

TRADUCTION/TRANSLATION



LE REGISTRAIRE DES MARQUES DE COMMERCE
THE REGISTRAR OF TRADE-MARKS

Citation: 2011 TMOB 112
Date of Decision: 2011-07-25

**IN THE MATTER OF AN OPPOSITION by
Nautilus Plus Inc. and 88766 Canada Inc. to
application No. 1,297,240 for the trade-mark
STOP ALCOOL in the name of Centres Stop Inc.**

The Pleadings

[1] On April 10, 2006, Centres Stop Inc. (the Applicant) filed application No. 1,297,240 to register the trade-mark STOP ALCOOL (the Mark) in association with

(1) Naturopathic support products namely homeopathic drops, gel caps and pills for the treatment of alcohol dependency and addictions; (2) Educational publications, namely books, printed articles, pamphlets and workbooks and worksheets relating to alcohol dependency and addictions (the Wares);

(1) Health services namely auricular therapy for alcohol dependency and addictions; (2) Counselling, support and rehabilitation services for alcohol dependency and addictions; (3) Educational services namely designing and providing educational programs, materials and information relating to alcohol dependency and addictions and other health and wellness and healthy lifestyle programs and providing educational seminars by Internet with respect to alcohol dependency and addictions and other health and wellness and healthy lifestyle programs (the Services).

[2] This application is based on use of the Mark in Canada in association with the Wares and Services since August 2005.

[3] The application was advertised for opposition purposes in the *Trade-marks Journal* of March 28, 2007. Nautilus Plus Inc. (Nautilus) and 88766 Canada Inc. (the Opponent) filed a joint

statement of opposition on May 28, 2007, which the Registrar forwarded to the Applicant on June 12, 2007. On October 12, 2007, the Applicant filed a counter statement denying all of the grounds of opposition described below. Nautilus and the Opponent amended their statement of opposition, and the Applicant amended its counter statement accordingly.

[4] As Rule 41 evidence, Nautilus and the Opponent filed certificates of authenticity concerning the registered marks listed in their statement of opposition. As Rule 42 evidence, the Applicant filed Stephen Wallack's affidavit, dated December 8, 2008.

[5] Each of the parties filed written arguments. Both the Applicant and the Opponent were represented at an oral hearing. Three days before the scheduled hearing date, the Registrar was informed that Nautilus was withdrawing its opposition. All that remains on file therefore is the Opponent's opposition.

The Grounds of Opposition

[6] The various grounds of opposition raised by the Opponent in its statement of opposition amended on July 18, 2008, may be summarized as follows:

- (1) On the filing date of the application, the Applicant was not using the Mark on the various dates of first use claimed in the application for registration, or each alleged date of first use is wrong, contrary to s. 30(b) of the *Trade-marks Act*, R.S.C. 1985, c. T-13 (the Act);
- (2) The trade-mark of which use is claimed is not the Mark, but another, different trade-mark;
- (3) The alleged use of the Mark in association with the Wares and Services is discontinuous, in whole or in part;
- (4) Given the Applicant's knowledge of the rights of third parties or opponents and the illegality of any use, the Applicant falsely stated being satisfied that it was entitled to use the Mark in Canada (s. 30(i) of the Act);
- (5) The application does not contain a statement in ordinary commercial terms of the Wares or Services (s. 30(a) of the Act);
- (6) The Mark is not registrable under s. 12(1)(d) of the Act, as it is confusing with the following registered trade-marks:

CARE-FREE SNORE STOPPER, registration TMA656,081 for an oral device, namely an apparatus designed and fitted for individuals to eliminate snoring;
HEMOR-STOP, registration TMA256,558 for suppositories for hemorrhoids;
BLOOD STOP, registration TMA666,933 for dressings, bandages and bands for medical use;
SNORE STOP, registration TMA492,013 for homeopathic formulations for the relief of the symptoms of snoring;
STOP'N GROW and design, registration TMA162,143 for nail biting deterrent preparations;
TABASTOP, registration TMA383,956 for tablets to stop smoking.

- (7) The Mark is not, and cannot be, distinctive of the Wares and Services because it does not distinguish the Applicant's Wares and Services from the wares and services of others, considering what has been mentioned herein and the presence on the market and in the register of STOP-type trade-marks for wares and services of the same nature as those stated in this application for registration;
- (8) The Mark is not, and cannot be, distinctive of the Wares and Services because the Applicant allowed third parties to use the Mark in Canada outside the scope of the legislative provisions governing licensed use, contrary to s. 50 of the Act;
- (9) The Mark is not, and cannot be, distinctive of the Wares and Services because as a result of its transfer, there subsisted rights in two or more persons to the use of the Mark, and those rights were exercised concurrently by those persons, contrary to s. 48(2) of the Act.

Burden of Proof When Opposing the Registration of a Trade-mark

[7] In proceedings to oppose the registration of a trade-mark, the opponent must present enough evidence concerning the grounds of opposition raised to show that there are facts supporting those grounds. If the opponent meets this requirement, the applicant must persuade the Registrar that the grounds of opposition, on a balance of probabilities, should not prevent registration of the mark [see *Joseph Seagram & Sons Ltd. v. Seagram Real Estate Ltd.* (1984), 3 C.P.R. (3d) 325 (T.M.O.B.) and *John Labatt Ltd. v. Molson Companies Limited*, (1990), 30 C.P.R. (3d) 293 (F.C.T.D.)].

Grounds of Opposition Summarily Dismissed

[8] The Opponent failed to submit any evidence to prove the allegations made in grounds of opposition 3, 5, 8 and 9, above. In the circumstances, I dismiss these grounds since the Opponent has not discharged its initial burden of proof.

[9] As for the fourth ground of opposition, s. 30(i) of the Act does not require the Applicant to state that it is satisfied that it is entitled to register the Mark. This statement appears in the application for registration. Section 30(i) of the Act may be raised, among other things, in cases where the Applicant's statement was made in bad faith [see *Sapodilla Co. Ltd. v. Bristol Myers Co.* (1974), 15 C.P.R. (2d) 152 (T.M.O.B.)]. This was neither alleged nor proved. The fourth ground of opposition is therefore also dismissed.

[10] As for the seventh ground of opposition, there is no evidence of use of the trade-marks in the Register and cited by the Opponent under the sixth ground of opposition and on which the Opponent is relying. Yet, the Opponent must demonstrate that one of the marks cited in support of the claim that the Mark cannot be distinctive was known sufficiently as of the filing date of the statement of opposition [see *Bojangles' International LLC v. Bojangles Café Ltd.* (2006), 48 C.P.R. (4th) 427 (F.C.T.D.)]. Filing a certificate of registration for each of the marks cited is not sufficient to meet this initial burden of proof [see *Classical Remedia Ltd. v. 1404568 Ontario Ltd.* (2010), 81 C.P.R. (4th) 317 (T.M.O.B.)]. For these reasons, the seventh ground of opposition is also dismissed.

Registrability of the Mark under s. 12(1)(d) of the Act

[11] In its sixth ground of opposition, the Opponent claims that the Mark is confusing with the registered trade-marks listed above. By filing a certificate of authenticity for each of these marks, the Opponent has met its initial burden. I nonetheless checked the Register, exercising my discretion to do so [see *Quaker Oats Co. of Can. v. Menu Foods Ltd.* (1986), 11 C.P.R. (3d) 410 (T.M.O.B.)] and all are current except for registration No. TMA256,558, which has since been expunged. It can therefore not be considered in support of this ground of opposition.

[12] The Applicant must therefore show that there is no likelihood of confusion between the Mark and any of the marks cited by the Opponent. The applicable test in this case is described at s. 6(2) of the Act. Thus, the use of the Mark will cause confusion with another trade-mark if the use of both trade-marks in the same area would be likely to lead to the inference that the wares and services associated with those trade-marks are manufactured, sold, hired or performed by the same person, whether or not the wares or services are of the same general class. A non-exhaustive list of relevant circumstances appears at s. 6(5) of the Act. In the recent decision *Masterpiece Inc. v. Alavida Lifestyles Inc.*, 2011 SCC 27, the Supreme Court of Canada interpreted s. 6(2) and clarified the scope of the various criteria listed at s. 6(5) of the Act. This analysis shows that the most important factor is still the degree of resemblance between the marks at issue.

[13] I must point out that in the [translation] “ARGUMENTS” section of its written submissions, the Opponent limits its comments to the first and second grounds of opposition. It does not submit any arguments to support the sixth ground of opposition. The same was true at the oral hearing. I am not planning to go into an exhaustive analysis of the factors listed at s. 6(5) of the Act to deal with this ground since the parties show little interest in discussing this issue.

[14] The marks cited by the Opponent are different not only phonetically and visually but also in terms of the ideas they suggest, despite the presence of the word STOP, a word that has very little inherent distinctiveness. Moreover, the registration certificates of the marks cited by the Opponent cover different wares from the Wares and Service, with the exception of the mark TABASTOP. In the latter case, its lack of resemblance with the Mark is sufficient in itself to support the absence of a likelihood of confusion.

[15] Even if the other factors listed at s. 6(5) of the Act favoured the Opponent, their weight would not be sufficient to counter the effect of the absence of a degree of resemblance between the Mark and the registered marks cited by the Opponent.

[16] I therefore find that there could be no likelihood of confusion between the Mark and the registered marks cited by the Opponent in support of this ground of opposition. In the circumstances, the sixth ground of opposition is also dismissed.

Use of the Mark

[17] At the hearing, the Opponent's agent stated that she limited the scope of the first two grounds of opposition to the Wares. Therefore I must first determine whether the various marks used by the Applicant qualify as use of the Mark. If this is the case, I will then have to determine whether this constitutes use of the Mark in association with the Wares (wares (1) and (2)).

[18] For the purposes of this decision, I need only to say of the Applicant that Mr. Wallack is its president and founder. The Applicant was incorporated on April 4, 2000. Mr. Wallack stated that, in May 2000, the Applicant began using a family of marks all beginning with the word STOP in association with treatments for people suffering from weight and appetite problems, stress, and alcohol and cigarette addiction.

[19] The Opponent submits that the trade-mark used by the Applicant is not the Mark. The Mark appears on the publication filed as Exhibit SW-10, despite the presence of a hyphen between the words STOP and ALCOOL. There is also a second variation of the Mark that appears, among other things, at Exhibit SW-2 and where the letter O in STOP is substituted by a glass. I consider use of these versions to be use of the Mark [see *Registrar of Trade Marks v. Compagnie Internationale pour l'Informatique CII Honeywell Bull, Société Anonyme et al.* (1985), 4 C.P.R. (3d) 523, and *Nightingale Interlock Ltd. v. Prodesign Ltd.*, (1984), 2 C.P.R. (3d) 535].

[20] Consequently, I cannot accept the Opponent's submissions in support of its second ground of opposition, which I dismiss.

[21] It therefore remains to be determined whether the Mark was used in association with the Wares within the meaning of s. 4(1) of the Act on the date claimed in the application for registration.

Whether the Mark is Used in Association with the Wares

[22] It is recognized in the case law that the opponent can refer to the applicant's evidence to prove allegations connected to s. 30(b) of the Act [see *Labatt Brewing Co. v. Molson Breweries, a Partnership* (1996), 68 C.P.R. (3d) 216 (F.C.T.D.)]. However, this evidence must raise serious

doubt. The Opponent argues that the evidence filed by the Applicant does not show use of the Mark in association with the Wares within the meaning of s. 4(1) of the Act since the Mark is not associated with a product. The best way to demonstrate this association would be to put the Mark on the product itself or on its packaging [see *Farside Clothing et al. v. Caricline Ventures Ltd.* , 2002 F.C.A. 446].

[23] Mr. Wallack stated in his affidavit that exhibits SW-1, SW-2, SW-8 and SW-10 were promotional pamphlets. There is no reference to the Mark in the contents of Exhibit SW-10. As for the other exhibits identified above, they cannot be evidence of use of the Mark in association with wares (1). None of these exhibits filed by Mr. Wallack shows wares (1), with the exception of Exhibit SW-11, which I will deal with at greater length below.

[24] As to the educational publications (wares (2)), the promotional pamphlets produced by Mr. Wallack are distributed to promote the Applicant's Services in association with the Mark. I agree with the Opponent that these documents do not prove use of the Mark in association with wares (2).

[25] Exhibits SW-3, SW-4 and SW-5 are advertisements that appeared in various publications and in the media and that promote the Services in association with the Mark. Exhibit SW-6 is a gift certificate for the Services. Exhibit SW-7 is a photograph of the cover of a hand-dryer found in various bars and restaurants in Quebec on which an advertisement is affixed. This too is an advertisement for the Services. Exhibit SW-9 is a form that must be completed by clients who wish to use the Applicant's Services. Exhibits SW-12 and SW-13 are photographs illustrating an exterior sign and a car, both of which display the trade-mark STOP CENTRES and not the Mark. None of these exhibits can constitute evidence of use of the Mark in association with the Wares within the meaning of s. 4(1) of the Act.

[26] There is no doubt that the Applicant uses the Mark in association with the Services. However, there is no evidence in the file showing use of the Mark in association with the Wares. There is Exhibit SW-11, which is a photograph of a container for homeopathic drops; however, the mark affixed on this container is the STOP CENTRES mark. This does not constitute use of the Mark.

[27] The Applicant argues that paragraph 18 of Mr. Wallack's affidavit proves that the advertising pamphlets displaying the Mark were handed out with homeopathic products, meaning that there is an association between the Mark and its homeopathic products. I can dispose of this argument by reproducing the following paragraph:

18. Since at least as early as August 2005, Stop Centres provides to its clients a wide range of naturopathic support products for weight loss, weight management, smoking cessation, appetite control, stress reduction and alcohol addiction in connection with promotional brochures or material bearing the STOP ALCOOL trade-mark. Exhibit SW-11 to my affidavit is a picture of one such bottle of homeopathic drops.

[28] Yet the product as such and which is shown on the photograph filed as exhibit SW-11 does not display the Mark. Even though it is handed out with brochures displaying the Mark, these brochures promote the Services in association with the Mark and not the Wares. For example, I found at Exhibit SW-1 a passage that refers to natural products, but there is no illustration of these products and, most importantly, no mention that these products bear the Mark. At most, the allegation that there is an association between the Mark and the wares (1) at paragraph 18 of Mr. Wallack's affidavit is ambiguous given that the evidence produced by Mr. Wallack to support this allegation demonstrates use of another trade-mark.

[29] Thus, despite the abundance of evidence filed by the Applicant, none of that evidence can be considered to be evidence of use of the Mark in association with the Wares. The only exhibit that demonstrates use of a trade-mark in association with the Wares is Exhibit SW-11, but it does not display the Mark. This leads me to conclude that there is serious doubt about the Applicant's allegation that it used the Mark in association with the Wares on the date claimed.

[30] I therefore allow the first ground of opposition regarding the Wares alone.

Abusiveness of the Proceedings

[31] At the hearing, the Applicant argued that the opposition proceedings in this case were without merit and abusive. Consequently, the Applicant asked the Registrar to find that they were an abuse of right within the meaning of the civil code and asked me to dismiss the opposition.

[32] The mechanism adopted by Parliament to prevent abuses through opposition proceedings that are frivolous and without merit is set out at s. 38(4) of the Act. This provision provides that when the Registrar receives a statement of opposition, the Registrar must read it to determine whether there is at least one ground of opposition that, on its face, appears to raise a substantial issue. By serving the statement of opposition on the Applicant, the Registrar considered that, on its face, the statement of opposition was not frivolous.

[33] Indeed, as appears from this decision, one of the grounds of opposition was allowed in part.

Disposition

[34] Pursuant to the authority delegated to me under s. 63(3) of the Act, pursuant to the provisions of s. 38(8) of the Act, and considering the principles stated in *Produits Ménagers Coronet Inc. v. Coronet Werke Heinrich SCH*, 10 C.P.R. (3d) 482, I allow the application for registration, but only for the Services, namely

Health services namely auricular therapy for alcohol dependency and addictions;
Counselling, support and rehabilitation services for alcohol dependency and addictions;
Educational services namely designing and providing educational programs, materials and information relating to alcohol dependency and addictions and other health and wellness and healthy lifestyle programs and providing educational seminars by Internet with respect to alcohol dependency and addictions and other health and wellness and healthy lifestyle programs;

and I refuse the application for registration of the Mark in association with the Wares, namely

Naturopathic support products namely homeopathic drops, gel caps and pills for the treatment of alcohol dependency and addictions;
Educational publications, namely books, printed articles, pamphlets and workbooks and worksheets relating to alcohol dependency and addictions.

Jean Carrière
Member, Trade-marks Opposition Board
Canadian Intellectual Property Office

Certified true translation
Johanna Kratz