

**IN THE MATTER OF AN OPPOSITION
by Natrel Inc to Application No. 1011587
for the Trade-mark NATREON and
Design filed by Dow Agrosiences LLC**

I The Pleadings

On April 7th, 1999, Dow Agrosiences LLC (the «Applicant») filed an application, based on proposed use, to register the trade-mark NATREON and design as illustrated hereinafter:



(the “Mark”), application number 1011587, in association with edible oils, namely canola oil (the “Wares”).

On May 31, 2000, the application was advertised in the Trade-marks Journal for opposition purposes. On July 31, 2000 Natrel Inc. (“Natrel”), filed a statement of opposition, a copy of which was forwarded on August 29, 2000, to the Applicant.

The grounds of opposition can be summarized as follow:

- 1) In virtue of Sections 38(2)(a) and 30 of the Trade-Marks Act (the “Act”), the application does not comply with the requirements of Section 30 in that the Applicant, at the date of filing of the application, did not have the intention to use the Mark in connection with the Wares;
- 2) In virtue of Sections 38(2)(b) and 12(1)(d) of the Act, The Mark is not registrable as it is confusing with the trade-marks listed in Schedule A herein;
- 3) In virtue of Sections 38(2)(c) et 16(3)(a) of the Act, the Applicant is not the person entitled to registration of the Mark as, at the date of filing of the application in Canada, it was confusing with the trade-marks listed in Schedule B herein previously used in Canada by the Opponent and sometimes predecessor-in title(s);
- 4) In virtue of Sections 38(2)(c) and 16(3)(b) of the Act, the Applicant is not the person entitled to registration as, at the date of filing of the application in Canada, the Mark was confusing with the trade-marks listed in Schedule C herein for which applications were previously filed in Canada;
- 5) In virtue of Section 38(2)(d) and 2, the Mark does not and cannot act to distinguish the Wares from the wares and services of the Opponent nor is it adapted to distinguish them.

The Applicant filed on September 25, 2000 a counterstatement, denying each and every grounds of opposition.

The opponent filed as its evidence the affidavits of Mr. Jean-Paul Clément together with Exhibits JPC-1 to JPC-40. The Applicant's evidence consists of the affidavits of Gay Owens and Claire Gordon. The opponent filed, as reply evidence, a second affidavit of Mr. Clément together with Exhibits JPC-1 to JPC-5.

The parties filed written submissions. A hearing took place during which both parties made submissions.

II the Opponent's Evidence

Mr. Clément has been Agropur Coopérative's ("Agropur") Chef Emballage Merchandising since December 1st, 2001. He states that Natrel was incorporated in 1990 and was a subsidiary of Agropur, which was previously known as Agropur, Coopérative Agro-Alimentaire.

Natrel has been manufacturing food products and has been one of the leaders in the milk industry in Canada. As of December 1st, 2000 Natrel's assets were sold to Agropur, including the trade-mark registrations and applications listed in Schedules A, B and C herein. The Natrel division, which is not an entity by itself, now carries out the commercial activities of Natrel. I shall hereinafter referred to the "Opponent" as either Natrel or Agropur as the case may be, without making any distinction unless otherwise stipulated, given the fact that Agropur is the successor-in-title to the rights and interest in Natrel's trade-marks and the present opposition, as appears from the deed of transfer of those rights filed as Exhibits JPC-1 and JPC-23 to Mr. Clément's first affidavit.

A brochure illustrating the packaging of the various dairy products bearing the trade-mark NATREL was filed as Exhibits JPC-24, 26, 27 and 28.

Mr. Clement produced samples of advertising material (Exhibits JPC-32 to 39 inclusive) on which appears the trade-mark NATREL in association with a variety of dairy products. Between 1996 and 2001 the Opponent spent approximately \$40 million to promote the various dairy products bearing the trade-mark NATREL or any other of the Opponent's trade-marks listed in the schedules herein. The Opponent sold in 1999 and 2000 one billion six hundred million units of dairy products bearing the trade-mark NATREL or any of the trade-marks listed in the aforesaid schedules. It was noted during the hearing that Mr. Clément did not provide a breakdown of those sales per trade-mark. However, as appears from the schedules, the trade-mark NATREL is a component to all of them except for two trade-marks.

III The Applicant's Evidence

Gay Owens has been a trade-mark searcher at the Applicant's agents firm. On September 26, 2000, she conducted a search using the CDNameSearch Corp system to locate active trade-mark registrations and applications in association with food products containing the prefix NATR. She provided a list of 35 hits, 19 of them owned by the Opponent, including the present application and application number 888932 owned by the Applicant for the trade-mark NATREON. Except for the Opponent and Applicant trade-marks, none of the citations include a trade-mark with the component NATRE.

She updated her search on July 22, 2002 and the results of this second search reveal that there were 26 trade-mark applications or registrations on the register with the prefix NATR, all in association with food products; 23 of those were owned by the Opponent.

She also filed the following:

Exhibit C: certificate of registration TMA509511 for the trade-mark NATRAMED, in association with food supplement.

Exhibit D: certificate of registration TMA371761 for the trade-mark NATRA-LITE in association with artificial sweetener.

Exhibit E: certificate of registration TMA381882 for the trade-mark NATRA-TASTE in association with artificial sweetener.

Exhibit F: certificate of registration TMA478852 for the trade-mark NATRAFED in association with food supplement.

Exhibit G: certificate of registration TMA507781 for the trade-mark NATRAJ in association with dry rice, grains, tea and coffee.

Exhibit H: certificate of registration TMA562415 for the trade-mark NATRA-SEA 6000 & Design in association with natural food extracts.

Exhibit I: certificate of registration TMA564294 for the trade-mark NATROL & design in association with natural supplements, vitamins.

Exhibit J: a copy of trade-mark particulars for allowed application number 888932 for the trade-mark NATREON owned by the Applicant, including a copy of the application, in association with edible oils, namely canola oil.

Exhibit K is a copy of trade-mark particulars for abandoned application number 888931 for the trade-mark NATRICA owned by the Applicant, including a copy of the application, in association with edible oils, namely canola oil.

Ms. Gordon has also been an employee of the Applicant's agents firm. She filed extracts of Natrol, Cumberland Packing Corp. and Ocean Nutrition Canada's websites. She also bought and produced as exhibits a bottle of 500 mg of evening primrose oil bearing the trade-mark NATROL, a jar and a box of sugar substitute bearing the trade-mark NATRA TASTE, the latter two products having been purchased through mail orders sent to Cumberland Packing Corp. in Brooklyn, New York. She also filed a certified copy of certificate of registration TMA564294 for the trade-mark NATROL in association with, amongst other, nutritional supplements for human consumption, vitamins, fish and marine oils. She did produce a certified copy of registration TMA381882 for the trade-mark NATRA-TASTE covering artificial sweetener. Finally, she filed a certified copy of registration TMA562415 for the trade-mark NATRA-SEA 6000 & Design covering natural food extracts.

IV The Opponent's Reply Evidence

Mr. Clément filed a second affidavit purported to be in reply to the evidence filed by the Applicant. He stated having taken cognisance of the content of the Applicant's evidence

The Applicant, in its written submissions and at the oral hearing objected to the filing of such affidavit arguing that it did not constitute proper reply evidence as it was not strictly confined to matters in reply to the evidence contained in the Owens and Gordon affidavits. [See rule 43 of the *Trade-marks Regulations (1996)*, *Canstar Sport Group Inc. v. Sport Maska Inc. (1997)*, 75 C.P.R. (3d) 124 and *Coca-Cola Ltd. v. Compagnie Française De Commerce International Cofci, S.A. (1991)*, 35 C.P.R. (3d) 406 (T.M.O.B.)]

I agree with the Applicant's position. There has been no evidence filed by the Applicant on the possible channels of trade of canola oil and its possible use. If the Opponent wanted to demonstrate a possible connection between dairy products and canola oil, it was open to it to make this proof as part of its evidence-in-chief. As such issue was not raised in the Applicant's evidence, the Opponent is foreclosed to do so in reply. I shall not consider, for the purpose of my decision, the allegations contained in paragraphs 4 to 11 inclusive to the second Clément affidavit and the exhibits referred thereto.

Paragraph 12 of the aforesaid affidavit concerns the chain in title with respect to the trade-marks listed in the annexes herein. The Opponent has requested permission, during the hearing, to file such evidence in the event that I was to strike the affidavit out of the record as not complying with Rule 43. I'm granting such permission as it serves to bring up to date the Opponent's chain of title with respect to its trade-marks. Therefore Exhibit JPC-5 to Clément second affidavit, a copy of a license agreement between Agropur and Natrel, effective December 1st, 2000 is properly in the record.

V The Opponent's Additional Evidence

The Opponent requested on October 14, 2003, permission to file a certificate of authenticity for the trade-mark NATRAMED, registration number TMA409511, and for the trade-mark NATRAFED registration number TMA478852, to illustrate that they have been deemed abandoned for failure to show use (Section 40(3) of the Act). Inadvertently, the Board did not address this request. I therefore grant such leave.

VI The Law

The legal onus is upon the Applicant to show 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 each ground of opposition. Once this initial burden is met, the Applicant still has to prove, on a balance of probabilities, that the particular grounds of opposition should not prevent the registration of the Mark [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 Wrangler Apparel Corp. v. The Timberland Company, [2005] F.C. 722].

The issue of non-compliance with the provisions of Section 30 of the Act must be assessed as of the filing date of the application. (April 7th, 1999) [See *Dic Dac Holdings (Canada) Ltd v. Yao Tsai Co. (1999), 1 C.P.R. (4th) 263*] The material time for considering the issue of non-entitlement based on Section 16(3) of the Act is also the filing date of the application [See Section 16 of the Act]. The material date for assessing the issue of distinctiveness is generally accepted to be filing date of the statement of opposition (July 31, 2000). [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 v. Wickes/Simmons Bedding Ltd. (1991), 37 C.P.R. (3d) 413 at 424 (F.C.A)* and *Metro-Goldwyn-Mayer Inc v. Stargate Connections Inc. (2004), 34 C.P.R. (4th) 317*]. Finally the registrability of the Mark must be determined as of the date of my decision. [See *Park Avenue, supra*]

The Opponent will be successful on its entitlement ground of opposition based on previously used trade-marks only if it establishes such prior use and that it was not abandoned at the advertisement date of the present application (May 31, 2000) (Section 16(5) of the Act). With respect to the fourth ground of opposition, the Opponent must establish that the previously filed applications were still pending at the date of advertisement of the present application.

In its written argumentation, the Opponent indicated to the Board that it was withdrawing its first ground of opposition.

VII Analysis of the likelihood of confusion

The difference in the material dates will not have an impact in this matter. The key issue with respect to all remaining grounds of opposition is the likelihood of confusion between the Mark and the Opponent's trade-marks. I shall not consider the likelihood of confusion between the Mark and the two design trade-marks herein reproduced in Schedule A as the Mark, when viewed as a whole, is

not likely to be confusing with either of these trade-marks. In fact, the Mark's design portion resembles a twisting road continuing in the distance while the Opponent's two designs trade-marks reproduced in Schedule A herein depict the top of an ice cream cone.

I shall first assess the likelihood of confusion between the Mark and the trade-mark NATREL, certificate of registration TMA 410305 in association with dairy products as it constitutes the Opponent's primary trade-mark and its best case scenario.

In order to determine whether the Mark is confusing with the Opponent's registered trade-mark NATREL, Section 6(5) of the Act directs the Registrar to have regards to all of the surrounding circumstances, including:

- i) The inherent distinctiveness of the trade-marks or trade-names and the extent to which they have become known;
- ii) The length of time the trade-marks or trade-names have been in use;
- iii) The nature of the wares, services, or business;
- iv) The nature of the trade; and
- v) The degree of resemblance between the trade-marks or trade-names in appearance, or sound or any ideas suggested by them.

It has been established that the criteria listed in Section 6(5) of the Act are not exhaustive and it is not necessary to give each one of them equal weight [See *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.)].

As the Opponent met its initial burden by filing a copy of certificate of registration TMA410305 for the trade-mark NATREL, the Applicant must convince the Registrar, on a balance of

probabilities, that there is no likelihood of confusion between the Mark and the Opponent's registered trade-mark NATREL [*See Sunshine Biscuits Inc. v. Corporate Foods Ltd. (1982), 61 C.P.R. (2d) 53, Christian Dior, S.A. v. Dion Neckwear Ltd [2002] 3 C.F.405 and Wrangler Apparel Corp, supra*].

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

The Applicant's Mark is inherently distinctive being a coined word. The Opponent's trade-mark NATREL is also a coined word. However, when used in association with dairy products, it could be considered as suggestive of "naturel" products ("naturel" being the French word for "natural"). The Opponent has established an extensive use of its trade-mark NATREL since at least 1996. The sales figures and the number of units of dairy products sold in association with such trade-mark are quite impressive. The Applicant argued that there is no breakdown in the sales figures per trade-mark. Therefore it would be impossible to assess a percentage of those sales to the NATREL trade-mark and the same reasoning would hold true with respect to marketing expenditures. The trade-mark NATREL is included in all of the Opponent's trade-marks except for AGROBAR and design and the Design trade-mark illustrated in Schedule A. Therefore it is reasonable to assume that the some of the sales and marketing expenditures were in association with the Opponent's primary trade-mark NATREL. I conclude that the evidence filed does establish that the Opponent trade-mark NATREL is known in Canada and as such this factor favours the Opponent.

- ii) The length of time the trade-marks or trade-names have been in use

The present application was filed on the basis of proposed use and there has been no evidence of use of the Mark by the Applicant, while the Opponent has established use of its NATREL trade-mark since at least 1996. The Applicant has not discussed this criterion in its written submissions. At the oral hearing however, it argued that even if I accept as evidence the filing of the license agreement Exhibit JPC-5, the wording of paragraph 12 of Mr. Clément's second affidavit would not establish

that Agropur has exercised any control over the quality of products sold in association with the Opponent's trade-marks, which would include the trade-mark NATREL. The license agreement, Exhibit JCP-5, contains quality control provisions. [See for example sections 2.4, 3.1.1 to 3.1.6, and 4.1.7 to 4.1.9] Section 50(1) of the Act reads:

50. (1) For the purposes of this Act, if an entity is licensed by or with the authority of the owner of a trade-mark to use the trade-mark in a country and the owner has, under the licence, direct or indirect control of the character or quality of the wares or services, then the use, advertisement or display of the trade-mark in that country as or in a trade-mark, trade-name or otherwise by that entity has, and is deemed always to have had, the same effect as such a use, advertisement or display of the trade-mark in that country by the owner.

Agropur had only to establish, under the provisions of Section 50 of the Act, the existence of those provisions in the license agreement. Agropur has met its burden and as such any evidence of use of the trade-mark NATREL by its licensee is deemed use by Agropur. Therefore this factor also favours the Opponent.

- iii) The nature of the wares, services, or business and the nature of the trade

Having rejected from the record the reply evidence, except for the license agreement between Agropur and Natrel, I have no evidence as to what constitutes "canola oil". I can refer to dictionaries for the definition of words. Mr. Gary Partington, as he was Chairman of the Trade-marks Opposition Board, in *Insurance Co. of Prince Edward Island v. Prince Edward Island Insurance Co. (1999) 2 C.P.R.(4th) 103*, did refer to a dictionary to determine the meaning of a word, even though the pertinent extracts were not part of the evidence filed. In the *Oxford Canadian Dictionary* the word "canola" is defined as:

"Any of several varieties of rapeseed low in erucic acid, producing an oil used in cooking"

The Opponent's products sold in association with the trade-mark NATREL are dairy products including, amongst others, butter. Therefore there is some overlap in the wares as both, butter and canola oil, could be used in cooking.

There is no evidence of the Applicant's channels of trade used or to be used for the sale of the Wares. I must take into consideration the description of the Wares in the Applicant's application versus the description of the Opponent's wares in the certificate of registration TMA 410305 and determine if there is an overlap in the nature of the parties' respective wares. [See *Multiplicant Inc. v. Petit Bateau Valton S.A. (1994) 55 C.P.R. (3d) 372* and *William H. Kaufman Inc v. North American Design Workshop Inc, (1995) 61 C.P.R. (3d) 259*] A broad and yet reasonable interpretation of the description of the Wares can lead to the conclusion that the Wares could be sold in grocery stores; the same is applicable to the Opponent's dairy products. Finally the Applicant did not restrict, in its application, the distribution of the Wares to any specific channel of trade. Therefore this factor also favours the Opponent.

v) The degree of resemblance between the trade-marks or trade-names in appearance, or sound or any ideas suggested by them.

The marks must be viewed in their totalities. It is not a proper approach to dissect the trade-marks into their respective components and thereafter analyze their similarities to conclude that, as a whole, the trade-marks are confusing. [See *Sealy Sleep Products Ltd. v. Simpson Sears Ltd. (1960), 33 C.P.R. 129*]

Mr. Justice Denault of the Federal Court made the following analysis in *Pernod Ricard v. Molson Breweries (1992), 44 C.P.R. (3d) 359*, which summarized the test to apply when assessing the degree of resemblance between the parties' marks:

“Although the marks are not to be dissected when determining matters of confusion, it has been held that the first portion of a trade mark is the most relevant for purposes of distinction: *Molson Companies Ltd. v. John Labatt Ltd. (1990)*, 28 C.P.R. (3d) 457 at p. 461, 32 F.T.R. 152, 19 A.C.W.S. (3d) 1369 (F.C.T.D.); *Conde Nast Publications Inc. v. Union Des Editions Modernes (1979)*, 46 C.P.R. (2d) 183 (F.C.T.D.) at p. 188. I believe the following words of President Thorson in the case of *British Drug Houses Ltd. v. Battle Pharmaceuticals (1944)*, 4 C.P.R. 48 at pp. 57-8, [1944] 4 D.L.R. 577, [1944] Ex. C.R. 239 (Ex. Ct.), to be particularly useful in explaining why attention should be drawn to the first portion of the appellant's mark in this case:

The Court should rather seek to put itself in the position of a person who has only a general and not a precise recollection of the earlier mark and then sees the later mark by itself; if such a person would be likely to think that the goods on which the later mark appears are put out by the same people as the goods sold under the mark of which he has only such a recollection, the Court may properly conclude that the marks are similar.

In my view, the average consumer of ordinary intelligence, experiencing imperfect recollection, might not be particularly alerted to the distinction between the respondent's mark and the first word of the appellant's mark. Consequently, I feel that there is a potential for consumers believing that the respondent has launched a new product to which it has added the identifier "red" for the purpose of distinguishing it from its other products”

The word portion of the Applicant's Mark comprised the first five letters of the Opponent's trade-mark NATREL. Visually there is a design portion that may serve to distinguish the Mark from NATREL, however, as a whole, the dominant feature of the Mark is the word portion NATREON. There is therefore some degree of resemblance between NATREON and NATREL. There has been no evidence filed by either party on the pronunciation of the Mark. As the Mark is a coined word, I am not prepared to adopt the pronunciation suggested by any of the parties. The ideas suggested by the trade-marks in issue are similar as NATRE is suggestive of “nature”. This factor also favours the Opponent.

vi) Additional surrounding circumstances

The Applicant filed state of the register evidence to argue that trade-marks with the prefix NATR are common in the food industry. It also filed evidence of use of the trade-mark NATROL in association with food supplement and the trade-mark NATRA TASTE in association with artificial sweetener in Canada. There is a distinction to be made between state of the register evidence and proof of actual use of a particular trade-mark. If the state of the register evidence discloses a great number of trade-marks with a common element in a particular industry, it can be inferred that some of them are being used in Canada and as such the Canadian consumers would be able to distinguish them. [See *Ports International Ltd. V. Dunlop Ltd. (1992)*, 41 C.P.R. (3d) 432 and *T. Eaton Co. v. Viking GmbH & Co. (1998)*, 86 C.P.R. (3d) 382]

As for the state of the register evidence, the combination of the two searches with the additional evidence filed by the Opponent on the state of the register, it revealed that there exists only eight (8) registered trade-marks or allowed applications, owned by parties other than the Opponent, in association with food products that have the prefix NATR. Only one trade-mark (LAITERIE NATRACIA DAIRY) is registered in association with dairy products and none in association with canola oil.

The Applicant is arguing that it should not be a “numbers game” and invited the Board to take into consideration the quality of the evidence. I presume that the Applicant is referring to the evidence of actual use of two of those eight trade-marks on the register. The Applicant had to prove that, for a particular trade, a specific word or group of letters are common in the trade so that the likelihood of confusion is quite remote. In order to be common to a particular trade, a word or group of letters must be used by a sufficient number of traders. The jurisprudence has not determined a threshold number, but from a reading of the cases referred to hereinabove, I conclude that evidence of use of two trade-marks having as a component the prefix NATR in association with three food related

products in the Canadian market, none of them within the dairy food products category or canola oil, combined with the existence on the register of eight registered trade-marks or allowed applications for trade-marks having the prefix NATR, none of them in association with dairy products or canola oil, is insufficient to infer that there is widespread use of trade-marks having the prefix NATR in association with dairy products or canola oil.

The Applicant argued that it obtained the registration of the trade-mark NATREON (certificate of registration TMA590509) in association with the Wares. As mentioned by the Opponent, the fact that the Applicant obtained in Canada registration for the trade-mark NATREON does not give to its owner the automatic right to obtain any further registrations, even where the trade marks are very closely related to the trade-mark covered by the original registration. [See *American Cyanamid Co. v. Stanley Pharmaceuticals Ltd. (1996), 74 C.P.R. (3d) 571*]

VIII Conclusion

The Applicant has not discharged its burden to prove, on a balance of probabilities, that there is no likelihood of confusion between the Mark and the Opponent's trade-mark NATREL. I reach this conclusion based on the facts that there is some resemblance between NATREON and NATREL, there is some overlap between butter and canola oil and their channels of trade and that the Opponent's trade-mark is known in Canada in association with dairy products. Therefore, I maintain grounds of opposition two, three, four and five.

Having been delegated authority by the Registrar of Trade-marks by virtue of Section 63(3) of the Act, I refuse the Applicant's application for the registration of the Mark in association with the Wares, the whole pursuant to Subsection 38(8) of the Act.

DATED, IN MONTREAL, QUEBEC, THIS 8th DAY OF JULY 2005.

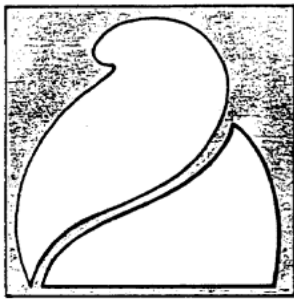
Jean Carrière,
Member,
Trade-marks Opposition Board.

Schedule A

a) AGROBAR & Design registration TMA302215



b) Design, registration 414612



c) NATREL registration number 410305

d) NATREL and Design, registration 414612

NATREL

e) NATREL & Design, registration number 447126

Natrel

f) LES TOQUÉS de NATREL, registration number 472085



Schedule B

- AGROBAR & Design, registration number 302215.
- DESIGN, registration 414612.
- NATREL, registration number 410305.
- NATREL & Design registration number 439800.
- NATREL & Design, registration number 447126.
- LES TOQUÉS DE NATREL registration number 472085.
- NATREL CALCIUM application number 1001060.
- NATREL MOOSTACHE & Design application number 877666.
- NATREL MOOSTACHE & Design application number 877665.
- NATREL MOOSTACHE & Design application number 877664.
- NATREL FINE-FILTERED MILK & Design application number 875721.
- FROM THE WORLD OF NATREL application number 870666.
- LE MONDE DE NATREL & Design application number 875720.
- LE MONDE DE NATREL & Design application number 886955.
- NATREL & Design application number 876058.
- FROM THE WORLD OF NATREL & design application number 886956.

Schedule C

- NATREL CALCIUM application number 1001060
- NATREL MOOSTACHE & Design application number 877666
- NATREL MOOSTACHE & Design application number 877665
- NATREL MOOSTACHE & Design application number 877664
- NATREL FINE-FILTERED MILK & Design application
- FROM THE WORLD OF NATREL application number 870666
- LE MONDE DE NATREL & Design application number 875720
- LE MONDE DE NATREL & Design application number 886955
- NATREL & Design application number 876058
- FROM THE WORLD OF NATREL & design application number 886956