

**IN THE MATTER OF AN OPPOSITION by
Betonel Inc. to Application No. 1000556 for the
Trade-mark BETONOL filed by Permatex
GmbH**

I The Pleadings

On December 23, 1998 Permatex GmbH (the “Applicant”) filed, on the basis of proposed use in Canada, an application to register the trade-mark BETONOL (the “Mark”), application number 1000556, in association with industrial and commercial use epoxid and polyurethane coatings for cement based surfaces (the “Wares”). It was advertised on January 1st, 2003 in the Trade-marks Journal for opposition purposes.

Betonel Inc. (the “Opponent”) filed on February 28, 2003 a statement of opposition raising the following grounds of opposition:

- 1) The Application does not comply with the requirements of s. 30 of the Trade-marks Act, R.S.C. 1985, c. T 13 (the “Act”) as the Applicant falsely declared that it was entitled to use the Mark in Canada in association with the Wares, for the reasons detailed hereinafter;
- 2) The Application does not comply with the requirements of s. 30 of the Act in that the Applicant did not intend to use the Mark in association with the Wares;
- 3) The Mark is not registrable within the meaning of s. 12(1)(d) of the Act as it is confusing with the Opponent’s registered trade-marks:
 - i) BETONEL, certificate of registration TMA290970 for « peinture, pour usage sur murs, plafonds, portes et boiseries; solvant, ciment à joint, décapants, vernis, colle et pinceaux »;
 - ii) BETONEL & design, certificate of registration TMA409559 for « peintures, solvants, ciments à joints, décapants, vernis, colles et pinceaux »
 - iii) BETONEL & design, certificate of registration TMA364757 for « peinture, solvant, ciment à joint, décapants, vernis, colle et pinceaux »
- 4) The Applicant is not the person entitled to registration of the Mark within the meaning of s. 16(1) of the Act as at the date of filing of the application, the Mark was confusing with the trade-marks BETONEL and BETONEL & Design, hereinabove referred to, previously used in Canada since at least 1963 by the Opponent or its predecessors in title or licensees in association with wares and services related to coating and accessories;

- 5) The Mark is not distinctive within the meaning of s. 2 of the Act as it is not apt to distinguish the Wares from the wares of others, and more particularly those wares and services of the Opponent in view of the facts described hereinabove and the adoption, use and made known of the Opponent's well known trade-marks BETONEL and BETONEL & design.

The Applicant filed on April 14, 2003 a counter statement denying each and every ground of opposition.

The Opponent filed certificates of authenticity for each of the registered trade-marks identified in its statement of opposition as well as the affidavit of Antonin Maltais as its evidence while the Applicant filed the affidavit of Tawfic Nessim Abu-Zahra.

Both parties filed written submissions and a hearing was held.

II The Opponent's Evidence

Mr. Maltais is the Opponent's Vice-President. The Opponent was founded in 1959 and is a manufacturer of coating in the province of Quebec where it also operates the most important channel of specialized stores in the sale of paint. Its network comprised approximately 80 retail outlets, franchisees and authorized dealers located in the province of Quebec. Extracts of the Opponent's website were filed to describe the Opponent's business.

He filed a sample of a label for an epoxy coating for cement base surfaces. I note that the Applicant's application does not cover such type of coating. We have no information as to when this product was offered for sale in Canada. As of October 1, 2001 the Opponent was generating sales of over \$27 millions. However the affiant did not specify if those sales were exclusively made in association with the trade-marks BETONEL or BETONEL & design or any other trade-marks it might use.

During the year 2003 the Opponent spent over \$1 million to promote its trade-mark BETONEL by way of flyers, posters, ads in newspapers or television commercials. Samples of flyers on which appear the trade-mark BETONEL were filed but we have no information as to where and how they

were used. Circulars used in 2001, 2002 and 2003 were also filed but we have no information as to the extent of their distribution. Two samples of ads published in March and April 2003 in Le Point d'Impact Inc were filed. We have no information as to where and how many copies of this publication were distributed.

Finally he filed a copy of a "storyboard" related to a television commercial aired in 2003 for the promotion of the Opponent's wares in association with the trade-mark BETONEL. Again we have no details on the extent of the broadcasting of such television commercial. He alleges that the Applicant, being a direct competitor of the Opponent, could not ignore the prior use of the Opponent's trade-mark BETONEL by the Opponent.

I shall ignore the last paragraph of his affidavit, wherein he alleges that, in his opinion, the concurrent use of the Mark with the Opponent's trade-mark BETONEL will create confusion amongst the consumers as to the source of the products sold in association with these trade-marks. It constitutes a legal opinion on the issue of likelihood of confusion. There is no evidence in the record that the affiant is qualified to give such opinion.

III The Applicant's Evidence

Mr. Abu-Zahra was a student-at-law with the Applicant's law firm. Filed as exhibit A are excerpts printed from a website located at www.betonol.dupont.com and a brochure entitled "BETONOL THE PRODUCTS". We do not know when it was published, to whom it was circulated, by what means and where. As a duly authorized representative of the Applicant did not file such brochure, its content constitutes inadmissible hearsay evidence.

Exhibit B is a copy of certificate of registration TMA547293 for the trade-mark BETONITE owned by Sika AG for exterior wall coatings. Exhibit C are extracts of the website located at www.sikaconstruction.ca on which appears the trade-mark BETONITE including a locator of Sika's distributor by which he located Merkley Supply Ltd. in Ottawa, Ontario. He contacted such supplier on June 14, 2004 and verily believed that it is able to supply exterior wall coating bearing the trade-mark BETONITE.

Exhibit D is a certified copy of registration TMA374271 for the trade-mark BETONAMIT & design which covers non-explosive cracking agents. Exhibit E are extracts of the website located at www.trowelex.shawbiz.ca referring to the trade-mark BETONAMIT & design. On June 14, 2004 he called at the number listed on the website and was informed and verily believed that Trowelex Rental & Sales sells BETONAMIT cracking agent and that the product is available directly from this company for purchase and shipment in Canada.

Exhibit F is a certified copy of the trade-mark registration TMA296941 for the trade-mark BETONPACT covering “Mélange sec de béton destiné à être utilisé dans la construction de routes”. Exhibit G are excerpts of the website located at www.djl.ca referencing to the trade-mark BETONPACT. Exhibit H is a copy of an email received from DJL Technologies dated May 18, 2004 attaching a brochure about a product bearing the trade-mark BETONPACT. On June 11, 2004 he called DJL Construction at the phone number provided in the aforesaid email and was informed and verily believed that it could supply such product upon request in Canada.

Exhibit I is a certified copy of trade-mark registration TMA240710 for the trade-mark PLASTIBETON covering pre-cast polymer concrete structural and non-structural products and services. Exhibit J is an excerpt from the website located at www.synertech.com referencing to the trade-mark PLASTIBETON and listing a contact in Candiac, Quebec. On June 16, 2004 using the phone number mentioned on the website Exhibit J, he was informed and verily believe that Synertech sells a channel system under the trade-mark PLASTIBETON to general contractors throughout Quebec and Ontario.

Exhibit K is a certified copy of trade-mark registration TMA515603 for the trade-mark ISOBETON covering “béton prêt à l’emploi”. On June 15, 2004 he telephoned the registrant and was informed and verily believe that Lafarge Canada could prepare an “ISOBETON wall or floor” upon request in Canada.

Finally, Exhibit L is an excerpt from Collins French-English Dictionary, second edition, that provides a translation in the English language of the word “béton” which translates to “concrete”.

IV Discussion of the legal issues

i) *Admissibility of excerpts of websites*

At the outset I questioned the Applicant on the admissibility of the documents consisting of extracts of websites described herein above. The Applicant argued that in 2006 such type of evidence is customary in opposition proceedings and in any event would constitute an exception under the hearsay evidence rule. I disagree with the Applicant for the following reasons. The fact that it is customary to proceed in that fashion does not necessarily mean that it is the proper way to file evidence. There were no reasons given as to why the Applicant was not able to obtain an affidavit from a duly representative of those entities identified on the websites. Therefore the exception rule based on necessity cannot apply in our situation.

In *Envirodrive Inc. v. 836442 Alberta Inc.* 2005 ABQB 446, Mr. Justice Slatter of the Alberta Court of Queen's Bench made the following comment on the issue of admissibility of evidence obtained by way of Internet search:

The fact that this information was printed off the internet does not directly affect its admissibility. There is no particular magic in information obtained on the internet. If the basic information would be admissible under some other rule of evidence, the fact that it comes off the internet is not determinative. For example, the courts routinely take judicial notice of encyclopedias and dictionaries, which are now frequently found in electronic format. The admissibility of this information does not change because of its source. On the other hand, the mere fact that something is publicly available and readily producible from the internet does not make it admissible. Such evidence must still pass the normal tests for evidence, including the hearsay rule and the opinion evidence rule. Of course, if the information is merely tendered to show that certain information was known to the public, or for a purpose other than the truth of its contents (for example in a defamation case), then the information would be admissible: *ITV Technologies Inc. v. WIC Television Ltd.*, [\[2003\] F.C. 1056, 239 F.T.R. 203](#) (F.C.) at para. 23.

The question to ask is whether the information, if it had been obtained from some other source, would be admissible. For example, if the Minority Shareholders had tendered the annual report of this competitor, would it have been admissible? The answer is clearly that it would not. The annual report itself would be hearsay, and it could only be admitted if somebody from the company could testify as to the truth of its contents. The financial statements could only be proven in a similar way. Furthermore, the attempt to use the salary paid by the competitor as a benchmark for the proper salary to be paid to

Chief Executive Officer of Envirodrive Inc. appears to be an attempt to use a type of similar fact evidence. This type of evidence calls out for cross-examination to test if it really has any probative value. Alternatively, it is an attempt to introduce opinion evidence indirectly. The internet evidence tendered was accordingly not admitted.

The excerpts of websites establish that those website pages existed at the time they were printed but cannot constitute evidence of their content as the affiant is not in a position to confirm the veracity of their content. At best for the Opponent, they may prove that certain information was available to the public on the Internet. However we have no information as to how many Canadians consulted those websites.

ii) *Onus Of Proof*

The legal burden is upon the Applicant to prove that its application complies with the provisions of Section 30 of the Act, but there is however an initial evidential burden on the Opponent to establish the facts relied upon by it in support of such grounds of opposition. Once this initial burden is met, the burden shifts to the Applicant who must prove on a balance of probabilities that the particular grounds of opposition should not prevent the registration of the mark applied for. [See *Joseph E. Seagram & Sons Ltd. et al v. Seagram Real Estate Ltd.*, 3 C.P.R. (3d) 325, at pp. 329-330; *John Labatt Ltd. v. Molson Companies Ltd.*, 30 C.P.R. (3d) 293 and *Christian Dior, S.A. and Dion Neckwear Ltd* [2002] 3 C.F. 405]

The relevant date varies from one ground of opposition to another. With respect to compliance to the requirements set out in the Act, it is the filing date of the application. [See *Georgia-Pacific Corp. v. Scott Paper Ltd.* (1984), 3 C.P.R. (3d) 469 (TMOB)] When the application is based on proposed use, the issue of entitlement to the registration of the Mark will also be determined as of the filing date of the application. [See s. 16(3) of the Act] The registrability of the Mark must be assessed as of the date of the Registrar's decision. [See *Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd.* (1991), 37 C.P.R. (3d) 413 at 424 (F.C.A)] Finally it is generally accepted that the distinctiveness of the Mark has to be determined as of the filing date of the statement of opposition. [See *Andres Wines Ltd. and E & J Gallo Winery* (1975), 25 C.P.R. (2d)

126 at 130 (F.C.A.), *Park Avenue Furniture Corporation*, op. cit and *Metro-Goldwyn-Meyer Inc. v. Stargate Connections Inc.* (2004), 34 C.P.R. (4th) 317 (F.C.T.D.)]

There is no evidence to support the Opponent's first and second grounds of opposition. With respect to the first ground of opposition. I may add that the fact that the Applicant, being a direct competitor of the opponent, could not ignore the opponent's trade-marks, does not necessarily imply that the Applicant made a false declaration about its entitlement to use the Mark in Canada in association with the Wares. One could know the existence of its competitor's trade-marks and still believe that it is entitled to register the mark applied for. Therefore those grounds of opposition are dismissed, as the Opponent did not meet its initial onus.

The Opponent has met however its initial onus with respect to the third ground of opposition, having filed the pertinent extracts of the register.

iii) Registrability of the Mark

In assessing whether there is a reasonable likelihood of confusion between the trade-marks in issue within the scope of Section 6(2) of the Act, consideration should be given to all the surrounding circumstances including those, which are specifically enumerated in s. 6(5) of the Act. Those factors are: the inherent distinctiveness of the marks and the extent to which they have become known; the length of time the marks have been in use; the nature of the wares, services or business; the nature of the trade; and the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them. It is, however, axiomatic that the aforesaid list of surrounding circumstances is not exhaustive and that it is not necessary to give each factor equal weight. [See, for example, *Clorox Co. v. Sears Canada Inc.* (1992), 41 C.P.R.(3d) 483 (F.C.T.D.) and *Gainers Inc. v. Marchildon* (1996), 66 C.P.R.(3d) 308 (F.C.T.D.)]

Mr. Justice Binnie of the Supreme Court of Canada in the recent decision of *Mattel, Inc. v. 3894207 Canada Inc.*, 2006 SCC 22, stated:

Within the “all the surrounding circumstances” test, s. 6(5) of the Act lists five factors to be considered when making a determination as to whether or not a trade-mark is confusing. These are: “(a) the inherent distinctiveness of the trade-marks or trade-names and the extent to which they have become known; (b) the length of time the trade-marks or trade-names have been in use; (c) the nature of the wares, services or business; (d) the nature of the trade; and (e) the degree of resemblance between the trade-marks or trade-names in appearance or sound or in the ideas suggested by them”. The list of circumstances is not exhaustive and different circumstances will be given different weight in a context-specific assessment. See *Gainers Inc. v. Marchildon* (1996), 66 C.P.R. (3d) 308 (F.C.T.D.). In opposition proceedings, as stated, the onus is on the applicant (here the respondent) to show on a balance of probabilities that there is no likelihood of confusion.

(...)

What, then, is the perspective from which the likelihood of a “mistaken inference” is to be measured? It is not that of the careful and diligent purchaser. Nor, on the other hand, is it the “moron in a hurry” so beloved by elements of the passing-off bar: *Morning Star Co-Operative Society Ltd. v. Express Newspapers Ltd.*, [1979] F.S.R. 113 (Ch. D.), at p. 117. It is rather a mythical consumer who stands somewhere in between, dubbed in a 1927 Ontario decision of Meredith C.J. as the “ordinary hurried purchasers”: *Klotz v. Corson* (1927), 33 O.W.N. 12 (Sup. Ct.), at p. 13. See also *Barsalou v. Darling* (1882), 9 S.C.R. 677, at p. 693. In *Delisle Foods Ltd. v. Anna Beth Holdings Ltd.* (1992), 45 C.P.R. (3d) 535 (T.M.O.B.), the Registrar stated at p. 538:

When assessing the issue of confusion, the trade marks at issue must be considered from the point of view of the average hurried consumer having an imperfect recollection of the opponent’s mark who might encounter the trade mark of the applicant in association with the applicant’s wares in the market-place.

It is with these principles in mind that I shall assess the registrability of the Mark by analysing each relevant factor listed under s. 6(5) of the Act. I consider the best-case scenario for the Opponent to be a comparison of its word mark BETONEL with the Mark.

- The inherent distinctiveness of the trade-marks or trade-names and the extent to which they have become known

The Mark is a coined word but is suggesting a reference to “concrete” or “béton” in the French language. Therefore it suggests that the coating sold in association with the Mark will be applied on concrete surfaces or that the coating itself is hard as concrete. As for the Opponent’s trade-mark BETONEL, it could also suggest the same ideas.

The inherent distinctiveness of a trade-mark can be enhanced through extensive use. In the case of the Mark, there is no evidence of use as defined in s. 4 of the Act. The Opponent alleges that there is evidence of use of its trade-mark BETONEL for a period of more than 40 years. There is in fact a statement in Mr. Maltais' affidavit that the Opponent has been using such mark since January 31, 1963. However as this statement constitutes a conclusion in law, it must be supported by the evidence filed. The affiant has filed a label bearing the trade-mark BETONEL but we have no indication as to the date of first use of such label, to what extent and how many units of such product have been sold in Canada. Mr. Maltais alleges that the Opponent has made sales, on an annual basis, of more than \$27 millions but he does not specify in association with which trade-mark(s) those sales were made. Therefore I conclude that this factor favours neither party.

➤ The length of time the marks have been in use

When determining the registrability of the Mark, the Registrar can refer to the information contained in the Opponent's certificate of registration of its trade-mark to determine if there has been use of the trade-mark. [See *Cartier Men's Shops Ltd. v. Cartier Inc.* (1981), 58 C.P.R. (2d) 58] Certificate of registration TMA290970 for the trade-mark BETONEL makes mention of a date of use since December 31, 1963. Consequently I can conclude that there has been some use of the trade-mark BETONEL. As there is no evidence of use of the Mark, this factor favours the Opponent.

➤ The nature of the wares, services or business

When considering the nature of the wares of the parties, it is the statement of wares in the parties' trade-mark application or registration that governs the assessment of such factor in the context of the analysis of the ground of opposition based on s. 12(1)(d). [*Mr. Submarine Ltd. v. Amandista Investments Ltd.* (1987), 19 C.P.R. (3d) 3 (F.C.A.); *Miss Universe, Inc. v. Dale Bohna* (1984), 58 C.P.R. (3d) 381 (F.C.A.)]

During the hearing the Opponent intended to rely on statements made by the Applicant in the prosecution of the application at the examination stage. The pertinent documentation was not

introduced as evidence in this opposition proceeding so I will not refer to such documentation. The other party must know in advance what it has to face and prepare itself accordingly. If the Opponent intended to rely on documents filed during the prosecution of the application, it ought to introduce such evidence by way of affidavit as prescribed by rule 41 of the *Trade-marks Regulations (1996)* or file a certified copy of the file wrapper. [See application no. 857320 for the trade-mark RESIDENT'S CHOICE, decision of the Registrar dated December 15, 2004, reversed by the Federal Court on the basis of additional evidence filed. *Loblaws Inc. v. Telecombo Inc.* 2006 F.C. 634] I shall not consider these documents for the purpose of my decision.

There is evidence of use of the Opponent's trade-mark BETONEL in association with epoxy coating to be applied on concrete surfaces (exhibit AM-4). However such type of product is not covered by certificate of registration TMA290970 nor by certificates of registration TMA409559 and TMA364757.

The Opponent's aforesaid registrations cover paint, varnishes and glue. The Applicant has put a lot of emphasis on the fact that the Wares are different in that it is a specific type of coating for industrial and commercial use. The Applicant referred to the brochure filed by Mr Zahra (Exhibit A) but for the reasons outlined above I do not consider its content to be admissible evidence. The fact that the Applicant has restricted the scope of protection of the registration sought to industrial and commercial use of epoxid and polyurethane coatings for cement based surfaces does not have a significant impact on the analysis of the nature of the wares. It could be a factor to be considered when analysing the channels of trade. It remains that the parties' respective products consist of coating to cover a surface, being walls, floors or both. There is no admissible evidence to support the Applicant's contention that the Wares are used for functional purposes while the wares identified in the Opponent's certificates of registration are used for decorative purpose. If I could refer to the Applicant's brochure, Exhibit A, it does contain allegations about the Wares' aesthetic functions. As I have no admissible evidence to enable me to make a clear distinction between the nature of the parties' respective wares, I conclude that those goods are similar in nature, being hardware merchandise used to cover surfaces.

➤ The channels of trade

As stated by Teitelbaum J, in *Everex Systems Inc. v. Everdata Computer Inc.*, (1992) 44 C.P.R. (3d) 175 at 182:

Considering the nature of trade, it is not necessary that one prove that the wares in question are, or have, in the past, been sold in the same places. Rather, one may properly look at whether the wares could eventually be sold in the same places. As stated by Mr. Justice Dubé in *Cartier Inc. v. Cartier Optical Ltd./Lunettes Cartier Ltée* (1988), 20 C.P.R. (3d) 68 (F.C.T.D.) at 74:

However, so as to establish the likelihood of confusion, it is not necessary to prove that the wares are sold in the same places, provided they are of the same general class, could eventually be sold in the same places, and the parties are entitled to do so: [see *Eminence, S.A v. Registrar of Trade Marks* (1977), 39 C.P.R. (2d) 40.]

The Applicant emphasised the fact that the Opponent's wares are sold to consumers exclusively in its retail stores while the Applicant's wares are sold to engineers, architects or other professionals. I have no evidence of the Applicant's channels of trade; except that the description of the Wares does specify that they be intended for industrial and commercial use. The Opponent may be selling its merchandise in its retail stores but there is no restriction that would prevent it to sell its products in association with the trade-mark BETONEL for industrial or commercial use or outside its retail stores.

➤ The degree of resemblance between the trade-marks or trade-names in appearance or sound or in the ideas suggested by them

Mr. Justice Cattanach in *Beverly Bedding & Upholstery Co. v. Regal Bedding & Upholstery Ltd* (1980), 47 C.P.R. (2d) 145, aff'd 60 C.P.R. (2d) 70 made the following comment with respect to this factor:

“Realistically appraised it is the degree of resemblance between the trade-marks in appearance, sound or in ideas suggested by them that is the most crucial factor, in most

instances, and is the dominant factor and other factors play a subservient role in the over-all surrounding circumstances.”

The Mark does resemble, at least in appearance, to the Opponent’s trade-mark BETONEL. Additionally, as discussed previously, the common element BETON suggests that the products sold in association with the parties’ respective trade-marks are to be used on concrete surfaces or that the coating itself is hard as concrete. Therefore there is some similarity in the ideas suggested by these trade-marks. The only difference is the letter O replacing the letter E in the last syllable of the Opponent’s trade-mark. Such difference is not sufficient to enable the average hurried consumer to distinguish the source of the Wares from the Opponent’s merchandise.

➤ Other surrounding circumstances

The Applicant argued that there is evidence in the record that there is common use of the term “BETON” in the marketplace such that a consumer is familiar with such term and is therefore able to distinguish one trade-mark comprising such term from another. Without concluding that there is proper evidence of use of third parties trade-marks that incorporate the term BETON, there is some evidence in the record of the existence of five (5) trade-marks (BETONITE, BETONAMIT, BETONPACT, PLASTIBETON and ISOBETON). The jurisprudence on the state of the Register and the marketplace has not established a minimum number of trade-marks necessary to conclude as the Applicant wishes. However it is clear that five registrations and use of trade-marks is insufficient to conclude that the term “BETON” is a common term in the trade. [See *Scott Paper Co. V. Wyant & Co.* (1995), 61 C.P.R. (3d) 546, *Welch Foods Inc. v. Del Monte Corp.* (1992), 44 C.P.R. (3d) 205 and *T. Eaton Co. v. Viking GmbH& Co.* (1998), 86 C.P.R. (3d) 382].

Using the test of the mythical average hurried consumer having an imperfect recollection of the Opponent’s trade-mark BETONEL who might encounter the Applicant’s Mark in association with the Wares in the market-place, I come to the conclusion that there is a likelihood of confusion between the Mark and the Opponent’s trade-mark BETONEL. I reach this conclusion on the basis that there is a similarity in the nature of the parties’ respective wares and the Mark does resemble in sound and the ideas suggested to the trade-mark BETONEL. I therefore maintain the third ground of opposition.

iv) *Entitlement and distinctiveness*

As there is no evidence of prior use of the Opponent's trade-marks within the meaning of s. 4 of the Act, the Opponent failed to satisfy its initial burden with respect to the fourth and fifth grounds of opposition. Consequently, they are dismissed.

V Conclusion

The Applicant failed to discharge its burden to prove, on a balance of probabilities that the Mark is not likely to cause confusion with the Opponent's trade-mark BETONEL. Therefore, having been delegated authority by the Registrar of Trade-marks by virtue of s. 63(3) of the Act, I refuse the Applicant's application to register the Mark, the whole pursuant to s. 38(8) of the Act.

DATED IN BOUCHERVILLE, QUEBEC, THIS 22nd DAY OF SEPTEMBER 2006.

Jean Carrière,
Member,
Trade-marks Opposition Board