



Canadian Intellectual Property Office

THE REGISTRAR OF TRADEMARKS

Citation: 2024 TMOB 62

Date of Decision: 2024-03-28

IN THE MATTER OF OPPOSITIONS

Opponent: Exzell Pharma Inc.

Applicant: Health and Happiness (H&H) Hong Kong Limited

Applications: 1,842,033 for SWISSE, and
1,820,682 for SWISSE LOGO

INTRODUCTION

[1] Swisse Wellness Pty Ltd applied to register the trademarks SWISSE (the Word

Mark) and SWISSE Logo  (the Design Mark) in association with the following goods:

CI 3 Skin care preparations; body care soaps; creams and lotions for cosmetic purposes; shampoos and hair care preparations; beauty and cleansing facial masks; cosmetic skin cleansers and toners

CI 5 Dietary supplements for general health and well being; nutritional supplements for general health and well being; vitamins, vitamin supplements and vitamin

preparations; mineral food supplements, mineral nutritional supplements; stimulants made of vitamins; stimulants made of minerals; herbal supplements for general health and well being; protein supplements for humans, namely protein dietary supplements in powder and in liquid form

[2] The Word Mark and the Design Mark were assigned to Health and Happiness (H&H) Hong Kong Limited (the Applicant) shortly after filing. Exzell Pharma Inc. (the Opponent) has opposed the applications. The oppositions are based primarily on confusion with the Opponent's trademarks containing the term SWISS.

[3] For the following reasons, I allow the applications in part.

THE RECORD

[4] The application for the Word Mark was filed on June 12, 2017, and advertised for opposition purposes in the *Trademarks Journal* dated February 26, 2020. On April 17, 2020, the Opponent filed a statement of opposition against the Word Mark pursuant to section 38 of the *Trademarks Act*, RSC 1985, c T-13 (the Act). The Act was amended on June 17, 2019. The Act as amended applies to these cases since the application was advertised after this date [section 69.1 of the Act].

[5] The application for the Design Mark was filed on January 31, 2017. The application contains a colour claim to SWISSE in white lettering on a black oval within a red rectangle with a red dot over the "i". The Design Mark was advertised on March 25, 2020, and opposed on April 17, 2020.

[6] In response to a request by the Applicant for a ruling on the sufficiency of pleadings, the Registrar struck several grounds of opposition for both the Design Mark and the Word Mark. In addition, the Opponent stated in its written representations at paragraph 11 that it would not pursue the grounds of opposition raised pursuant to section 12(1)(a) that the trademarks are primarily merely the name or surname of an individual who is living or has died within the preceding thirty years. The Opponent also said it would not pursue the section 12(1)(b) ground of opposition relating to clear descriptiveness or deceptive misdescriptiveness of the Word Mark and the Design Mark.

[7] The parties agree that the remaining grounds of opposition ultimately turn on the issue of confusion [Opponent's written representations, para 12 and Applicant's written representations, para 5]. These grounds are confusion with prior registered trademarks pursuant to section 12(1)(d), non-entitlement in accordance with section 16(1)(a) and non-distinctiveness under section 2. The Opponent's prior registrations are: SWISS NATURAL (TMA930,691); SWISS NATURAL (TMA785,482); SWISS NATUREL (TMA786,082); SWISS TOTAL ONE (TMA687,620) and SWISS NATURAL & Design (TMA872,054) (Opponent's Registrations). The Opponent's Registrations cover a variety of nutritional supplements and multivitamin-type goods as well as the services of operation of a business specializing in such supplements.

[8] On April 26, 2012, the Applicant filed counterstatements denying all grounds of opposition.

[9] The Opponent relies on Mr. Peter Weiler's affidavit in support of the opposition. In defence of its applications, the Applicant relies on the affidavits of Mr. Adam Stark and Ms. Prudence Etkin. This evidence is summarized below. The parties did not conduct cross-examination.

[10] The parties filed written representations for each application and attended a hearing where the cases were heard together.

OVERVIEW OF THE OPPONENT'S EVIDENCE

[11] I have read and considered all evidence and will now summarize the most relevant portions.

[12] Mr. Weiler is the President of the Opponent and has held this position since 2018. His duties include oversight of the company, including marketing and communications strategies. He manages and directs internal teams on the marketing and advertising of brands, including what he refers to as the SWISS NATURAL brand [Weiler affidavit, paras 1 and 2]. He attests to familiarity with the Canadian market for packaged nutritional supplements [Weiler affidavit, para 3].

[13] Mr. Weiler states that the Opponent and its predecessors in title have sold “goods in the supplement industry” in Canada in association with the SWISS NATURAL brand since 1965 [Weiler affidavit para 6]. Additionally, he states that the Opponent’s predecessors in title have sold nutritional supplements and vitamins under various “Swiss formative” trademarks since at least 1969. He refers to the early use of the trademarks SWISS HERBAL REMEDIES and SWISS NATURAL SOURCES [Weiler affidavit, para 7].

[14] Mr. Weiler also states that since at least June 1996, the Opponent or its predecessors in title have sold nutritional supplements and vitamins in Canada under the trademarks SWISS NATURAL and SWISS NATUREL [Weiler affidavit, para 7].

[15] Mr. Weiler explains that the Opponent currently sells more than 60 types of vitamins and supplements in association with the trademarks, which are the subjects of the Opponent’s Registrations. He provides representative images of the packaging, from the Opponent’s website, showing the trademarks SWISS NATURAL and SWISS NATUREL [Weiler affidavit, para 8 and Exhibit A].

[16] Mr. Weiler identifies and provides CIPO Trademarks Database information pertaining to the Opponent’s Registrations.

[17] Mr. Weiler attests to the uninterrupted sales of SWISS NATURAL branded products following a 2017 purchase of the Opponent’s Registrations and associated goodwill by the Opponent from the predecessor in title Valeant Canada LP [Weiler affidavit, para 10].

[18] Mr. Weiler explains that the Opponent sells the goods listed in the Opponent’s Registrations online and in-store through various retailers, such as Amazon Canada, Rexall, Vitamart and Healthsnap. He attaches printouts of some of the associated websites [Weiler affidavit, para 11 and Exhibit C]. He attests that at least 7,000,000 units of SWISS NATURAL goods were sold in 2020 alone [Weiler affidavit, paras 12 and 13].

[19] Mr. Weiler states that since at least 1996, in respect of the trademark SWISS NATURAL, and before that date in respect of the trademarks SWISS HERBAL REMEDIES and SWISS SOURCES NATURAL, the associated goods have been amongst the top-selling lines of vitamins and supplements in Canada. He explains that while exact sales figures are confidential, the Opponent or its predecessors have sold well over 5 million dollars worth of SWISS NATURAL goods in Canada annually since 2014. Mr. Weiler also explains that he did not have access to all sales figures prior to the purchase of the brands from the Opponent's predecessor in title, Valeant, in late 2017, but believes sales of goods associated with the Opponent's Registrations and what he terms other "SWISS formative" trademarks were significant going back to at least 1969 [Weiler affidavit, paras 10 and 12].

[20] Mr. Weiler provides what he refers to as representative invoices, which are marked "Purchase Order" rather than "invoices." These documents are dated 2020. He states that these demonstrate sales to various Canadian retailers [Weiler affidavit, para 13 and Exhibit D].

[21] Mr. Weiler attests to advertising expenditures of more than one million dollars annually since at least 2018. The forms of advertising used include online banners, promotional flyers, a website, trade shows, point-of-sale marketing, a YouTube channel, and other social media. Representative examples and additional information, including Canadian visits, have also been provided [Weiler affidavit, paras 15 to 27 and Exhibits E to L].

[22] Mr. Weiler also provides archival materials showing the Opponent's predecessor's website. The website materials include depictions of packaging from earlier years. These show SWISS NATURAL SOURCE and later SWISS NATURAL.

OVERVIEW OF THE APPLICANT'S EVIDENCE

Stark Affidavit

[23] Mr. Stark is the Senior Director of Digital Marketing and Direct-to-Consumer Marketing for the Applicant, with responsibilities that include overseeing all aspects of

the Applicant's SWISSE brand products in North America. He states he is familiar with the marketing and promotion of nutritional supplements within Canada and the US, including the SWISSE branded products [Stark affidavit, paras 1,2 and 3].

[24] Mr. Stark provides historical information concerning the Applicant's Australian origins [Stark affidavit, para 7]. He explains the Applicant's product line now includes supplements as well as skin care and beauty products. Mr. Stark provides a copy of the Applicant's website. He states the Applicant sells its goods directly into the Australian market and through local distributors in several countries other than Canada [Stark affidavit, paras 7 to 9 and Exhibit A].

[25] Mr. Stark explains that since 2019, the goods have been sold in Canada through online retailers, and he attaches printouts of relevant websites and articles involving the distribution and marketing of the goods. He explains that Canadians could also order the goods directly from the Applicant's website. He includes information regarding shipment to Canada and elsewhere [Stark affidavit, paras 11 to 13 and Exhibits B1 to D].

[26] Mr. Stark provides total worldwide sales figures from 2015 to 2021 and states that since 2019, the total revenue generated by the sales of the goods in Canada exceeded \$472,000 (USD) [Stark affidavit, para 16]. He provides examples of marketing and promotional materials, some of which he says are targeted to Canadian consumers. He states that other materials were "likely seen by the Canadian public" [Stark affidavit, paras 17 and 18 and Exhibits E and F]. Mr. Stark concludes his testimony by stating he is unaware of confusion between the Applicant's products and those of others [Stark affidavit, para 19].

Etkin Affidavit

[27] Ms. Etkin is an associate with the Applicant's former Trademark Agents. She states she regularly conducts Canadian Trademarks Office database searches. She provides various dictionary definitions of the word "Swiss." She explains that she could not locate an entry when asked to provide a dictionary definition of "Swisse". She also

provides the first page of search results using Google.ca to query “Swisse” [Etkin affidavit, paras 1 to 6 and Exhibits A and B].

[28] Ms. Etkin also provides copies of ten registrations, each containing the term “Swiss” and covering various goods, along with websites she was instructed to access [Etkin affidavit, paras 7 and 8 and Exhibits D and E].

ONUS

[29] The Applicant bears the legal onus of establishing, on a balance of probabilities, that its application complies with the requirements of the Act. There is, however, an initial 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) at 298; *Dion Neckwear Ltd v Christian Dior, S.A.* (2002), 20 CPR (4th) 155 (FCA)].

REGISTRABILITY

[30] The Opponent pleads that the Word Mark and the Design Mark are not registrable pursuant to section 12(1)(d) of the Act, in view of the Opponent’s Registrations. The parties agree that all grounds of opposition, including this one, turn on the issue of the likelihood of confusion between the Applicant’s Word Mark and the Opponent’s trademarks and the Applicant’s Design Mark and the Opponent’s trademarks. The material date for the registrability ground of opposition is the date of my decision [*Park Avenue Furniture Corporation v Wickes/Simmons Bedding Ltd* (1991), 37 CPR (3d) 413 (FCA)].

[31] I have exercised my discretion to check the Register and confirm that the Opponent’s Registrations remain extant [*Quaker Oats Co Ltd of Canada v Menu Foods Ltd* (1986), 11 CPR (3d) 410 (TMOB)]. The Opponent has, therefore, met its initial evidential burden concerning this ground of opposition concerning both the Word Mark and the Design Mark. As a result, the Applicant bears the legal burden of demonstrating on a balance of probabilities that there is no likelihood of confusion between the Word

Mark and any of the Opponent's trademarks, or between the Design Mark and any of the Opponent's trademarks.

[32] I have considered each of the Opponent's Registrations and conclude that it is registration No. TMA785,482, for the trademark SWISS NATURAL (SWISS NATURAL Trademark) that represents the Opponent's best case. The Applicant also believes that the SWISS NATURAL Trademark provides the Opponent with its strongest case [Applicant's written representations, para 54]. If the Opponent is unsuccessful with this trademark, I believe it will not achieve a more favourable result with any of its other registered trademarks. The goods and services associated with its SWISS NATURAL Trademark are (Opponent's Goods and the Opponent's Services):

Food supplements, protein supplements, vitamin and mineral supplements, in tablet, capsule, liquid or powder form, and herbal supplements, namely capsules, tablets, caplets or powders containing one or more of dried vegetables and/or vegetable extracts, dried fruits and /or fruit extracts, dried flowers and/or flower extracts, garlic, flax seed oil, pumpkin seed oil, evening primrose oil, lecithin, blueberry, cranberry extract, aloe vera, bilberry extract, Canadian ginseng, cayenne powder, chamomile, red clover, isoflavones, feverfew extract, 5-HTP (griffonia simplicifolia), ginger root extract, ginkgo bilobe extract, wheatgerm oil, alfalfa, brewers yeast, parsley leaves, sunflowers, kelp, St. John's wort, wild yam root, or plant roots, black cohosh extract, cat's claw, devil's claw extract, dong quai, lutein (marigold extract), garlic power/extract, grapeseed extract, milk, thistle, Siberian ginseng, Korean ginseng, green tea extract, astragalus powder, stevia leaf extract, nettle leaf powder, peppermint, tumeric extract, royal jelly, chlorophyll, acerola berry extract, guggulipid, chaste tree berry extract, burdock root extract, soy extract, passion flower extract, lemon balm extract, hawthorne berries extract, buchu leaves, uva ursi, juniper berries, celery seed, gotu kola, licorice root, senna leaves, cascara sagrada, rhubarb root, gentian root, valerian root, skullcap, linden flowers extract, hops extract, horse chestnut, witch hazel leaves, milfoil flowers, lycopene (tomato), puncture vine (tribulus terrestris), pygeum extract, saw palmetto extract, spring horsetail, echinacea angustifolia, Echinacea purpurea, Echinacea pallida, andrographis paniculata, slippery elm bark, golden seal root, eucalyptus oil, fennel seed, burdock root, artichoke extract, gymnema sylvestre, prune juice, elderberry juice powder, green coffee, garcinia cambogia, and buckthorn extract.

The operation of a business specializing in herbal supplements, food supplements, protein supplements, and vitamin and mineral supplements.

Test for Confusion

[33] The test for confusion is set out in section 6(2) of the Act. It provides that the use of a trademark causes confusion with another trademark if the use of both trademarks in

the same area would likely lead to the inference that the goods and services associated with those trademarks are manufactured, sold, leased, hired or performed by the same person, whether or not the goods and services are of the same general class or appear in the same Nice Classification class. Section 6(2) of the Act does not deal with confusion between trademarks themselves but with the likelihood that the goods or services from one source will be perceived as originating from another source.

[34] In determining whether two trademarks are confusing, all surrounding circumstances should be considered, including those enumerated in section 6(5) of the Act, namely the inherent distinctiveness of the trademarks and the extent to which they have become known; the length of time the trademarks have been in use; the nature of the goods and services or business; the nature of the trade; and the degree of resemblance between the trademarks, including in appearance or sound or the ideas suggested by the trademarks. These criteria are not necessarily exhaustive, and additionally, the various factors will be attributed different weights in a context-specific assessment [*Mattel, Inc v 3894207 Canada Inc*, 2006 SCC 22, [2006] 1 SCR 772 at para 54; *Veuve Clicquot Ponsardin v Boutiques Clicquot Ltée*, 2006 SCC 23, 49 CPR (4th) 401 (*Veuve Clicquot*)]. I have also considered the findings of the Supreme Court of Canada in *Masterpiece Inc v Alavida Lifestyles Inc*, 2011 SCC 27, 92 CPR (4th) 361 (*Masterpiece*), that it is the resemblance between the trademarks that will often have the greatest effect on the confusion analysis.

[35] The test for confusion is assessed as a matter of first impression in the mind of a casual consumer somewhat in a hurry who sees the applicant's trademark at a time when they have no more than an imperfect recollection of the opponent's trademark, and do not pause to give the matter any detailed consideration or scrutiny, nor to examine closely the similarities and differences between the marks [*Veuve Clicquot*, at para 20].

[36] In respect of this registrability ground I will first compare the Word Mark to the Opponent's SWISS NATURAL Trademark. I will then address the Applicant's Design Mark.

The Word Mark

Inherent Distinctiveness and Extent Known

[37] This factor involves a consideration of the combined inherent and acquired distinctiveness of the parties' trademarks.

[38] The inherent distinctiveness of a trademark refers to its originality. Trademarks consisting wholly, or in part, of words that are descriptive of the associated goods or services attract a more limited scope of protection than does an invented, unique, or non-descriptive word or an original design [*General Motors Corp v Bellows*, [1949] SCR 678, 1949 CanLII 47 (SCC), citing *Office Cleaning Services Ltd v Westminster Window & General Cleaners, Ltd* (1946), 63 RPC 39 at 41 (HL); and *Fairmont Resort Properties Ltd v Fairmont Management LP*, 2008 FC 876].

[39] As Justice Bédard noted in *Philip Morris Products SA v Imperial Tobacco Canada Limited*, 2014 FC 1237, citing *Apotex Inc v Canada (Registrar of Trademarks)*, 2010 FCA 31, whether a trademark is distinctive is a question of fact that is determined by the message that it conveys to the casual consumer of the goods or services in question when the trademark is considered in its entirety and as a matter of first impression.

[40] The Applicant argues that its Word Mark is inherently distinctive owing to the absence of a dictionary definition for "Swisse" and alleges that the Word Mark is an invented term [Applicant's written representations, paras 64 and 65]. The Opponent submits that the inherent distinctiveness of the parties' trademarks is generally similar, but the inherent distinctiveness of its trademarks is slightly greater [Opponent's written representations, paras 32 and 33].

[41] Ms. Etkin provides evidence that "Swisse" is not a word. Her evidence also indicates the word "Swiss" means "of or relating to Switzerland or its people" [Etkin affidavit, Exhibit A]. In respect of the meaning of the second word in the Opponent's SWISS NATURAL Trademark, I may exercise my discretion to consider dictionary definitions [see *Yahoo! Inc v audible.ca inc* (2009), 76 CPR (4th) 222 (TMOB)]. I note

the *Oxford Dictionary* (2 ed) defines “natural” as “existing in or caused by nature; not artificial.” The Opponent’s SWISS NATURAL Trademark is, therefore, suggestive or descriptive of the Opponent’s Goods and the Opponent’s Services in that these are of Switzerland, or relate to Switzerland, or its people and exist in, or are caused by, nature and not artificial.

[42] The Word Mark, at least when sounded, is likewise descriptive or suggestive that the goods covered by the application are of Switzerland, or relate to Switzerland, or its people. I do not consider the addition of the letter “e” to SWISS to obscure the descriptive or suggestive connotation of the term.

[43] Both the Word Mark and the SWISS NATURAL Trademark lack inherent distinctiveness and are weak marks. Even if, as discussed below, the Opponent’s trademark has acquired distinctiveness through use and promotion, its lack of inherent distinctiveness cannot be ignored [see *London Drugs Limited v. International Clothiers Inc*, 2014 FC 223, at para 53]. As such, the inherent distinctiveness does not favour either party owing to the suggestive or descriptive nature of the trademarks.

[44] Distinctiveness may, however, also be acquired through use and promotion [*Sarah Coventry Inc v Abrahamian* (1984), 1 CPR (3d) 238 (FCTD); *GSW Ltd v Great West Steel Industries Ltd* (1975), 22 CPR (2d) 154 (FCTD)]. Indeed, through extensive use and promotion, the owner of even a clearly descriptive trademark might successfully discharge the heavy burden of establishing that the trademark has become distinctive.

[45] The evidence indicates the Applicant’s total Canadian sales in the years between 2019 and the filing of the Stark affidavit in July 2022 exceeded \$472,000 US [Stark affidavit, para 16]. The Applicant concedes this fact saying Mr. Weiler’s evidence shows that the SWISS NATURAL trademarks “have acquired distinctiveness through significant sales and advertising since at least as early as 1996.” [Applicant’s written representations, para 67]. While I agree that the evidence suggests that there has been use of the SWISS NATURAL Trademark dating back to at least 1996, I note Mr. Weiler is not specific concerning the magnitude of early sales. In fact, he states that he did not

have access to all sales numbers before the Opponent acquired the predecessor in the title in 2017 [Weiler affidavit, paras 7 and 12]. As for the period prior to 1996, I note Mr. Weiler relies on the generalized wording “SWISS formative” trademarks [Weiler affidavit, para 12]. The ambiguity is significant since the claims involving early use include reference to trademarks not identified in the statement of opposition, for example, SWISS NATURAL SOURCES and SWISS HERBAL REMEDIES [Weiler affidavit, paras 7 and 12]. The Opponent is, of course precluded from relying on trademarks beyond those identified in its Statement of Opposition [for the general proposition that an Opponent cannot rely on a ground of Opposition not pleaded see *Massif Inc v Station Touristique Massif du Sud* (1993) Inc 2011 FC 424, 95 CPR (4th) 249 (FCTD)].

[46] The evidence shows annual sales by the Opponent of more than five million dollars annually since 2014 [Weiler affidavit, para 12]. However it is not possible to assess the extent to which the Opponent’s predecessor-in-title used the SWISS NATURAL Trademark, between 1996 and 2014, even if the evidence supports the inference there was some use during that time. In respect of advertising and promotion, the evidence indicates that since 2018 annual advertising expenditures have exceeded one million dollars. It is not clear to what extent the Opponent’s Goods and the Opponent’s Services were promoted prior to 2018 but Mr. Weiler attests to a more than one million dollar “annual advertising and trade spend” [Weiler affidavit, paras 15 to 18]. It is clear that since at least as early as 2014 the sales and promotion of the Opponent’s Goods was significant. Regardless of the extent of sales before 2014 and advertising before 2018, the Applicant concedes, and I agree, that the SWISS NATURAL Trademark is known in Canada to a greater extent than the Word Mark [Applicant’s written representations, para 67]. Thus, the inherent distinctiveness and extent to which the parties’ trademarks have become known favour the Opponent, albeit not greatly so owing to the descriptiveness of SWISS and NATURAL and therefore weakness of the SWISS NATURAL Trademark.

Nature of the Goods and Channels of Trade

[47] The goods covered by the application include two distinct categories. As conceded by the Applicant in paragraph 70 of its written representations, the following goods directly overlap with the Goods of the Opponent (Supplements):

Dietary supplements for general health and well being; nutritional supplements for general health and well being; vitamins, vitamin supplements and vitamin preparations; mineral food supplements, mineral nutritional supplements; stimulants made of vitamins; stimulants made of minerals; herbal supplements for general health and well being; protein supplements for humans, namely protein dietary supplements in powder and in liquid form

[48] The Opponent argues that the respective goods of the parties' goods are similar or identical [Opponent's written representations paras 45 to 48]. However, this characterization ignores the fact that the application includes not only supplements but goods that are essentially skin and hair care products. The Opponent's Goods differ from the following goods of the Applicant's goods (Applicant's Skin and Hair Care Goods):

Skin care preparations; body care soaps; creams and lotions for cosmetic purposes; shampoos and hair care preparations; beauty and cleansing facial masks; cosmetic skin cleansers and toners

[49] The Applicant's Skin and Hair Care Goods, applied or used on the body, are intrinsically different from the Opponent's Goods, which are ingested in tablet, capsule, liquid, or powder form. There is no evidence to suggest a nexus between supplements and Skin and Hair Care Goods. I therefore find that, while the nature of the goods, services, and businesses favours the Opponent strongly in respect of Supplements, this factor favours the Applicant in respect of Skin and Hair Care Goods due to the differences in the inherent and essential nature of these goods.

[50] The Opponent argues the trade channels are identical [Opponent's written representations para 50 to 56]. I agree that some overlap exists and note that both parties utilize, for example, Amazon.ca and Rexall's well.ca to sell their respective goods. In addition I am mindful that there is nothing to prevent the Applicant from selling its goods through any other outlet or trade channel utilized by the Opponent.

[51] While the Supplements might be expected to appear together with the Opponent's Goods owing to their similar nature, the same is not necessarily true of the Applicant's Skin and Hair Care Goods. There is no evidence to suggest that the Skin and Hair Care Goods would appear together with, or in close proximity to, the Opponent's Goods on these large online platforms or at these retail establishments that sell many different types of goods [see *Van Melle Nederland B.V. v Principal Marques Inc* (2000), 35 CPR (4th) 173 and *184391 Canada Inc v Vego Good Food GmbH*, 2022 TMOB 154]. Similarly there is no evidence of a connection between the Opponent's services and the Applicant's Skin and Hair Care Goods. As such, the significance of shared actual or potential trade channels is diminished concerning the Skin and Hair Care Goods.

[52] To summarize, the factors of the nature of the goods and the nature of trade channels strongly favour the Opponent in respect of the Supplements. However, the nature of the Skin and Hair Care Goods differs from the Opponent's Goods and the Opponent's Services, and for this reason this factor favours the Applicant in respect of the Skin and Hair Care Goods. The trade channels as related to the Skin and Hair Care Goods favour neither party to any significant extent owing to differences in these goods and the Opponent's Goods and Services as well as the wide variety of goods sold through the channels.

Length of Time the Trademarks Have Been in Use

[53] As discussed above, the Opponent has used the Registered Trademark since at least 1996. I note that the Applicant evidences extensive use of the Word Mark outside Canada; however, such use is irrelevant to these proceedings. The evidence indicates the Word Mark has been used in Canada since 2019.

[54] In *Pink Panther Beauty Corp v United Artists Corp*, 1998 CanLII 9052 (FCA), [1998] 3 FC 534 (FCA) at para 25, the Federal Court of Appeal confirms that the length of time a trademark has been in use is a factor to be weighed when assessing confusion:

The length of time a mark has been used is a factor that will contribute to confusion on behalf of the consumer in determining the origin of wares or services. A mark that has been in use for a long time, versus one newly arrived on the scene, is presumed to have made a certain impression that must be given some weight. It is important to remember that "use" is a term defined by the Act and has a special meaning.

[55] This factor favours the Opponent.

Degree of Resemblance

[56] When assessing the degree of resemblance, the law is clear that trademarks must be considered in their totality. It is not correct to compare them side by side and observe similarities or differences among various elements of the trademarks.

[57] The Opponent argues that the similarity between the parties' trademarks is significant and striking. It also argues that customers would merely assume "E" is silent, or a fanciful spelling is being used [Opponent's written representations, para 60]. The Applicant argues that the presence of the term NATURAL distinguishes the trademarks [Applicant's written representations, para 58]. It also argues that an "E" at the end of the Word Mark changes the meaning and pronunciation [Applicant's written representations, paras 59 and 60].

[58] In *Masterpiece* at para 64, the Supreme Court indicates that the preferable approach when comparing trademarks is to begin by determining whether an aspect is particularly striking or unique. However I do not consider either SWISS or NATURAL to be particularly striking or unique, given the suggestive or descriptive nature of these terms, as discussed above. I consider it appropriate to focus on the parties' trademarks as a whole while bearing in mind the principle that it is often the first word or syllable that is most important for the purposes of distinguishing [*Conde Nast Publications Inc v Union des Editions modernes* (1979), 46 CPR (2d) 183 (FCTD)].

[59] The parties' marks share a very similar first portion and therefore resemble each other to some extent. I am afraid I must disagree with the Applicant that the Word Mark is a distinctive coined term owing to the addition of the letter "e" to "Swiss." Nothing in the evidence suggests the minor variation of an additional "e" results in the Word Mark conveying a meaning other than "Swiss." Additionally, I am not persuaded the Word

Mark would be sounded other than as “Swiss.” While adding a terminal “e” to “Swiss” results in a minor difference in the trademarks when viewed, that difference is so small as to be insignificant. In light of the similarity of the first portions I conclude that when viewed in their entirety the differences between the parties marks are not quite significant enough to outweigh the similarities between the parties’ trademarks and that the trademarks resemble each other in spite of the fact that the descriptiveness of NATURAL does little to distinguish them. That said, owing to the descriptive nature and therefore weakness of the SWISS NATURAL Trademark, while the factor favours the Opponent, it does so only slightly.

Surrounding Circumstance – Health Products

[60] The Applicant argues that products related to health, often in packaging with important health information, will be considered more carefully by consumers making purchases [Applicant’s written representations, para 71]. In support, the Applicant relies on a decision of the Federal Court of Appeal [*Clorox Company of Canada, Ltd v Chloretec SEC*, 2020 FCA 76 at paras 34 and 35] (*Clorox*). While I accept that some purchases may be considered more carefully than others, I find nothing in evidence to suggest that this will be the case for the goods or services of the parties. These are not valuable or niche market goods as was the case in *Clorox*, which involved tanker-truck quantities of bleach. To the extent the Opponent’s packaging contains information, I find this is little more than information as to the product composition along with the condition it might be expected to treat. I do not consider the Opponent’s Goods to display important health information that might cause consumers to exercise more care when purchasing.

Surrounding Circumstance - Notoriety of Registered Trademark

[61] The Applicant argues that the notoriety of the Opponent’s trademarks is a double-edged sword and the enhanced reputation associated with the Opponent’s Goods reduces the likelihood of confusion, relying on *Adidas Ag v Globe International Nominees Pty Ltd* 2015 FC 443 at para. 63-64 [Applicant’s written representations, para 52]. However, while the evidence shows that the extent to which the trademarks have

become known and acquired distinctiveness favours the Opponent, it is a weak mark owing to its descriptive nature. The evidence does not establish that the SWISS NATURAL Trademark has become so famous that the likelihood of confusion would be reduced.

Surrounding Circumstance – Actual Confusion

[62] The Applicant submits that the absence of evidence of actual confusion between the Word Mark and the SWISS NATURAL Trademark is an additional surrounding circumstance [Applicant’s written representations, paras 72 and 73].

[63] The extent to which an inference may be drawn from a lack of evidence of actual confusion depends on the circumstances [*Scott Technologies Inc v 783825 Alberta Ltd*, 2015 FC 1336 at paragraph 69]. The Court noted:

The extent to which a court may draw an inference from a lack of actual confusion depends on the circumstances. In *Mr Submarine Ltd v Amandista Investments Ltd*, 1987 CanLII 8953 (FCA), [1988] 3 FC 91 [Mr Submarine], the Federal Court of Appeal recognized at para 29 that the lack of evidence of actual confusion was a “very weighty fact,” given that the parties had been using their respective trade-marks in association with restaurant businesses in the Dartmouth area for the past ten years. This may be contrasted with *Absolute Software Corporation v Valt. X Technologies Inc*, 2015 FC 1203 [Absolute], where I held in para 8 that the lack of evidence of actual confusion was “unsurprising given that the Respondent is in start-up and development mode and has sold less than \$2000 in product thus far.”

[64] I note that period of overlap of use of the Word Mark and the SWISS NATURAL Trademark at best extended between 2019 and July 2022. As submitted by the Opponent, the timing of sales during that period are indeterminate [Opponent’s written representations, para 43]. Many or most sales might have taken place in 2022, resulting in a short period during which the products were available in any meaningful quantity in the Canadian marketplace. In addition, it is not clear to what extent sales involved Skin and Hair Care Goods rather than Supplements. Furthermore, even if sales occurred over the entire period, this is still a relatively short span of time when instances of actual confusion could be brought to the Opponent’s attention. In addition, I note the magnitude of the Applicant’s sales is not overwhelming. I, therefore, do not consider that the available facts support a claim to extensive concurrent use of the parties’

trademarks at a level that would justify drawing an adverse inference from the absence of evidence of actual confusion [*Dion Neckwear Ltd v Christian Dior, SA* (2002), 20 CPR (4th) 155 (FCA) at 164]. Consequently the absence of evidence of actual confusion is not a relevant surrounding circumstance.

Surrounding Circumstance – Third-Party Use or Registration

[65] The Applicant submits that owing to the coexistence of several third-party trademarks containing the term SWISS, the average consumer will be more able to distinguish the parties' trademarks [Applicant's written representations, paras 75 to 77].

[66] I do not consider the evidence supports the Applicant's position to any meaningful degree. In this regard, I note that several of the third-party trademarks located by Ms. Etkin cover goods that are essentially unrelated to those of the parties. For example, registration No. TMA468,759 for SWISS DELICE & Design covers food products, registration No. 779,675 for SWISS NAVY covers personal care products like lubricants and condoms, Registration No. TMA803,269 for SWISSDENT DENTAL COSMETICS covers dental-related goods and services, and registration No. TMA809165 for SWISS SMILE also covers dental-related goods. Furthermore, other third-party trademarks contain distinguishing portions rendering them less similar to the SWISS NATURAL Trademark than is the Word Mark or the Design Mark. For example, registration No. TMA984,144 for SWISS SHAPE & Design, registration No. TMA785,053 for METHOD SWISS BEAUTY CARE & Design, registration No. TMA733,545 for SWISSAIR, registration No. TMA363,238 for SWISS SPA and registration No. TMA598,656 for SWISSIRON & Design all contain elements that distinguish these trademarks from others containing SWISS. I find only one of the third-party trademarks to resemble the SWISS NATURAL Trademark as closely as the Word Mark, namely registration No. TMA543,742 for SWISS NATURE & Dessin. This registration does not cover goods similar to those of the Opponent.

[67] For the reasons discussed above, and owing to the small number of trademarks identified, the evidence falls short of what is required to show common adoption and

use of similar trademarks by third parties in a relevant field. Therefore, third-party trademarks are not a significant surrounding circumstance.

Conclusion- Confusion

[68] The confusion issue to be decided is whether a typical consumer with an imperfect recollection of the SWISS NATURAL Trademark, upon seeing the Word Mark in association with the Supplements or the Skin and Hair Care Goods, would likely think that the parties' goods and services share a common source.

[69] The Opponent has established that its SWISS NATURAL Trademark has been used for some time and is known to some extent in Canada. The nature of the Applicant's Supplements, as well as the associated trade, overlap with the Goods of the Opponent and the Services of the Opponent. In light of this, as well as the fact that there is some resemblance between the trademarks, I conclude that the balance of probabilities, between finding that there is no reasonable likelihood of confusion and finding that there is a reasonable likelihood of confusion, favours the Opponent in spite of the weakness of the SWISS NATURAL Trademark. I, therefore, refuse the application for Supplements. However, concerning the Applicant's Skin and Hair Care Goods, I conclude otherwise. The different nature of these goods results in the balance of probabilities favouring the Applicant, despite the Opponent's use and making known of its Registered Trademark and the resemblance between the trademarks. I therefore allow the application for the Skin and Hair Care Goods. The section 12(1)(d) ground partially succeeds for the Word Mark.

The Design Mark

[70] The analysis of the likelihood of confusion between the Opponent's SWISS NATURAL Trademark, which again affords the Opponent its best case, and the Design Mark is very similar to the consideration above given to the Word Mark. In respect of the differences, the Applicant argues that the addition of bold colouring and design elements provides additional differentiation from the Opponent's SWISS NATURAL Trademark [Applicant's written representations, para 61]. The Opponent submits that

the design components are no more than simple geometric shapes and, as such, do not add inherent distinctiveness and cannot be considered striking or unique.

[71] I agree that the oval and rectangle elements are simple designs of geometric shapes and do not add materially to distinctiveness of the Design Mark [see *Levi Strauss & Co v Vivant Holdings Ltd* (2003), 34 CPR (4th) 53 (TMOB)]. In respect of the colour claims, I am mindful of the fact that the Opponent's SWISS NATURAL Trademark registration affords the Opponent the right to use the trademark in any colour or combination of colours [*British Drug Houses Ltd v Battle Pharmaceuticals*, 1944 CanLII 308 (CA EXC), at 247]. Thus, the Applicant's colour claim in respect of at least the word SWISSE does not help distinguish the Design Mark from that of the SWISS NATURAL Trademark. While the red rectangle encompassing a black oval results in slightly less visual resemblance, this is not sufficient to alter the analysis or outcome discussed above pertaining to the Word Mark. These relatively minor design features would not be sounded and would not convey any particular meaning that might differentiate the Design Mark from the SWISS NATURAL Trademark. The additional design features and colour claims are therefore not sufficiently significant to alter the outcome of the assessment of likelihood of confusion made above concerning the Word Mark. More particularly, while the inherent distinctiveness of the Design Mark is very slightly greater than that of the Word Mark and there is slightly less resemblance in appearance, sound or idea suggested between the Design Mark and the SWISS NATURAL Trademark the findings in respect of these analysis and outcome of these factors remains essentially the same as discussed above for the Word Mark.

[72] Accordingly, I find with respect to the Design Mark that: (i) the Opponent has established that its trademark has been used for some time and is known to some extent in Canada; (ii) the nature of the Supplements and associated trade overlap with the Opponent's Goods and the Opponent's Services; and (iii) the trademarks resemble each other to some extent. In view of the foregoing, I conclude that the issue of confusion, on balance of probabilities, favours the Opponent in spite of the weakness of the SWISS NATURAL Trademark. I, therefore, refuse the application for Supplements. I conclude otherwise concerning the Applicant's Skin and Hair Care Goods. The different

nature of these parties' goods and services results in the balance of probabilities favouring the Applicant, despite the Opponent's use and making known of this trademark and the resemblance of the parties' trademarks to one and other. I, therefore, reject the opposition in respect of the Skin and Hair Care Goods. Thus, the section 12(1)(d) ground partially succeeds for the Design Mark as well.

Non-Entitlement and Distinctiveness

[73] The material date for a section 16(1)(a) non-entitlement ground is the date of filing of the applications, namely January 31, 2017, and June 12, 2017. The material date for a section 2 distinctiveness ground is the filing date of the oppositions, namely April 17, 2020. Both these grounds turn on the issue of the likelihood of confusion.

[74] The Opponent's evidence, summarized in paragraphs 11 to 21 of this decision, suffices to meet its evidential burden under both the non-entitlement and non-distinctiveness grounds of opposition. I recognize that the acquired distinctiveness of the Opponent's Registered Trademark and the length of time they were in use are less as of these dates. However, the Applicant's use is affected as well. In fact, it was after 2019 when the Applicant first used the Word Mark or the Design Mark. Thus as of the filing dates, the Applicant could point to no use of the Word Mark or the Design Mark at all. I find that the outcome of the confusion analysis considered above would not differ using any of these earlier material dates and that there is a reasonable likelihood of confusion between the parties' trademarks in respect of the Supplements but not in respect of the Skin and Hair Care Goods. The non-entitlement and distinctiveness grounds are, therefore, also partially successful for the Word Mark and the Design Mark.

DISPOSITION

[75] For the reasons set out above and pursuant to the authority delegated to me under section 63(3) of the Act, I refuse the applications pursuant to section 38(12) of the Act in respect of the Supplements, namely:

CI 3 [...]

CI 5 Dietary supplements for general health and well being; nutritional supplements for general health and well being; vitamins, vitamin supplements and vitamin preparations; mineral food supplements, mineral nutritional supplements; stimulants made of vitamins; stimulants made of minerals; herbal supplements for general health and well being; protein supplements for humans, namely protein dietary supplements in powder and in liquid form

and reject the oppositions pursuant to section 38(12) of the Act for the Skin and Hair Care Goods, namely:

CI 3 Skin care preparations; body care soaps; creams and lotions for cosmetic purposes; shampoos and hair care preparations; beauty and cleansing facial masks; cosmetic skin cleansers and toners

CI 5 [...]

Coleen Morrison
Member
Trademarks Opposition Board
Canadian Intellectual Property Office

Appearances and Agents of Record

HEARING DATE: 2023-12-01

APPEARANCES

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For the Applicant: Jonathan Burkinshaw

AGENTS OF RECORD

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