantial sales figures since 2012, and evidence of promotion of its trademark on its website in association with its goods since at least 2017. By contrast, the Applicant has filed no evidence of use of its Mark in Canada. Accordingly, the Opponent's Mark has much higher degree of acquired distinctiveness than the Applicant.
- [15] As such, this factor overall favours the Opponent.

#### Length of time in use

- [16] As noted above, the Opponent has provided evidence of use of the Opponent's Mark since at least 2012, while the Applicant has not shown use of its Mark in Canada.
- [17] Accordingly, this factor favours the Opponent.

#### Nature of the goods, services or business and nature of the trade

[18] When considering sections 6(5)(c) and (d) of the Act, it is the statement of goods as defined in the registration relied upon by the Opponent and the current statement of Goods in the application for the Mark that governs the assessment of the likelihood of confusion under section 12(1)(d) of the Act [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, as each statement must be read with a view to determining the probable type of business intended, evidence of the parties' actual trades is useful [see McDonald's Corp v Coffee Hut

Stores Ltd, 1996 CanLII 3963 (FCA); McDonald's Corp v Silcorp Ltd (1989), 55 CPR (2d) 207 (FCTD), aff'd (1992), 41 CPR (3d) 67 (FCA)].

- [19] The Opponent submits that at a high level, both the Applicant's and Opponent's Goods are for customers to ingest. Further, the Opponent submits that the Applicant's Goods "protein powders for meal replacement for use as a dietary supplement" are commonly used to prepare beverages, as are the Opponent's Goods. Further, the Opponent submits that there is "a conceptual similarity between taking a vitamin or supplement and dissolving an effervescent tablet to prepare a beverage, in that such vitamins, supplements, and tablets are not considered 'finished' food products". Finally, the Opponent submits that its goods are marketed as providing nutrients and/or nutritional benefits, vitamins, and other substances for health and well-being.
- [20] The Applicant's written representations primarily relate to this factor. The Applicant submits that there is little likelihood of confusion as the Applicant's Goods are in Nice class 5, while the Opponent's Goods are in Nice class 32. The Applicant submits that even if the Opponent's Goods are currently marketed as providing nutritional benefits, the Opponent's Mark is not registered in association with class 5 goods. However, the Act expressly excludes the Nice Classification from the confusion analysis in section 6(2) of the Act, especially when interpreted in light of Canada's international obligations [as noted by the Federal Court in *Obsidian Group Inc v Canada (Attorney General)*, 2020 FC 586 at para 36].
- [21] I concur with the Opponent that there is overlap between the nature of the Applicant's and Opponent's Goods. The Applicant's Goods are related to health, well-being, and nutrition, and include vitamins and minerals; similarly, as set out in the Alaniz affidavit, the Opponent's Goods are formulated with vitamins and are marketed as providing benefits relating to health and well-being [Alaniz affidavit, para 15; see also Exhibit D]. Although the parties' goods are not identical, in my view, there is similarity in the nature of the goods.

- [22] Similarly, in the absence of evidence as to the nature of the Applicant's trade, and as the Opponent is a nutrition company [Alaniz affidavit, paras 3-4], I accept that there could be overlap in the channels of trade in which the parties' goods are sold.
- [23] Accordingly, these factors favours the Opponent.

#### Degree of resemblance

- [24] When considering the degree of resemblance, the law is clear that the trademarks 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. The Supreme Court of Canada in *Masterpiece* has advised that the preferable approach when comparing trademarks is to begin by determining whether there is an aspect of the trademark that is particularly striking or unique.
- [25] In this case, the Opponent submits, and I agree, that the trademarks are virtually identical visually, phonetically, and in terms of ideas suggested.
- [26] Accordingly, I find that this factor favours the Opponent.

#### Additional surrounding circumstances: state of the register

[27] The Applicant submits that the word mark "LIFTOFF" has already been registered separately by third parties in different Nice classes, including class 1 (registration No. TMA1,078,654) and class 7 (registration No. TMA881,961). However, the Applicant has not filed any evidence relating to these registrations (for example, certified copies or an affidavit attesting to the registration particulars), and in my view it would not be appropriate to exercise the Registrar's discretion to check the Register to assist the Applicant in this context. In this respect, the Registrar has regularly refused to take judicial notice of the state of the Register to assist an applicant in its arguments that the state of the Register renders its trademark registrable [for example, see *Molson Breweries v John Labatt Ltd (Labatt Brewing Co Ltd)* (1999), 3 CPR (4th) 543 (TMOB) at para 9; *Premier Tech Home & Garden Inc v 753146 Alberta Ltd*, 2022 TMOB 45 at

para 22; *Groupe Première Moisson Inc v Pumpernickel's Franchise Corporation*, 2022 TMOB 54 at para 30].

[28] In any event, state of the register evidence is only relevant insofar as one can make inferences from it about the state of the marketplace [Ports International Ltd v Dunlop Ltd (1992), 41 CPR (3d) 432 (TMOB); and Welch Foods Inc v Del Monte Corp (1992) 44 CPR (3d) 205 (FCTD)]. Inferences regarding the state of the marketplace may be drawn from such evidence only if a large number of relevant trademarks are located [Kellogg Salada Canada Inc v Maximum Nutrition Ltd (1992), 43 CPR (3d) 349 (FCA); McDowell v Laverana GmbH & Co KG, 2017 FC 327 at paras 41-46]. In this case, I would not be prepared to draw any conclusions based on the existence of two similar trademarks on the register.

#### Additional surrounding circumstances: examination history

[29] The Applicant submits that if confusion was likely between the Mark and the Opponent's Mark, the application should have been refused at the examination stage instead of being approved. However, there can be evidence before the Registrar that was not part of the record at the examination stage, and the onus is quite different at the examination stage than at the opposition stage [Matusalem v Espiritu de Chile Ltd, 2011 TMOB 137 at para 23; Simmons IP Inc v Park Avenue Furniture Corp (1994), 56 CPR (3d) 284 (TMOB) at 288; Proctor & Gamble Inc v Morlee Corp (1993), 48 CPR (3d) 377 (TMOB) at 386; Thomas J Lipton Inc v Boyd Coffee Co (1991), 40 CPR (3d) 272 (TMOB) at 277]. Further, examination section decisions are not binding and hold no precedential value with respect to opposition proceedings [PepsiCo, Inc v Coca-Cola Inc/Coca-Cola Ltée, 2016 TMOB 12 at para 123; Thinklab Consulting Inc v Combustion Creativity Inc, 2018 TMOB 14 at para 85; Worldwide Diamond Trademarks Limited v De Trung Vo, 2016 TMOB 20 at para 32].

[30] Accordingly, the fact that an approval notice was issued with respect to the Mark is not a relevant surrounding circumstance in this case.

#### Conclusion

- [31] In applying the test for confusion, I have considered it as a matter of first impression and imperfect recollection and have considered all of the surrounding circumstances. In most instances, it is the degree of resemblance between the trademarks that is the most crucial factor in determining the issue of confusion [Masterpiece; Beverley Bedding & Upholstery Co v Regal Bedding & Upholstery Ltd (1980), 47 CPR (2d) 145 (FCTD) at 149, aff'd 60 CPR (2d) 70 (FCA)]. Furthermore, section 6(2) of the Act is not concerned with confusion between the trademarks themselves, but rather confusion as to the source of the goods.
- [32] In this case, the degree of resemblance, length of time in use, nature of goods and trade, and acquired distinctiveness factors all favour the Opponent. As such, I find that the Applicant has not discharged its burden to show that there is no likelihood of confusion between the Mark and the Opponent's Mark.
- [33] The section 12(1)(d) ground of opposition therefore succeeds.

#### Ground of Opposition: Section 16(1)(a)

- [34] Pursuant to sections 38(2)(c) and 16(1)(a) of the Act, the Opponent pleads that the Applicant is not the person entitled to registration of the Mark in Canada in association with the Goods because, at the filing date of the application, the Mark was confusing with the Opponent's Mark which was previously used in Canada by the Opponent and which was not abandoned at the date of advertisement of the application.
- [35] In order to meet its initial burden under this ground, the Opponent must show that its trademark was used prior to the Applicant's filing date (May 23, 2019) and was not abandoned at the date of the advertisement of the application (January 12, 2022). Accordingly, the relevant evidence on which the Opponent can rely is evidence of use that pre-dates the filing date of the application.
- [36] I reach the same conclusions in the confusion analysis as those set out in the section 12(1)(d) ground, as the difference in material dates makes no difference in the confusion analysis in this case.

[37] This ground of opposition therefore succeeds.

**Ground of Opposition: Section 2** 

[38] The Opponent has also pleaded that contrary to section 2 of the Act, the Mark is

not distinctive because it does not actually distinguish nor is it adapted to distinguish the

Applicant's Goods from the goods of others, and in particular, from the Opponent's

Goods. The material date with respect to a distinctiveness ground of opposition is the

date of filing of the opposition (July 12, 2022) [Metro-Goldwyn-Mayer Inc v Stargate

Connections Inc (2004), 34 CPR (4th) 317 (FCTD)].

[39] In order to meet its initial burden in support of the non-distinctiveness ground of

opposition, the Opponent must show that as of July 12, 2022, the Opponent's Mark was

known to some extent at least and its reputation in Canada was substantial, significant

or sufficient [Motel 6, Inc v No 6 Motel Ltd (1981), 56 CPR (2d) 44 (FCTD); Bojangles'

International LLC v Bojangles Café Ltd, 2006 FC 657].

[40] I find that the Opponent's evidence of use, showing significant sales in Canada

since 2012, is sufficient to meet its evidential burden. As the difference in material dates

has no impact on my analysis of this ground of opposition, I reach the same conclusions

with respect to confusion as those set out in the section 12(1)(d) ground.

[41] This ground of opposition therefore also succeeds.

**DISPOSITION** 

[42] In view of the above, pursuant to the authority delegated to me under

section 63(3) of the Act, I refuse the application.

G.M. Melchin

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Member

Trademarks Opposition Board

Canadian Intellectual Property Office

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# Appearances and Agents of Record

**HEARING DATE:** No hearing held

### **AGENTS OF RECORD**

For the Opponent: Gowling WLG (Canada) LLP

For the Applicant: No agent appointed