

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

Citation: 2012 TMOB 186 Date of Decision: 2012-10-09

IN THE MATTER OF OPPOSITIONS by Skinny Nutritional Corporation to application Nos. 1,438,855 and 1,438,856 for the trade-marks BIO-SYNERGY SKINNY and SKINNY WATER in the name of Bio-Synergy Limited

<u>Application No. 1,438,855</u>

[1] On May 21, 2009, Bio-Synergy Limited (the Applicant) filed an application to register the trade-mark BIO-SYNERGY SKINNY (the BIO-SYNERGY SKINNY Mark). The application was filed on the basis of proposed use in Canada with the following wares (as amended):

Dietary supplements for promoting weight loss and nutritional supplements for promoting weight loss; vitamins and minerals; dietetic foods for promoting weight loss and dietetic beverages for promoting weight loss; isotonic beverages for persons with dietary needs; nutrition bars, health and slimming bars; mineral and aerated waters; non-alcoholic fruit drinks and fruit juices; syrups and powders for making non-alcoholic fruit drinks, sports drinks and isotonic drinks; non-alcoholic carbonated beverages; sports drinks; isotonic drinks (the Wares).

- [2] The application was advertised for opposition purposes in the *Trade-marks Journal* of July 21, 2010.
- [3] On September 21, 2010, Skinny Nutritional Corporation (the Opponent) filed a statement of opposition pleading the grounds summarized below:

- (a) contrary to section 30(a) of the *Trade-marks Act*, RSC 1985, c T-13, the application does not contain a statement in ordinary commercial terms of the Wares;
- (b) contrary to section 30(e) of the Act, the Applicant never intended to use the BIO-SYNERGY SKINNY Mark in Canada with the Wares;
- (c) contrary to section 30(i) of the Act, the Applicant was aware of the Opponent's trade-marks and trade-name and the Applicant could not have been satisfied of its entitlement to use the BIO-SYNERGY SKINNY Mark;
- (d) contrary to sections 16(3)(a) and 16(3)(c) of the Act, the Applicant is not the person entitled to registration of the BIO-SYNERGY SKINNY Mark because, at the date of filing, it was confusing with the Opponent's trade-marks SKINNY WATER and SKINNY WATER ZERO and trade-name Skinny Nutritional Corporation which had previously been used or made known in Canada by the Opponent; and
- (e) contrary to section 2 of the Act, the BIO-SYNERGY SKINNY Mark cannot be distinctive of the Wares.
- [4] The Applicant filed and served a counter statement in which it denied the Opponent's allegations.
- [5] In support of its opposition, the Opponent filed affidavits of Michael Salaman, Adam Sasso, and Lisa Saltzman. The Opponent filed a written argument and attended a hearing held on September 27, 2012.

Onus and Material Dates

[6] The Applicant bears the legal onus of establishing, on a balance of probabilities, that its application complies with the requirements of the Act. However, 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 [see *John Labatt Limited v The Molson Companies Limited* (1990), 30 CPR (3d) 293 (FCTD) at 298].

- [7] The material dates with respect to the grounds of opposition are as follows:
 - section 38(2)(a)/30 of the Act the filing date of the application [Georgia-Pacific Corp v Scott Paper Ltd (1984), 3 CPR (3d) 469 (TMOB) at 475];
 - section 38(2)(c)/16(3) of the Act the filing date of the application;
 - section 38(2)(d) of the Act the date of filing the opposition [*Metro-Goldwyn-Mayer Inc v Stargate Connections Inc* (2004), 34 CPR (4th) 317 (FC)].

Section 30(a) Ground of Opposition

[8] The Opponent alleges that the application does not conform to the requirements of section 30(a) of the Act as the application does not contain a statement in ordinary commercial terms. The Opponent's initial evidential burden under section 30(a) is a light one and may be met through argument [*McDonald's Corp v M.A. Comacho-Saldana International Trading Ltd* (1984), 1 CPR (3d) 101 (TMOB) at 104; *Air Miles International Trading BV v Deutsche Lufthansa AG* (2010), 89 CPR (4th) 230 (TMOB) at para 30]. In this case, neither the Opponent's evidence nor its submissions meet its initial burden. The section 30(a) ground is rejected.

Section 30(e) Ground of Opposition

- [9] The Opponent alleges that the Applicant never intended to use the BIO-SYNERGY SKINNY Mark in Canada with the Wares. In support of this ground of opposition, the Opponent has filed the affidavit of Michael Salaman, its Chief Executive Officer. Mr. Salaman provides the following:
 - On January 31, 2005 the Opponent obtained registration No. 857352 for the trade-mark SKINNY WATER in the European Union (para 3).
 - In June 2006, the Applicant registered BIOSYNERGY SKINNY WATER in the United Kingdom (para 4).

 Upon becoming aware of the Applicant's registration and use of SKINNY WATER independently of BIO-SYNERGY, Mr. Salaman contacted the President of the Applicant Mr. Herman (para 4). Mr. Salaman states:

I did however reach out to ... Mr. Herman with a proposal for an alliance between his company and my company. He explained to me ... he was very much aware of our prior registration. I provided Mr. Herman with a proposal to resolve the matter and avoid confusion in the marketplace, following which I did not hear back from Mr. Herman and he did not return my calls. Eventually I was able to reach Mr. Herman who simply advised that they were not interested in working with us.

- Mr. Salaman further states that "I am aware that Bio-Synergy has no immediate plans to sell their product in Canada" (para 10).
- Mr. Salaman attaches two references from the *www.skinnywater.co.uk* web-site, which he identifies as the Applicant's, which refer to Bio-Synergy Skinny Water (Exhibit C).
- Mr. Salaman confirms that (as of April 20, 2011) the Opponent had yet to launch its SKINNY WATER product in Canada (para 11).
- [10] The Opponent also filed the affidavit of Adam Sasso, its in-house counsel, who confirmed that registration No. 857352 is a Community Trade-mark registration for SKINNY WATER for use in association with nutraceuticals for use as a dietary supplement, neutraceuticals in concentrate form for use as a dietary supplement, isotonic drinks, isotonic drinks in concentrate form, drinking water (para 6).
- [11] To meet its evidential burden with respect to this ground of opposition, the Opponent must adduce sufficient admissible evidence from which it could reasonably be concluded that the facts alleged to support this ground exist. The evidential burden with respect to section 30(e) is relatively light as the facts at issue may be exclusively in the possession of the Applicant [Canadian National Railway Co v Schwauss (1991), 35 CPR (3d) 90 (TMOB) at 94-96].
- [12] I do not find that the evidence of the Opponent supports the allegation that the Applicant did not intend to use the Mark in Canada since Mr. Salaman's evidence that the Applicant had prior knowledge of the Opponent's EU registration and was not interested in

working with the Opponent to avoid confusion in the marketplace does not support the inference that the Applicant did not intend to use the BIO-SYNERGY SKINNY Mark in Canada. This is particularly the case as Mr. Salaman has provided evidence that the Applicant has launched a product referred to as BIO-SYNERGY SKINNY WATER (Exhibit C) in other markets. Furthermore, Mr. Salaman's evidence that the Applicant has no immediate plans to sell its product in Canada does not meet the Opponent's burden since there is no requirement under section 30(e) that an applicant have an intention to immediately use a trade-mark.

- The subject case can be distinguished from each of the cases relied on by the Applicant at the hearing as the facts in this case are very different. In the *Green Spot Co v JB Food Industries Inc* (1986), 13 CPR (3d) 206 (TMOB) case, the Registrar found that the applicant intended to sell the opponent's product (at 211). In the *Queenswear International Ltd v Haskett* (1996), 71 CPR (3d) 262 (TMOB) case, the Registrar found that the evidence indicated that an entity other than the applicant was intending to use the applied-for mark (at 265). Finally, in the *Canadian National Railway Co v Schwauss* (1991), *supra* case, the Registrar found that the applicant had applied for "every conceivably imagined product available" (at 96). In each of these cases, there was evidence that directly supported the opponent's allegation that the applicant did not intend to use the Mark, which is not the case in the subject proceeding.
- [14] Accordingly, the Opponent has failed to meet its evidential burden and this ground of opposition is rejected.

Section 30(i) Ground of Opposition

- [15] The Opponent alleges that the Applicant could not state it was entitled to use the BIO-SYNERGY SKINNY Mark because it had prior knowledge of the Opponent's trade-marks and trade-name. Mr. Salaman's evidence summarized in paras 4 and 10 supports the Opponent's allegation that the Applicant knew about the Opponent's trade-marks and trade-name in advance of May 21, 2009 (the filing date of the subject application).
- [16] Section 30(i) of the Act requires that an applicant declare itself satisfied that it is entitled to use the applied-for mark in Canada. The jurisprudence suggests that non-compliance with section 30(i) can be found where there are exceptional circumstances such as bad faith

which render the applicant's statement that it is satisfied that it is entitled to use the applied-for mark untrue [*Sapodilla Co Ltd v Bristol-Myers Co* (1974), 15 CPR (2d) 152 (TMOB) at 155; *Cerverceria Modelo, S.A. de C.V. v. Marcon* (2008), 70 CPR (4th) 355 (TMOB) at 369].

[17] Mr. Salaman states that (at para 10):

I am aware that Bio-Synergy has no immediate plans to sell their product in Canada, however, they have filed an application to register the trade-mark SKINNY WATER. I believe this was done intentionally to slow down my company's launch of SKINNY WATER into Canada...

I do not find that Mr. Salaman's evidence, including his evidence that the Applicant has already launched a BIO-SYNERGY SKINNY WATER product, results in the inference that there was bad faith on the part of the Applicant with respect to its statement regarding use in Canada. Accordingly, this ground of opposition is rejected as the Opponent has failed to meet its burden.

Section 16(3)(c) Ground of Opposition

- [18] The Opponent has alleged that the Applicant is not the person entitled to register the Mark as it is confusing with the use and making known of the trade-name Skinny Nutritional Corporation.
- [19] Section 16(3)(c) is restricted to use of a trade-name. A valid ground of opposition cannot rely on the making known of a trade-name [*Habib Bank Ltd v Habib Bank AG Zurich*; 2011 CarswellNat 4526 (TMOB) at para 21]. Accordingly, to meet its burden the Opponent must show that it had used its trade-name in Canada prior to May 21, 2009 and had not abandoned such use as of July 21, 2010. In determining whether there has been use of a trade-name the principles of sections 2 and 4 of the Act apply [*Novopharm Ltd v Genderm Canada Inc* (1998), 85 CPR (3d) 247 (TMOB) at 257]. Since Mr. Salaman confirmed in his affidavit (sworn April 20, 2011) that the Opponent had not yet launched its SKINNY WATER product in Canada (para 11), the Opponent fails to meet its evidential burden. Accordingly, this ground of opposition is rejected.

Section 16(3)(a) Ground of Opposition

- [20] The Opponent further alleges that the Applicant is not the person entitled to register the BIO-SYNERGY SKINNY Mark as it is confusing with its SKINNY WATER and SKINNY WATER and SKINNY WATER ZERO trade-marks made known and used in Canada in association with the Opponent's beverage products. In order to meet its evidential burden, the Opponent must show that it had made known or used one or more of its marks in Canada prior to May 21, 2009 and had not abandoned such mark(s) as of July 21, 2010. As the Opponent had not used the SKINNY WATER and SKINNY WATER ZERO trade-marks, to meet its evidential burden the Opponent must prove that it had made known one or both of these marks. Section 5 of the Act explains what is required in order for a mark to have been "made known":
 - 5. A trade-mark is deemed to be made known in Canada by a person only if it is used by that person in a country of the Union, other than Canada, in association with wares or services, and
 - (a) the wares are distributed in association with it in Canada, or
 - (b) the wares or services are advertised in association with it in
 - (i) any printed publication circulated in Canada in the ordinary course of commerce among potential dealers in or users of the wares or services, or
 - (ii) radio broadcasts ordinarily received in Canada by potential dealers in or users of the wares or services,
 - and it has become well known in Canada by reason of the distribution or advertising.
- [21] The Opponent will have met its evidential burden if it has evidenced that, prior to May 21, 2009:
 - 1. one of its marks was used in another country of the Union;
 - 2. its beverage product was advertised in association with one of these marks in either of the two manners set out in section 5; and
 - 3. such mark had become well known in Canada by reason of this advertising (which requires that consumers in a substantial area of Canada must know the mark)

[Marineland Inc v Marine Wonderland & Animal Park Ltd (1974), 16 CPR (2d) 97 (FCTD) at 111-112].

- [22] Mr. Salaman explains that the Opponent's SKINNY WATER beverage product was launched in the United States in 2006 (para 2). As the Opponent's evidence, Mr. Salaman attaches to his affidavit two articles published prior to May 21, 2009. Exhibit A-1 is an article published in the *People* magazine of November 6, 2008 referring to two celebrities that are fans of the SKINNY WATER beverage product. Exhibit A-2 is an article published in the May 2009 *Women's Health* magazine highlighting the SKINNY WATER beverage product. Mr. Salaman also states that both these magazines are available in Canada.
- [23] The Opponent has not satisfied its evidential burden. Even if these articles constitute advertising with the Opponent's SKINNY WATER trade-mark, the fact that the Opponent's trade-mark appeared in two articles is not sufficient to support a conclusion that the Opponent's trade-mark has become well known in a substantial area of Canada. The section 16(3)(a) ground is therefore rejected.

Section 2 Ground of Opposition

- [24] The Opponent alleges that the Mark is not distinctive having regard to the trade-name and trade-marks referenced in the Statement of Opposition. There is an evidential burden on the Opponent to establish that, as of September 21, 2010, its trade-marks or trade-name were known to such an extent that one or more of them could negate the distinctiveness of the Mark. The following propositions summarize the relevant jurisprudence on distinctiveness [*Bojangles' International, LLC v Bojangles Café Ltd* (2006), 48 CPR (4th) 427 (FC) at para 33].
 - The evidential burden lies on the party claiming that the reputation of its mark prevents the other party's mark from being distinctive;
 - However, a burden remains on the applicant for the registration of the trade-mark to prove that its mark is distinctive;
 - A mark should be known in Canada to some extent at least to negate another mark's distinctiveness;

- Alternatively, a mark could negate another mark's distinctiveness if it is well known in a specific area of Canada; and
- A foreign trade-mark owner cannot simply assert that its trade-mark is known in Canada, rather, it should present clear evidence to that effect.
- [25] Finally, an attack based on non-distinctiveness is not restricted to the sale of goods in Canada. It may also be based on evidence of knowledge or reputation of the Opponent's trademark or trade-name spread by means of word of mouth and evidence of reputation and public acclaim and knowledge by means of newspaper or magazine articles [*Motel 6, Inc v No. 6 Motel Ltd* (1981), 56 CPR (2d) 44 (FCTD) at 58-59].
- [26] Mr. Salaman's evidence is that as of the relevant date (September 21, 2010):
 - Since launching in 2006 to April 20, 2011, the Opponent has spent over \$4,000,000 advertising and marketing its SKINNY WATER product (para 5).
 - Mr. Salaman attaches numerous emails to the Opponent from those located in Canada requesting information about locating retailers and/or distributing the Opponent's SKINNY WATER product (Exhibit D).
 - The Opponent's SKINNY WATER product has been advertised or referenced in various publications including *People* (November 6, 2008), *Women's Health* (May 2009), *Allure* (July 2009), *Elle* (May 2010), and *Shape* (April 2010) (Exhibits A1-A5).
- [27] Mr. Sasso's evidence is that the Opponent has sold over \$14 Million of its SKINNY WATER product in the United States between 2008-2010, with over \$6 Million sales in 2008 and 2009 (para 9).
- [28] While the Opponent has not provided any admissible evidence of the circulation of the magazines referred to in Mr. Salaman's affidavit, I can take judicial notice that there is some circulation in Canada of magazines such as *People, Elle* and *Shape* [see, for example, *Timberland Co v Wrangler Apparel Corp* (2005), 46 CPR (4th) 201 (TMOB) at 207]. As such, I am satisfied that Canadians have been exposed to various publications in which the Opponent's trade-mark SKINNY WATER is referred to. Based on Mr. Salaman's and Mr. Sasso's evidence,

I am satisfied that the Opponent has met its evidential burden of demonstrating a sufficient reputation [see, for example, *Dollar General Merchandising, Inc v Steinberg* (2009), 74 CPR (4th) 341 (TMOB)].

- [29] The Opponent's SKINNY WATER trade-mark is known to some extent in Canada whereas there is no evidence that the BIO-SYNERGY SKINNY Mark has become known. The Opponent's wares and the Wares are identical or significantly overlap to the extent that they both include beverages with vitamin and mineral supplements, sports drinks and appear to be targeted at those wishing to maximize weight loss (Salaman affidavit, Exhibits A-1; A-5; C).
- [30] I find that the trade-marks of the parties resemble each other in appearance and sound and in the ideas suggested. Both parties' marks suggest products that maximize weight loss and increase the metabolism. The BIO-SYNERGY element in the applied-for mark does not significantly impact the degree of resemblance between the marks since BIO- and SYNERGY are dictionary words and have the following meanings: BIO – biology and SYNERGY – the interaction or co-operation of two or more drugs, agents, organizations etc. to produce an effect that exceeds or enhances the sum of their individual effects [Canadian Oxford Dictionary (1998 ed)]. Therefore "BIO-SYNERGY" may be regarded as laudatory and may not be able to distinguish the BIO-SYNERGY SKINNY Mark from the SKINNY WATER Mark of the Opponent [Whole Foods Market IP, LP v Salba Corp NA (2012), 99 CPR (4th) 361 (TMOB) at para 30]. Further, the word WATER in the Opponent's mark does not diminish the resemblance between the parties' marks as it is descriptive of a characteristic of beverages [Reno-Dépôt Inc v Homer TLC Inc (2009), 84 CPR (4th) 58 (TMOB) at para 58]. Finally, while there is some evidence that the word SKINNY has been adopted in the food field generally, the trade-mark search results attached to the affidavit of Lisa Saltzman do not themselves demonstrate that SKINNY has been adopted with respect to beverages, dietic products or nutraceuticals [Welch Foods Inc v Del Monte Corp (1992), 44 CPR (3d) 205 (FCTD)].
- [31] For the reasons set out above, and as the Applicant has not filed any evidence, it fails to meet its burden of proving that the BIO-SYNERGY SKINNY Mark is distinctive or adapted to distinguish its Wares and this ground of opposition is successful. I note that if the Applicant had evidenced third party use or adoption of SKINNY in association with beverages, dietic products

and nutraceuticals, my findings on distinctiveness may well have been different with respect to

the BIO-SYNERGY SKINNY Mark.

Appl. No. 1,438,856

[32] Application No. 1,438,856 for the trade-mark SKINNY WATER (the SKINNY WATER

Mark) was filed on May 21, 2009 based on proposed use in Canada in association with the

Wares (as amended). The SKINNY WATER Mark was advertised for opposition purposes on

July 21, 2010 and was opposed by the Opponent on September 21, 2010. The evidence in this

case is the same as with respect to application No. 1,438,855.

[33] The grounds of opposition based on sections 30(a), 30(e), 30(i), 16(3)(a) and 16(3)(c) are

rejected as the Opponent has not met its initial evidential burden for the reasons set out with

respect to application No. 1,438,855.

[34] With respect to the section 2 ground of opposition, for the reasons set out with respect to

application No. 1,438,855, the Opponent has met its initial burden with respect to the trade-mark

SKINNY WATER for use in association with a beverage product. As the SKINNY WATER

Mark is identical to the Opponent's mark and is for identical and/or overlapping wares, the

Applicant has failed to meet its legal onus.

Disposition

[35] Pursuant to the authority delegated to me under section 63(3) of the Act, I refuse

application Nos. 1,438,855 and 1,438,856.

Natalie de Paulsen

Member

Trade-marks Opposition Board

Canadian Intellectual Property Office

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