

Canadian Intellectual Property Office

THE REGISTRAR OF TRADEMARKS

Citation: 2024 TMOB 73

Date of Decision: 2024-04-12

IN THE MATTER OF AN OPPOSITION

Opponent: Herbaland Naturals Inc.

Applicant: BeSweet Creations Inc.(a Delaware corporation)

Application: 1,905,790 for BEAUTY BEARS,

Introduction

- [1] BeSweet Creations, LLC applied to register the trademark BEAUTY BEARS (the Mark) based on its proposed use in Canada and covering the goods:
 - Cl 5 Dietary and nutritional supplements, namely, vitamins, vitamins and vitamin preparations, gummy vitamins; vitamins; vitamins and vitamin preparations
- [2] The Registrar recorded changes in title from BeSweet Creations, LLC to BeSweet Creations LLC (a Delaware limited liability company), which took place on September 3, 2021, and then to BeSweet Creations Inc.(a Delaware corporation) (the Applicant), which took place on September 10, 2021.

- [3] Herbaland Naturals Inc. (the Opponent) opposes registration of the Mark pursuant to section 38 of the *Trademarks Act*, RSC 1985, c T-13 (the Act). The opposition is based primarily on non-entitlement owing to prior use of the Opponent's trademarks. The Opponent also relies on a non-distinctiveness ground and two technical grounds available under section 38(2).
- [4] While 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 an initial evidential 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 [John Labatt Ltd v Molson Companies Ltd (1990), 30 CPR (3d) 293 (FCTD) at 298]. For the reasons provided below, I find the Opponent has failed to do so, and I reject the Opposition.

THE RECORD

- [1] The application was filed on June 22, 2018, and advertised for opposition purposes in the *Trademarks Journal* dated July 15, 2020. The Act was amended on June 17, 2019, and because the Application was advertised after that date, the amended Act applies (see section 69.1 of the Act). The Opponent filed its statement of opposition on November 16, 2020.
- [2] In its Statement of Opposition, the Opponent relies upon six trademarks (the Opponent's Trademarks) allegedly previously used or made known in Canada in association with:
 - gummy vitamins; vitamins; vitamin preparations; dietary and nutritional supplements for general health and well-being; dietary and nutritional supplements for improving nail strength, supporting healthy skin and maintaining shiny hair; and gummies
- [3] The Opponent's Trademarks are:

1 BEAUTY

2. Application No. 2,059,526 for **PURE BEAUTY** filed on October 22, 2020

PURE BEAUTY GUMMIES FOR HAIR, SKIN & NAILS

4. Application No. 2,053,021 for PURE BEAUTY, filed September 21, 2020



- 5. PURE BEAUTY GUMMIES FOR ADULTS
- 6. Application No. 2,053,008 for BEAUTY GUMMIES, filed September 21, 2020
- [4] The Opponent's grounds of opposition are:
 - non-entitlement under sections 38(2)(c) and 16(1)(a) and 16(3)—
 the Mark is confusing with the Opponent's Trademarks owing to
 prior use of the trademarks listed above since at least as early as
 March 18, 2018, in association with gummy vitamins, vitamins,
 vitamin preparations; dietary and nutritional supplements for
 general health and well-being; dietary and nutritional supplements
 for improving nail strength supporting healthy skin and maintaining
 shiny hair; and gummies
 - non-distinctiveness under sections 38(2)(d) and 2 the Mark because:
 - ...it does not actually distinguish the goods or services with which it proposes to be used by the Applicant (if the Applicant has used the trademark, which is not admitted but denied), from the goods or services

of others, particularly dietary and nutritional supplements, namely, vitamins, vitamins and vitamin preparations, gummy vitamins; vitamins; vitamins and vitamin preparations sold and/or provided by BeSweet Creations, LLC in association with the trademark BEAUTY BEARS, nor is it adapted so to distinguish them.

- non-conformance with sections 30(2) and 38(2)(e) because, at the time of filing, the Applicant was not using and did not propose to use the Mark in Canada in association with the Goods
- non-conformance with sections 30(2) and 38(2)(f) because at the time of filing, the Applicant was not entitled to use the Mark in Canada in association with the Goods in view of the Opponent's previous use or making known of the Opponent's Trademarks
- [5] On January 15, 2021, the Applicant filed and served its counter statement, denying each ground of opposition. Both parties filed evidence. The Opponent sought leave to file an amended application on April 6, 2023, and was refused. The parties each filed evidence which is summarized below. Both parties also filed written representations. Less than two days before the hearing, the Opponent again sought leave to amend the Statement of Opposition. In a letter dated December 13, 2023, the day before the hearing, the Applicant was invited to make submissions in response to the Opponent's request, if it wished, at the time of the hearing. Both parties were represented at the hearing. The Applicant's submissions and my finding refusing leave to amend the statement of opposition are discussed in greater detail below.

Summary of Opponent's Evidence

[6] In support of its opposition, the Opponent relies on the affidavits of Ms. Aisha Yang, co-founder and Sales and Marketing Director of the Opponent. Ms. Yang's evidence will be discussed in greater detail in the analysis below. However, it is helpful to understand that relatively little

evidence relates to the period before the Applicant's filing date. This is highly relevant as the filing date is the material date for the entitlement ground and the entitlement ground is the only ground relied upon by the Opponent that is not summarily "rejected".

- [7] The Opponent's evidence predating the Applicant's filing date of June 22, 2018, may be organized into four categories. First, there is documentary evidence pertaining to regulatory approval granted in November 2017 for products that included Herbaland PURE BEAUTY Gummy for Adults [para 6 and Exhibit E]. The second component of early documentary evidence relates to a consumer trade show held on March 18, 2018, and comprises a leaflet allegedly distributed with the Opponent's goods, define by Ms. Yang as gummies and gummy vitamins [para 8 and Exhibit F]. The third component of the Opponent's documentary evidence involves internetderived materials, including copies of results from a search using the parameters "beauty gummies" and "pure beauty" gummies, as well as archival material about the Opponent's website. The Opponent's evidence also shows third-party retailers' websites displays what are presumably the Opponent's goods as of February 25, 2018, April 18, 2018, and April 29, 2018 [Yang affidavit, para 8 and Exhibit G]. These search results, without further context or information are not very helpful in assessing the Opponent's trademark use, advertising, promotion or making known as of these dates. The same is true for the Opponent's archival website page.
- [8] The final documentary evidence corresponding to the period on or before the Applicant's filing date involves two invoices dated June 20, 2018, and June 22, 2018, showing "Adult Pure Beauty" as a line item" [para 17 and Exhibit N].
- [9] The remaining materials in evidence correspond to dates after June 22, 2018.

Summary of Applicant's Evidence

[10] The Applicant relies on the affidavit of its CEO, Ms. Nicole Johnson, who claims that the Applicant has been selling vitamins using its bluecoloured bear design (subject of Application Nos. 1,843,404 and 1,994,991) in Canada since November 2015. She attests to the Applicant having commenced use of the Mark in Canada in July 2018 and that the products are still for sale through e-commerce partners, including Amazon Canada, and provides a screenshot of the current product listing at www.amazon.com with packaging showing BEAUTY BEARS in association with vitamins [para 6 and Exhibit B]. At the time the affidavit was filed, the Applicant's Canadian sales since 2018 were slightly less than \$20,000 and correspond to more than 250 individual orders [paras 7 and 8]. Ms. Johnson identifies the Applicant's "BEAR Formative" applications and registrations, namely for the trademarks SUGARBEARHAIR, NO ONE KNOWS HAIR BETTER THAN A SUGAR BEAR, THE SWEETER WAY TO HEALTHY HAIR, SUGARBEARHEAR & Design and GET HEALTHY HAIR EAT THE BLUE BEAR, in Canada [Paras 9 and 10 and Exhibit C].

PRELIMINARY MATTER - LEAVE TO AMEND THE STATEMENT OF OPPOSITION

Formalities Amendments and the Addition of Trademarks

- [11] The Opponent sought leave to amend its statement of opposition very late in the evening, two days before the scheduled hearing. I notified the parties the next day that owing to the timing of the request, extra time would be permitted during the following day's hearing to ensure that the Applicant could respond.
- [12] Some amendments involve the Applicant's name changes (Formalities Amendments). Still, others were substantive and included trademarks the Opponent had allegedly used or made known in Canada but did not identify in the statement of opposition. The Opponent considered some to be

variants of those claimed while others were entirely new (Additional Trademarks). In its December 12, 2023, letter requesting leave to amend the pleadings, the Opponent assures the requested amendments do not add a ground of opposition, rather explicitly recite certain further trademarks. The Applicant considered the amendments to raise new grounds, and to therefore be prejudicial, and unjustified in respect of delay and reason.

- [13] After receiving the Parties' oral submissions, I denied the request to amend the statement of opposition. I advised the parties that the reasons for my ruling would be included in the decision on the merits of this opposition.
- [14] The Registrar will generally grant leave to amend a statement of opposition if satisfied that it is in the interests of justice to do so having regard to all surrounding circumstances, including: 1) the stage the opposition proceeding has reached; 2) why the amendment was not made earlier; 3) the importance of the amendment; and 4) the prejudice which either party will suffer.
- [15] I do not believe it is in the interests of justice to grant leave to file the amended statement of opposition. The opposition is at a very late stage. Additionally, the reasons why the amendments were not filed earlier are not entirely persuasive. The prejudice to the Applicant associated with permitting an amendment now would be more significant as the Opponent would be allowed to split its case and further delay registration if the Applicant chose to address the amendments through additional evidence or written submissions. The prejudice to the Opponent is not as significant since the amendments do not materially affect its case. Had I accepted the amendments, this would not have changed the outcome of my analysis below.

- [16] More particularly, in respect of the stage of the proceeding, at the time of the request the evidentiary stage had been closed for more than a year, with both parties having filed their written representations sequentially. The Opponent submits that it was the Applicant's written representations suggesting that several trademarks appearing in the Opponent's evidence had not been included in the statement of opposition which necessitated the amendments. Those written representations are dated July 19, 2023, yet the Opponent did not raise this as an issue until December 12, 2023. In explanation for the delay, the Opponent points to new counsel, albeit from the same firm, retained in or around late July 2023 and the Agent's absence from the office. I enquired at the hearing as to the duration and whether any extenuating circumstances, such as serious illness, precipitated the absence. The response was that the absence was for three weeks and was attributable to holidays and travel for business.
- [17] I find these circumstances do not explain the Opponent's five-month delay in seeking to amend its pleadings and are not entirely consistent with a claim of inadvertence offered, in the alternative, by the Opponent. In addition, I note that the five-month timeframe is longer than the one month of delay in *Mcdowell v Automatic Princess Holdings*, LLC, 2017 FCA 126 (*Mcdowell*), a case relied upon by the Opponent in support of its request.
- [18] I accept that inadvertence is, at times, unavoidable. However, given the length of time that had elapsed, it would have been preferable for the Opponent to better explain the inadvertence, as appears was the case in *Mcdowell*, as the court held in para 34, "McDowell's counsel explained the circumstances leading to the application. There is no reason to disbelieve the explanation he gave." I also find it difficult to accept the explanation of inadvertence when the primary explanation was a within-firm change of counsel combined with absence from the office.

- [19] The delay relating to the Formalities Amendments was even longer, as these were requested in March 2022 and entered on the register in April 2022. Additionally, the Opponent has not explained why, when it sought leave to file a first amended statement of opposition in April 2023, it did not see fit to request the same Formalities Amendments. My comments above regarding the deficiencies in the Opponent's explanation of inadvertence also apply to the Formalities Amendments.
- [20] Regarding the importance of the amendments and prejudice to the parties, the Opponent argues some of the Additional Trademarks are variations of those recited in the pleadings, and others appear in the Opponent's evidence. It submits that, as such there is no prejudice to the Applicant. I can't entirely agree, at least in respect of the trademarks which are not variants of the Opponent's Trademarks. The Additional Trademarks would result in the Opponent splitting its case and potentially lengthening the registration process.
- [21] I note the amendments involving the Additional Trademarks are not particularly significant as they do not address two critical deficiencies in the Opponent's evidence. More particularly, as considered in greater detail below, there is no proof of use of any of the Opponent's Trademarks before the Applicant's filing date. Additionally, as argued by the Applicant, the Opponent's collectivization of its trademarks under one term, "Beauty Marks," results in difficulty assessing to what extent any one trademark has been used, advertised or made known. For this reason, the amendments involving the Additional Trademarks are not pertinent to the analysis below and would not have affected the outcome of this case.
- [22] Likewise, the Formalities Amendments are not relevant. The register accurately reflects current ownership, and I agree with the Opponent, who

admits nothing in this case turns on the issue of the Applicant's name changes.

- [23] Due to the late request, the Applicant was given its first opportunity to deal with the requested amendments at the hearing and had less than a day to prepare its response. Prejudice is associated with this factor as well.
- [24] Finally, regarding the Opponent's reliance on *McDowell*, I am mindful that the Court found at paragraphs 35 to 38 the "extraordinary" delay of fourteen years in dealing with the application to be a significant factor. The current application was filed in 2018, and the Opposition commenced in 2020. As such, delay is not a factor. I note however, permitting the amendments could have resulted in a lengthy delay to allow the Applicant to respond by filing evidence, and potentially both parties to then make additional submissions.

Amendments Involving the Distinctiveness Ground

- [25] As discussed below, the Opponent's ground of opposition alleging non-distinctiveness is not based on the Opponent's trademark use. Instead, it references the Applicant's predecessor in title, who was the owner when the statement of opposition was filed. Possibly, the Opponent intended to rely on this basis to argue unlicensed use by related entities.
- [26] The proposed revisions to this ground of opposition retain specific reference to the Applicant's or predecessors in title's goods and services; however, the new preamble mentions the Opponent's trademarks. In the absence of submissions specific to this ground, I find that the statements in the preamble regarding the Opponent's use of its Additional Trademarks were intended to apply to the grounds of entitlement under section 16 and non-entitlement under 38(2)(f), which rely on the Opponent's trademarks, and not to the distinctiveness ground that relies on the Applicant's and its

predecessors' use. In the alternative, I find the proposed revision fails to meet the requirements of section 38(3)(a) of the Act in that the grounds of opposition are not set out in sufficient detail to enable the Applicant's reply. This requirement has been described as an "elementary condition of fairness" [AstraZeneca AB v Novopharm Ltd, 2001 FCA 296 at para 35].

<u>Preliminary Matter – Trademarks not Referenced in the Statement of</u> <u>Opposition and Trademarks Referenced Collectively</u>

[27] The Applicant argues that the Opponent relies on several trademarks not set out in its statement of opposition [Applicant's written representations paras 43 to 48]. I agree. The Opponent identifies the following six trademarks in its Statement of Opposition (Opponent's Trademarks):

. BEAUTY

. PURE BEAUTY

(Application No. 2,059,526)

PURE & BEAUTY GUMMIES FOR HAIR, SKIN & NAILS

- PURE BEAUTY
 (Application No. 2,053,021)
- PURE BEAUTY GUMMIES FOR ADULTS Design shown below:



BEAUTY GUMMIES

(Application No. 2,053,008)

- [28] Ms. Yang refers in paragraph four of her affidavit to "BEAUTY-type" trademarks and includes the three trademarks listed above for which registration has been sought. As noted by the Opponent in paragraph 20 of its written representations, she also includes two others not listed in the statement of opposition, namely Application No. 2,053,010 for BEAUTY and BEAUTY GUMMES (Bear Face Trademarks). After listing these trademarks she refers to them as the "BEAUTY Marks" [Yang affidavit, notation following para 4].
- [29] If the Opponent intended to rely on its Bear Face Trademarks, these should have been referenced in the Statement of Opposition. As noted above, a ground of opposition is defined primarily by the section of the Act under which it falls, along with the trademark providing the underlying rights [see also 101217990 Saskatchewan Ltd (District Brewing Company) v Lost Craft Inc, 2022 FC 1254 at para 10]. I am limited in my consideration to the grounds raised in the Statement of Opposition and not permitted to consider the Opponent's evidence or representations related to the Bear Face Trademarks not identified in the statement of opposition [Schneider Electric Industries SAS v Spectrum Brands, Inc, 2021 FC 518 at para 27; Pernod Ricard, SA v Molson Breweries, 1995 FCJ No 1577 at para 2; McDonald's Corp v Coffee Hut Stores Ltd, 1994 FCJ No 638, at paras 16-17, aff'd 1996 CanLII 3963 (FCA)].
- [30] The significance of the Opponent's inclusion of the Bear Face Trademarks together with other of the Opponent's Trademarks collectively under "BEAUTY Marks" is that in grouping the trademarks in this manner it becomes unclear which particular trademark or trademarks a statement using this term pertains to. In respect of some of the evidence, reference to the documentary support will clarify if a particular trademark is involved, but

otherwise the statements are ambiguous. This will be discussed in greater detail below under the section 16 entitlement ground.

[31] Ms. Yang has also referred to Canadian Application No. 1,929,122 for filed November 7, 2018, and No. 2,053,011 for No. 2,053,011 for

ANALYSIS AND REASONS FOR DECISION

Section 16 Entitlement

- [32] The Opponent pleads that the Mark is confusing with the Opponent's Trademarks, previously used or made known in Canada, which were not abandoned as of the date of advertisement.
- [33] The material date in respect of this ground is the earlier of the date of first use of the Mark in Canada or the filing date of the application. In this case the filing date was June 22, 2018, while use of the Mark did not commence until after that date. Therefore the material date is the date the application was filed.

Opponent's Evidential Burden Not Met

[34] In support of the entitlement ground, the evidence must show that at least one of the Opponent's Trademarks, alleged in support of this ground of opposition, was used or made known prior to the material date, June 22, 2018, and not abandoned as of July 15, 2020 (the date of advertisement of the Application).

Opponent Fails to Meet its Evidential Burden with Respect to Making Known

[35] The Opponent fails to show that its trademark was made known as of the material date because Ms. Yang's evidence does not show that the Opponent's mark has become well known in Canada by reason of distribution of its goods or advertising in Canada as required by <u>section 5</u> of the <u>Act</u>.

Opponent Fails to Meet its Evidential Burden with Respect to Use

- [36] The evidence of use must inform the Registrar of the situations surrounding use so that the Registrar may arrive at an opinion and apply the requirements of the Act [John Labatt Ltd. v. Rainier Brewing Co (1984) 80 CPR (2d) 228 (FCA) at 235-236. It is only after such use has been established that the Applicant must prove, on a balance of probabilities, that the application complies with the requirements of the Act.
- [37] Section 4(1) of the Act, which is shown below, explains what is required for a trademark to have been use in association with goods:
 - 4(1) A trademark is deemed to be used in association with goods if, at the time of the transfer of the property in or possession of the goods, in the normal course of trade, it is marked on the goods themselves or on the packages in which they are distributed or it is in any other manner so associated with the goods that notice of the association is then given to the person to whom the property or possession is transferred.
- [38] In order for one of the Opponent's Trademarks to be used in association with the Opponent's gummies and gummy vitamins, it would have to be marked on those goods or their packaging or in some way associated with the goods in the normal course of trade so as to provide the requisite notice of association.
- [39] The Opponent has claimed to have used its PURE BEAUTY trademark as early as March 2018 [Yang affidavit, paras 8, 14, 16 and 17]. However, the earliest invoice in support of such sales is dated June 20, 2018, two days before the Applicant filed its application [Yang affidavit, para 17 and Exhibit N]. The Opponent's evidence does not include an explanation for why no invoice or other evidence of relevant sales is available for the period between March 2018 and June 20, 2018. While the evidence, considered in

its entirety, in my view supports the use of one or more of the Opponent's Trademarks in the second half of 2018, the evidence of use prior to, on and shortly after the material date is ambiguous. I am unable to find that when the evidence is read as a whole, it could reasonably be concluded that the use of one or more of the Opponent's Trademarks has commenced prior to the material date for the reasons that follow.

<u>Leaflets</u>

[40] Ms. Yang states that the Opponent manufactured, distributed and sold in Canada gummies and gummy vitamins under the trademark PURE BEAUTY and designs thereof since at least as early as March 2018. Her claim is supported by leaflets advertising PURE BEAUTY gummies and encouraging customers to visit the Opponent's display at the "Healthy Family Expo" held on March 18, 2018, in Vancouver [Yang affidavit, para 8 and Exhibit F]. She does not explain why leaflets encouraging people to attend an Expo would be distributed at that very same Expo. The leaflet displays the Opponent's

PURE BEAUTY FOR ADULTS Design referred to in the Opponent's statement of Opposition as well as **PURE BEAUTY** Gummies for Hair Skin & Nails.

[41] The Applicant argues that the statements surrounding any sales at the time of the Expo are bald attestations without accompanying evidence of the display or sale of any branded good [Applicant's written representations, para 24]. Ms. Yang states that the leaflets were provided to consumers at the Expo, where vendors display and promote their goods. The distribution, she says, occurred during the "launch, promotion and offering to consumers of various of the Opponent's products at a display booth…". She does not state that sales occurred at that time. She also does not provide

documentary support for such sales, or in the alternative, explain why no documentary support exists. These deficiencies are significant since consumer trade expositions may focus on promotion rather than sales, and it is not clear that the Opponent's gummies and gummy vitamins were sold at the event rather than merely advertised and promoted. While Ms. Yang claims that the leaflets were provided to consumers of PURE BEAUTY branded gummies at the time of transfer in the normal course of trade, absent further facts, this statement is ambiguous and not particularly helpful.

[42] It is unclear what Ms. Yang views as the time of transfer, including whether sales of products bearing one or more of the Opponent's Trademarks took place at the Expo or orders were taken at that time, with the product provided later. Absent further details, including exactly what the normal course of trade entails in respect of a consumer exposition, I am not convinced that the display of the PURE BEAUTY Gummies for Hair, Skin & Nails or PURE BEAUTY appearing on the leaflets establishes the Opponent's earlier trademark use. Allegations of use simply tracking statutory language will not suffice (see Aerosol Fillers Inc. v Plough (Canada) Ltd. (1980), 53 CPR (2d) 62 (FCA). An affiant must instead describe facts from which the Registrar can form an opinion or logically infer use within the meaning of section 4 of the Act [Guido Berlucchi & C Srl v Brouillette Kosie Prince, 2007] FC 245 at para 18]. More particularly, there must be evidence explaining and showing what the normal course of trade is and how the trademark was used in that context [Gowling, Strathy & Henderson v Royal Bank (1995), 63 CPR (3d) 322, (FCTD)].

[43] My doubt as to whether sales of the Opponent's PURE BEAUTY branded goods took place as early as March 2018 is enhanced by the additional fact that approval to sell the gummies and gummy vitamins had been granted

only a few months before the March event. It would seem reasonable to infer that it would take the Opponent some time to manufacture or otherwise procure the gummies. I am also cognizant that total sales for 2018 were modest, with 1434 units sold that year compared to more than six times that amount sold the following year. While these facts, alone or together, are not determinative, they suggest that the Expo event might have been focused on promotion rather than sales of the new product. The lack of factual information beyond the statutory language leads me to conclude that the evidence, as a whole, does not show the use of one of the Opponent's Trademarks as early as March 18, 2018.

Internet Searches and Website Archives

[44] These internet search materials relied upon by the Opponent were restricted to the period between January 1, 2018, and June 18, 2018. The results included an entry dated February 2018 showing "Shop 2 item Sun & Bug 2 item-Suncare 2 item- Pure Beauty 2 item Back to school 1 item-Herbaland Kids Vegan Gummy Multivitamins. Two additional results are from April 2018, one of which shows "Pure Beauty, 60 Count New Herbaland-Gummies for Adults, Pure Bea... Herbaland Gummies for Kids, Immune boos..\$20.99 Food & Drink - Zevia...". The other result shows "Herbaland Pure Beauty Gummies..." The archival material, available through the Wayback Machine site shows what appears at the herbaland.com site on June 19, 2019. The page contains the statement "Introducing our new beauty Gummy for Hair, Skin and Nail Health!" and a depiction of a container of the Opponent's gummies and vitamin gummies. The container displayed is similar to that comprising the Opponent's PURE BEAUTY GUMMIES FOR ADULTS label design listed as trademark number 5, above, but shows HAIR SKIN AND NAILS rather than PURE BEAUTY [paras 8 and 9 and Exhibits G and I].

[45] These search results, without further context or information are not particularly helpful in assessing the Opponent's trademark use, advertising, promotion or making known as of these dates. It is not clear how any of the Opponent's Trademarks are used in association with the gummies or gummy vitamins. I agree with the Applicant's position that it is not sufficient for the purposes of section 4(1) that the goods were advertised for sale on these websites; instead, some evidence of transfers in the normal course of trade is required.

Sales and Invoices

[46] Under the heading "Sales," Ms. Yang states that since at least as early as March 2018, the Opponent sold its gummies and gummy vitamins in association with one or more of the "BEAUTY Marks" indirectly to consumers through grocery, pharmacy, vegan and health and wellness store and online retailers, as well as general online retailers [Yang affidavit, para 14]. The statement is not specific as to which of the BEAUTY Marks were applied to the goods or their packaging sold before the material date. Also, the term covers multiple trademarks and, therefore, does not pertain to the use of any one trademark. Furthermore, BEAUTY Marks, as defined by the Opponent, include trademarks not identified in the Statement of Opposition. For this reason, the statements contained in the Opponent's evidence relying on use of the term BEAUTY Marks must be approached with caution.

[47] Ms. Yang has provided representative invoices showing "Adults Pure Beauty" as a line item [Yang affidavit, para 17 and Exhibit N]. The earliest of these is dated June 20, 2018, and involves a sale of goods, including twelve units described as "Adult Pure Beauty" costing \$71.40, to Purity Life Health Products, located in Ontario. A second invoice, to the same purchaser, is dated June 22, 2018, and references 24 units of the Adult Pure Beauty product. While the invoices support a claim to sales of gummies, the

Opponent has not included evidence showing the manner of use of the PURE BEAUTY trademark appearing on these goods or their packaging. This is relevant since the depiction on the Opponent's archived webpage from June 19, 2018, shows a container labelled "HerbaLand Hair, Skin and Nails." The text says, "Introducing our new Beauty Gummy for Hair, Skin and Nail Health." Later materials show a very similar design, replacing "Hair, Skin and Nails" with "PURE BEAUTY." Thus, there are at least two potential labels, and it is unclear which one the June sales are associated with.

[48] It is possible for the appearance of a trademark on an invoice to, in and of itself, support a finding that the trademark has been used [*Tint King of California Inc v Canada* (Registrar of Trade Marks), 2006 FC 1440 and Hortilux Schreder BV v Iwasaki Electric Co, 2012 FCA 321]. However, even if I were to consider the appearance of PURE BEAUTY on the invoice is use of the trademark, it is not clear the invoice accompanied the Goods such that there was a notice of association between PURE BEAUTY appearing on the invoice and the goods themselves, as is required [*Riches, McKenzie & Herbert v. Pepper King Ltd* (2000), 8 CPR (4th) 471 (FCTD)].

[49] It is well recognized that placing an order for goods does not, alone, establish use within the meaning of section 4. When assessing trademark use, the critical point is when property in or possession of the goods is transferred. All requisite elements of use must be present at that time [Ridout & Maybee LLP v HJ Heinz Co Australia Ltd, 2014 FC 442 at para 42 (Heinz)]. I am not persuaded the invoices support a claim that property in or possession of gummies or their packaging occurred by June 22, 2018. In this regard, I note the Opponent is based in British Columbia, and the goods are being shipped to Ontario. Even if the invoice dated June 20, 2018, reflects an agreement to purchase, there is no evidence that the property in or possession of the gummies and gummy vitamins had been transferred to the

purchaser as of the material date [Estee Lauder Cosmetics Ltd. v Loveless (2017) FC 927 at paras 32 to 34]. Additionally, the invoices do not contain information to suggest when a shipment might have occurred, as the "ship date" is left blank, along with the shipper and tracking number. Therefore, I am unable to infer from the evidence precisely when the property in or possession of the goods was transferred [Rogers Media Inc v La Cornue, 2019 TMOB 63 at para 57]. Furthermore, while an inference regarding receipt by the purchaser might under some circumstances be justified in respect of evidence pertaining to a simple and expeditious section 45 cancellation proceeding, it is not necessarily justified when considering entitlement, particularly when the invoice is dated within two days of the material date [see Heinz at paras 40 to 49 and Eclipse International Fashions Canada Inc. v. Shapiro Cohen, 2005 FCA 64, at paragraph 6 for the differing burden].

- [50] As the Opponent's evidence does not support its claim to have used one of the Opponent's Trademarks as of the material date, I find the Opponent has not met its initial burden and this ground of opposition is therefore rejected.
- [51] That said, even if I were to find that the Opponent has met its initial evidential burden in respect of the entitlement ground through use of its PURE BEAUTY trademark on the June 20, 2018 invoice, the ground of opposition would nonetheless be rejected for the reasons set out below.

Introduction - Likelihood of Confusion

[52] The Opponent has pleaded non-entitlement owing to confusion with the Opponent's Trademarks, including PURE BEAUTY, previously used or made known in Canada in association with the Opponent's gummies and gummy vitamins. I will now assess confusion relying on the Opponent's PURE BEAUTY trademark in the event I was wrong in finding that the

Opponent's invoice of June 20, 2018 showing PURE BEAUTY as a line item cannot be relied upon as proof that the Opponent used that trademark as of the material ate of June 22, 2018.

Confusion Analysis

[53] 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 mark at a time when they have no more than an imperfect recollection of the opponent's trademark and who does not pause to give the matter detailed consideration, nor to examine closely the similarities and difference between marks. When assessing the likelihood of 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, as well as any other relevant surrounding circumstances, need not be accorded equal weight [Mattel, Inc v 3894207 Canada Inc, 2006 SCC 22, Veuve Cliquot Ponsardin v Boutiques Cliquot Ltée, 2006 SCC 23 and Masterpiece Inc v Alavida Lifestyles Inc, 2011 SCC 27].

<u>Inherent distinctiveness and Extent to Which the Trademarks Have Become Known</u>

- [54] Descriptive words possess a very limited degree of inherent distinctiveness [Molson Cos v John Labatt Ltd, 1994 178 NR 20 at paras 5-8 (FCA) and Venngo Inc v Concierge Connection Inc 2017 FCA 96 at para 46].
- [55] The Opponent admits that the parties' trademarks share a similar degree of inherent distinctiveness [Opponent's written representations, para

58]. The Applicant argues that the weakness of the trademark PURE BEAUTY reduces the likelihood of confusion (Applicant's written representations, para 68).

[56] I may take judicial notice of the meaning of the terms "beauty," "pure" and "bears." In doing so I have consulted the *Canadian Oxford Dictionary* (2ed). I note the following meanings:

Pure: unmixed

Beauty: a combination of qualities such as shape, colour, etc., that pleases the aesthetic senses, esp. the sight

bear: any large, heavy mammal of the family Ursidae, having thick fur and walking on its sole

[57] The Opponent's evidence suggests that bear-shaped gummy candies have been available for some time, including those containing vitamins [Yang affidavit, Exhibit V]. I am mindful that *Wikipedia* is an open-source internet platform and, therefore, not necessarily reliable., however I will nonetheless accord this evidence some limited weight. I note nothing turns on this evidence.

[58] The Opponent submits that its PURE BEAUTY trademarks and the Mark share a similar degree of inherent distinctiveness. I find that the inherent distinctiveness of PURE BEAUTY and that of the Mark is minimal owing to the descriptive nature of these trademarks. More specifically, PURE BEAUTY describes that pleasing aesthetics, and nothing but that, are the function, or result, of using the Opponent's gummies and gummy vitamins [*Thomson Research Associated Ltd. v Registrar of Trade Marks* (1982), 67 CPR (2d) 205 at para 4 (FCTD). The adjective PURE modifies the noun BEAUTY. Thus, there is nothing particularly notable about the specific combination of words. Regarding the Mark, the noun BEAUTY again suggests pleasing aesthetics,

while the noun BEARS refers to the shape of those Goods. Of the two, I find the Mark to possess a very slightly greater degree of inherent distinctiveness because of the more unusual combination of two alliterative words, that might be considered nouns, that do not join as naturally as do the words comprising the Opponent's trademark.

[59] Distinctiveness may also be acquired through use and promotion of a trademark. 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 [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)].

[60] The Applicant has not evidenced any use, advertising or promotion of the Mark in Canada in association with the Goods as of the material date. As discussed above, even if I find the invoice dated June 20, 2018, to support a claim to use of the Opponent's PURE BEAUTY trademark prior to the material date, the evidence indicates minimal use of the trademark in association with twelve containers of gummies as of the material date. Regarding the leaflets, no indication has been provided as to the number of these distributed or when distribution might have occurred. Likewise, the internetderived evidence is silent as to the number of visitors to the sites. Therefore, I can conclude, at best, that the PURE BEAUTY trademark has been made known to a small extent in Canada, or a portion of Canada, by virtue of the Opponent's internet presence and possible visits by Canadians. I am not prepared to make the same finding regarding the Opponent's pamphlets since, as pointed out by the Applicant, there is no indication of the number of, and I note also when, these reached consumers [Applicant's written representations, para 24].

[61] As the parties' trademarks are comprised of descriptive terms with limited inherent distinctiveness, the Mark being marginally more inherently distinctive than the Opponent's PURE BEAUTY trademark, and only the Opponent's trademark having been used or become known at all, and that to a minimal extent, I find that this factor does not favour either party.

Length of Time in Use

[62] Even if I presume that the invoice dated June 20, 2018, reflects a transfer of goods in the ordinary course of trade that reached the purchaser by the material date, the period of use would amount to minimally hours and maximally a day or two. This factor, therefore, favours the Opponent very slightly, if at all.

Nature of the Goods, Services or Business; and Nature of the Trade

[63] It is the Applicant's statement of Goods as defined in its application, versus the goods in association with which the Opponent's PURE BEAUTY trademark has been used which are considered when assessing the nature of the goods, services or business of the parties. As the evidence shows the Opponent's PURE BEAUTY trademark is associated with gummies and gummy vitamins, there is a direct overlap with the Goods. Since the parties' goods are the same, it is reasonable to assume that the trade channels would also overlap. Accordingly, these factors favour the Opponent.

Similarity in Appearance, Sound or Idea Suggested

- [64] The resemblance between the trademarks is often the statutory factor likely to influence the confusion analysis most [Masterpiece at 49].
- [65] In *Masterpiece*, at paragraph 64, the Supreme Court of Canada stated that a preferred approach when assessing the degree of resemblance is first to consider whether there is an aspect of a trademark that is particularly

striking or unique. It is not a proper approach to set the trademarks side by side and analyze them critically.

- [66] I do not find any component of the Mark or PURE BEAUTY particularly striking or unique in light of the descriptive meaning of the terms. Any distinctiveness is drawn, in large part, from the combination of the two terms, and this lessens the significance of the shared term BEAUTY. I note, as well, that the trademarks do not share the same first portion. This factor is often significant for the purposes of distinction [Conde Nast Publications Inc v Union des Editions Modernes (1979), 46 CPR (2d) 183 (FCTD) and Park Avenue Furniture Corp v Wickes/Simmons Bedding Ltd, 1991 CanLII 11769 (FCA)].
- [67] While there is a degree of similarity in the appearance, sound and idea suggested by the parties' trademarks given that they share the common portion BEAUTY, the presence of the other terms at least as distinctive as BEAUTY, as well as the likelihood that the two terms comprising each trademark would be considered together rather than the focus being on BEAUTY, lead me to conclude that the trademarks are more different than they are alike. Therefore, the resemblance in appearance, sound and idea suggested by the trademarks, favours the Applicant.

<u>Additional Surrounding Circumstance – Jurisprudence Concerning Weak Trademarks</u>

[68] As noted above, when a word is a common, descriptive word, it is entitled to a narrower range of protection than an invented or unique word. A party adopting a weak trademark, therefore, accepts some risk of confusion [General Motors v Bellows [1949] SCR 678 (General Motors), citing Office Cleaning Services Ltd v Westminster Window & General Cleaners, Ltd (1946), 63 RPC 39 at 41 (HL); and Fairmount Properties Ltd v Fairmount Management LLP, 2008 FC 876].

[69] It is also well accepted that comparatively small differences will suffice to distinguish between weak trademarks [Boston Pizza International Inc v Boston Chicken Inc (2001), 15 CPR (4th) 345 (FCTD) at para 66]. As explained in Provigo Distribution Inc v Max Mara Fashion Group SRL 2005 FC 1550 at para 31:

The two marks being inherently weak, it is fair to say that even small differences will be sufficient to distinguish among them. Were it otherwise, first user of words in common use would be unfairly allowed to monopolize these words. A further justification given by courts in coming to this conclusion is that the public is expected to be more on its guard when such weak trade names are used ...

[70] Because of the weakness of the parties' trademarks and the ability of the terms PURE and BEARS to distinguish, this factor favours the Applicant. To find otherwise would permit the Opponent's unfair monopolization of the shared term BEAUTY.

Conclusion Likelihood of Confusion

[71] Having considered all surrounding circumstances in this case as discussed above, in particular the weakness of the Opponent's PURE BEAUTY trademark and its commensurate narrow ambit of protection, I find that the balance of probabilities between finding that there is no reasonable likelihood of confusion, and that there is a reasonable likelihood of confusion, falls in favour of the Applicant. Accordingly, this ground of Opposition is rejected.

Distinctiveness

[72] The material date regarding the distinctiveness ground is the date of filing of the Statement of Opposition, in this case, November 16, 2020 [Metro-Goldwyn-Mayer Inc v Stargate Connections Inc, 2004 FC 1185].

- [73] The Opponent has pleaded that the Mark is not distinctive as it does not distinguish or is not adapted to distinguish the Goods from the goods or services of others, particularly dietary and nutritional supplements, namely vitamins, vitamins and vitamin preparations gummy vitamins; vitamins; vitamin and vitamin preparations sold and/or provided by the Applicant, used in association with the trademark BEAUTY BEARS.
- [74] There is an initial evidentiary burden on the Opponent to establish facts supporting its non-distinctiveness ground. Only once that burden has been met is there a legal onus on the Applicant to show that the Mark is adapted to distinguish, or actually distinguishes, its goods or services from the goods and services of others. [Joseph E Seagram & Sons Ltd v Seagram Real Estate Ltd (1984), 3 CPR (3d) 325 at 329 (TMOB) and Labatt Brewing Company Limited v Molson Breweries, a Partnership (1996), 68 CPR (3d) 216 (FCTD)].
- [75] The Opponent argues that the Applicant has failed to establish that it had used the Mark as of the material date owing to the Applicant's bald statement of use since July 2018, and as such, it cannot actually distinguish the Applicant's goods from those of the Opponent [Opponent's written representations, paras 72 and 73]. As noted, reference to the Opponent's Trademarks does not appear in the pleadings. Regardless, the Act also provides for the ability of a trademark to be "adapted so to distinguish." For trademarks adapted to distinguish, use is not required [AstraZeneca AB v Novopharm Ltd, 2003 FCA 57 at para 16]. Even if the Applicant failed to prove that the Mark had been used as of November 16, 2020, the distinctiveness ground of opposition would not succeed if the Mark is adapted to distinguish.
- [76] The Opponent goes on to argue that the Applicant's trademark is not adapted to distinguish its goods from those of the Opponent. However, as

noted above, non-distinctiveness in light of the Opponent's Trademarks is not what was pleaded. Instead, the Opponent's non-distinctiveness ground alleges non-distinctiveness in light of use by the Applicant's predecessor in title BeSweet Creations LLC.

[77] A ground of opposition is defined primarily by the provision of the Act along with the trademark providing the underlying rights [see *Schneider Electric Industries SAS v. Spectrum Brands*, Inc, 2021 FC 518 and 101217990 *Saskatchewan Ltd. v Lost Craft Inc*, 2022 FC1254 at 10 and 11]. Construing the non-distinctiveness ground as relying on one or more unidentified trademarks of the Opponent Trademarks would equate to allowing a new ground of opposition *per se* without necessitating the Opponent's amendment of its statement of opposition.

[78] I note that the Opponent appears to have understood the parameters of the ground in its summary of the proceedings; however, its later submissions conflate use by the Applicant with "use by others" and ultimately "use by the Opponent" [Opponent's written representations, paras 9(b), 71, 77 and 78]. In doing so, the Opponent enlarges the scope of the existing ground or creates a new ground of opposition entirely. While the Applicant appears to have responded to the Opponent's misconstruction of the ground, this does not obviate the Opponent's obligation to argue within the confines of the pleadings which in the case of the distinctiveness ground restricted it to the Applicant's trademarks and trademark use.

[79] I note that while the Applicant has changed its name during the proceedings, there is no evidence of use of the Mark by a Predecessor in title or related entity that might put the distinctiveness of the Mark into issue pursuant to sections 48(2) or 50 of the Act. I, therefore, reject the section 2 ground of opposition on the basis the Opponent was precluded from reliance on its own trademarks not referenced in the pleadings and additionally

because there is no evidence of use by the Applicant's predecessor that puts the distinctiveness of the Mark into issue [see *Imperial Developments Ltd v Imperial Oil Ltd* (1984), 79 CPR (2d) 12 (FCTD) for the proposition that an opponent cannot rely on a ground of opposition not pleaded].

Remaining Grounds of Opposition Summarily Rejected

- [80] The Opponent has also pleaded that the Applicant was not using and did not propose to use the Mark in Canada, contrary to section 38(2)(e) of the Act and that the Applicant was not entitled to use the trademark in association with the Goods in view of the Opponent's prior use or making known of its own trademarks in association with the Opponent's gummies and gummy vitamins, contrary to section 38(2)(f).
- [81] The Opponent has not filed evidence in support of the 38(2)(e) ground of opposition, nor can support for this ground be drawn from the Applicant's evidence. Accordingly, at least because the Opponent has not met its initial evidential burden, this ground of opposition is rejected.
- [82] Regarding the section 38(2)(f) ground of opposition, the Opponent has not set out the underlying basis for the allegation establishing why or how the Applicant is not entitled to use the Mark. In addition it has not filed any evidence or made any written submissions regarding this ground. When I enquired during the hearing whether it was the Opponent's intention to withdraw this ground, the Opponent's Agent said that it was not and that the ground should succeed for the same reasons the section 16 entitlement ground should succeed. However, section 38(2)(f) pertains to an applicant's lawful entitlement to use or to other legal prohibitions to use of the trademark within the meaning of section 4 of the Act [Methanex Corporation v Suez International, société par actions simplifiée, 2022 TMOB 155]. Accordingly, this ground of opposition is rejected.

DISPOSITION

[83] For all of the reasons set out above, 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.

Coleen Morrison Member Trademarks Opposition Board Canadian Intellectual Property Office

Appearances and Agents of Record

HEARING DATE: 2023-12-14

APPEARANCES

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For the Applicant: Joanna Pitkin

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