



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

**Citation: 2011 TMOB 142**  
**Date of Decision: 2011-08-15**

**IN THE MATTER OF AN OPPOSITION  
by Zotos International, Inc. to application  
No. 838,341(1) for the trade-mark  
BIOTERRA in the name of  
Biopharmapro Inc.**

[1] On June 14, 2006, Biopharmapro Inc. (the Applicant) filed an application to extend the registration for the trade-mark BIOTERRA (the Mark), registration No. TMA528,719, to add the following wares (hereinafter referred to together as the Wares) [TRANSLATION]:

(1) Peat mud made of plant materials used in relaxation baths, body poultices and wraps and serving as raw material for cosmetics. (Wares 1)

(2) Cosmetics for the face, lips, eyes, hands, nails, legs, feet and body, namely preparations for skin and nail care. (Wares 2)

(3) Natural health products, namely herbal teas and infusions for food purposes, food supplements, namely vitamins, plant extracts, minerals, vegetable and animal oils, algae, aloe vera, clay, hawthorn, linden sapwood, beta carotene, chlorophyll, chrome, echinacea, royal jelly, ginkgo biloba, ginseng, glucosamine, fir shoot, devil's claw, garlic oil, pumpkin seed oil, halibut liver oil, cod liver oil, castor oil, salmon oil, evening primrose oil, wheat germ oil. (Wares 3)

[2] Wares (1) are based on use in Canada since at least as early as May 2000; Wares (2) are based on use in Canada since at least as early as April 2006; and Wares (3) are based on proposed use.

[3] The application was advertised for opposition purposes in the *Trade-marks Journal* of April 9, 2008.

[4] On September 9, 2008, Zotos International, Inc. (the Opponent) filed a statement of opposition. The grounds of opposition can be summarized as follows:

- Pursuant to s. 38(2)(a) and 30 of the *Trade-marks Act*, R.S.C. 1985, c. T-13 (the Act), the application for the Mark does not comply with s. 30(i) of the Act on the basis that the Applicant could not have been satisfied, at the time the application was filed, that it was entitled to use the Mark in Canada in association with the Wares by reason of the following facts:
  - i. the Opponent is the owner of BIOTERA subject to registration No. TMA636,307 (the Opponent's Mark) for "hair care products; namely, hair permanent waving preparations, shampoo, conditioner, hair spray, mousse, gel and styling glaze" (the Opponent's Wares);
  - ii. the Opponent has used the Opponent's Mark in association with the Opponent's Wares since at least as early as March 9, 2005 and had not abandoned such use as at the date of advertisement of the Mark;
  - iii. prior to filing the application for the Mark, the Applicant was aware of the Opponent's existence, its registration and use of the trade-mark BIOTERA in Canada in association with the Opponent's Wares; and
  - iv. the Mark is confusing with the Opponent's Mark.
- The Mark is not registrable pursuant to s. 38(2)(b) and 12(1)(d) of the Act as it is confusing with the Opponent's registered trade-mark BIOTERA.
- Non-entitlement:
  - i. With respect to Wares (1), the Applicant is not the person entitled to registration pursuant to s. 38(2)(c) and 16(1) of the Act since at the alleged claimed date of first use (May 2000), and any other material date, the Mark was confusing with the Opponent's Mark which had been previously made known in Canada.
  - ii. With respect to Wares (2), the Applicant is not the person entitled to registration pursuant to s. 38(2)(c) and 16(1) of the Act since at the alleged claimed date of first use (April 2006) and any other material date, the Mark was confusing with the Opponent's Mark which had been previously used in Canada.
  - iii. With respect to Wares (3), the Applicant is not the person entitled to registration pursuant to s. 38(2)(c) and 16(3) since as of the date of filing the application (June 14, 2006), and any other material date, the Mark was confusing with the Opponent's Mark which had been previously used in Canada.
- Pursuant to s. 38(2)(d) and 2, the Mark is not distinctive of the Applicant as a result of the use in Canada by the Opponent of the Opponent's Mark. As of the date of the opposition and any other material date, the Mark does not (and did

not) distinguish and is (and was) incapable of distinguishing the Wares from the wares sold by the Opponent in association with the Opponent's Mark.

[5] The Applicant served and filed a counter statement in which it essentially pled over and denied the Opponent's allegations and put the Opponent to the strict proof thereof.

[6] In support of its opposition, the Opponent filed a certified copy of the registration for the Opponent's Mark and an affidavit of Michael Miller sworn April 16, 2009 with Exhibits A – D.

[7] The Applicant did not file any evidence in support of its application.

[8] Only the Opponent filed a written argument. Both parties were represented at an oral hearing.

#### Onus and Material Dates

[9] 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 C.P.R. (3d) 293 (F.C.T.D.) at 298].

[10] The material dates that apply to the grounds of opposition are as follows:

- s. 38(2)(a)/30(i) - the date the application was filed [see *Georgia-Pacific Corp. v. Scott Paper Ltd.* (1984), 3 C.P.R. (3d) 469 at 475 (T.M.O.B.) and *Tower Conference Management Co. v. Canadian Exhibition Management Inc.* (1990), 28 C.P.R. (3d) 428 at 432 (T.M.O.B.)].
- s. 38(2)(b)/12(1)(d) - the date of my decision [see *Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd. and The Registrar of Trade Marks* (1991), 37 C.P.R. (3d) 413 (F.C.A.)].
- s. 38(2)(c)/16(1) – the claimed date of first use [see s. 16(1) of the Act].
- s. 38(2)(c)/16(3) - the date of filing the application [see s. 16(3) of the Act].
- s. 38(2)(d)/2 - the date of filing of the opposition [see *Metro-Goldwyn-Mayer Inc. v. Stargate Connections Inc.* (2004), 34 C.P.R. (4th) 317 (F.C.)].

### Preliminary Issue

[11] At the oral hearing, the Opponent asked that I draw an adverse inference from the Applicant's failure to file evidence, relying on *Merck & Co. v. Apotex Inc.* (2003), 30 C.P.R. (4th) 40 (F.C.A.) [*Merck*]. Specifically, the Opponent submitted that an adverse inference should be drawn when a party who has a unique ability to prove certain facts which are in dispute fails to do so [see *Merck, supra* at para 49]. Based on this, the Opponent submitted that the Applicant had not discharged its legal burden and the opposition should succeed solely on this basis.

[12] In response, the Applicant submitted that parties to an opposition proceeding are not required to file evidence and that the Registrar regularly makes findings on the issue of confusion in the absence of evidence from the parties. Based on this, the Applicant submitted that the Applicant's failure to file evidence should not be considered fatal and that it would be inappropriate for me to draw an adverse inference.

[13] I agree with the Applicant's submissions. While it would have been of assistance to have had evidence of use of the Mark by the Applicant (in particular given that the Applicant claims use in Canada for Wares (1) and (2)) I refuse to draw an adverse inference from the Applicant's failure to file any such evidence.

### Section 30(i) Ground of Opposition

[14] Where an applicant has provided the statement required by s. 30(i), a s. 30(i) ground should only succeed in exceptional cases such as where there is evidence of bad faith on the part of the applicant [see *Sapodilla Co. Ltd. v. Bristol-Myers Co.* (1974), 15 C.P.R. (2d) 152 (T.M.O.B.) at 155]. The Applicant has provided the necessary statement and this is not an exceptional case; the s. 30(i) ground is accordingly dismissed.

### Non-registrability Ground of Opposition – s. 12(1)(d) of the Act

[15] Pursuant to s. 12(1)(d) of the Act, the Opponent has pleaded that the Mark is not registrable because it is confusing with the Opponent's Mark, registered March 30, 2005 for the Opponent's Wares.

[16] The Opponent filed a certified copy of its registration. I have exercised the Registrar's discretion to confirm that the Opponent's Mark is in good standing as of today's date. Since the Opponent has discharged its initial burden with respect to this ground of opposition, the burden of proof lies on the Applicant to convince the Registrar, on a balance of probabilities, that there is no reasonable likelihood of confusion between the parties' marks.

[17] The test for confusion is one of first impression and imperfect recollection. Section 6(2) of the Act indicates that use of a trade-mark causes 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 or services associated with those trade-marks are manufactured, sold, leased, hired or performed by the same person, whether or not the wares or services are of the same general class.

[18] In applying the test for confusion, the Registrar must have regard to all the surrounding circumstances, including those specifically enumerated in s. 6(5) of the Act, namely: (a) the inherent distinctiveness of the trade-marks and the extent to which they have become known; (b) the length of time each has 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 in appearance or sound or in the ideas suggested by them. These enumerated factors need not be attributed equal weight. [See, in general, *Mattel, Inc. v. 3894207 Canada Inc.* (2006), 49 C.P.R. (4th) 321 (S.C.C.).]

[19] Recently, in *Masterpiece Inc. v. Alavida Lifestyles Inc.* 2011 SCC 27 (unreported) [*Masterpiece*], the Supreme Court of Canada discussed the importance of the s. 6(5)(e) factor in conducting an analysis of the likelihood of confusion between the parties' marks in accordance with s. 6 of the Act (see para 49):

...the degree of resemblance, although the last factor listed in s. 6(5), is the statutory factor that is often likely to have the greatest effect on the confusion analysis ... if the marks or names do not resemble one another, it is unlikely that even a strong finding on the remaining factors would lead to a likelihood of confusion. The other factors become significant only once the marks are found to be identical or very similar... As a result, it has been suggested that a consideration of resemblance is where most confusion analyses should start...

[20] In most instances, the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested is the dominant factor and other factors play a subservient role in the overall surrounding circumstances [see *Beverly Bedding & Upholstery Co. v. Regal Bedding & Upholstery Ltd.* (1980), 47 C.P.R. (2) 145, conf. 60 C.P.R. (2d) 70 (F.C.T.D.)].

[21] Under the circumstances of the present case, I consider it appropriate to analyse the degree of resemblance between the parties' marks first.

*6(5)(e) – the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them*

[22] The marks at issue are very similar in appearance, sound and ideas suggested, being essentially identical with only one letter different between them (i.e. the additional letter "R" in the Mark).

[23] Having found that the parties' marks are essentially identical, I must now assess the remaining relevant surrounding circumstances to determine whether any of these other factors are significant enough to shift the balance of probabilities in favour of the Applicant [see *Masterpiece, supra* at para 49].

*6(5)(a) – the inherent distinctiveness of the trade-marks and the extent to which they have become known*

[24] The words BIOTERRA and BIOTERA are both coined words. As a result, I assess the inherent distinctiveness of the parties' marks as being the same.

[25] The strength of a trade-mark may be increased by means of it becoming known in Canada through promotion or use. I will now turn to the extent to which the trade-marks have become known in Canada.

[26] The Applicant claims use in association with some of the Wares since May 2000 and some since April 2006. The Applicant did not file any evidence directed to the use of the Mark subsequent to the filing of the application and as a result I am unable to conclude as to the extent to which the Mark has become known.

[27] The Opponent claims, in its statement of opposition, to have used the Opponent's Mark in Canada since at least as early as March 9, 2005 and files evidence of use as set out in the paragraphs below.

[28] To demonstrate use of the Opponent's Mark, the Opponent filed an affidavit of Mr. Michael Miller, the Vice-President of Piidea Canada Inc. (Piidea), a wholly owned subsidiary of the Opponent. Piidea is also the exclusive Canadian distributor of products manufactured and marketed by the Opponent.

[29] Mr. Miller states that Piidea has been the Opponent's wholly owned subsidiary and exclusive distributor in Canada for its hair care products for 11 years. Mr. Miller states that Piidea sells, through its distributors, hair care products to professional hair styling salons located across Canada. Mr. Miller states that as of January 1, 2008, Piidea had over 80 distributors in Canada.

[30] Mr. Miller states that in the period of 2004-2008, Piidea sold at least 8,800 units of BIOTERA hair care products per annum to its customers with total gross sales in this period of greater than \$200,000, representing over 65,000 units sold.

[31] Mr. Miller attaches to his affidavit a copy of a photograph of the packaging of the Opponent's BIOTERA line of products that have been sold by Piidea in Canada as set out in his affidavit (Exhibit C). I note that the Opponent's Mark is clearly displayed on the packaging for the Opponent's hair care products.

*6(5)(b) – the length of time each has been in use*

[32] The application for the Mark claims use since May 2000 with Wares (1), use since April 2006 with Wares (2) and proposed use for Wares (3) as of the filing date of June 14, 2006. The Applicant, however, has not provided any evidence of use of the Mark.

[33] The Opponent's evidence, discussed in greater detail above in the analysis of the s. 6(5)(a) factor, supports a finding that the Opponent has used the Opponent's Mark in Canada since 2004 with the Opponent's Wares.

*6(5)(c)– the nature of the wares*

[34] It is the Applicant’s statement of wares as defined in its application versus the Opponent’s registered wares that govern my determination of this factor [see *Esprit International v. Alcohol Countermeasure Systems Corp.* (1997), 84 C.P.R. (3d) 89 (T.M.O.B.)].

[35] The Wares include peat mud as a raw material for cosmetics, cosmetics and natural health products.

[36] The Opponent’s Wares include the general class of hair care products. In his affidavit, Mr. Miller states that the Opponent sells shampoos, conditioners, hair treatments, permanent wave products, curl creams, mousses, styling and shaping sprays, gels and glazes in association with the Opponent’s Mark.

[37] At the oral hearing both parties made submissions each relying on a different series of opposition decisions. The Opponent relied on a series of decisions in which there were findings of confusion despite the fact that the parties’ wares were not identical. The Applicant relied on a series of decisions in which there were findings of no likelihood of confusion despite similarities in the nature of the parties’ wares. I have considered the parties’ submissions and the cited decisions but do not find them to be determinative of the issues in the present case.

[38] The only area for potential overlap between the parties’ wares is with respect to Wares (2) which cover cosmetics. While Wares 2 are different from the Opponent’s Wares, they are somewhat related in that they all belong to the general class of “personal care products”.

[39] At the oral hearing, the Applicant submitted that Wares (1) and (3) are significantly different from the Opponent’s Wares and that the weight accorded to this factor should be determinative. I agree that there is no similarity between the parties’ wares for either Wares (1) or (3).

*6(5)(d) – nature of the trade*

[40] The Applicant has not filed any evidence to define the nature of its trade. At the oral hearing the Applicant submitted that the Applicant targets people who operate businesses for



spas and/or deal with skin care products. The Applicant's submission, however, is not supported by the evidence of record and as a result I will not give it any weight.

[41] In his affidavit, Mr. Miller states that the Opponent is a professional beauty industry leader that manufactures and markets a full range of hair care, texture service and hair colour options for salons and salon professionals. Mr. Miller states that Piidea sells, through its distributors, hair products to professional hair styling salons located across Canada. Mr. Miller states that as of January 1, 2008, Piidea had over 80 distributors in Canada.

[42] With respect to Wares (2), in the absence of evidence regarding the Applicant's trade, and in the absence of any restriction to the trade set out in the application for the Mark, it is conceivable that the Applicant's Wares (2), and the Opponent's Wares, all of which belong to the general class of personal care products, could be sold through the same channels of trade.

[43] By contrast, given the lack of a direct overlap between the Opponent's Wares and the Applicant's Wares (1) and (3), I am unable to conclude that there would be a direct overlap in the nature of the parties' trades with respect to Wares (1) and (3).

*Additional Surrounding Circumstance – Applicant's Registration TMA528,719*

[44] At the oral hearing, the Applicant submitted that the fact that the application for the Mark is merely an application to extend the Applicant's pre-existing registration for the Mark should enable the Applicant to obtain registration for the Mark in association with Wares (1), (2) and (3). Specifically, the Applicant submitted that the wares with which the Mark is registered under registration No. TMA528,719, namely [TRANSLATION] "Micronized sphagnum moss made of plant material used in a bath for relaxation, poultices and body wraps and raw materials for cosmetics" are very similar to Wares (1).

[45] The Applicant likened the existence of registration No. TMA528,719 and the fact that the application for the Mark is merely an application to extend that registration, to a family of marks argument and submitted that this supports the Applicant's position and mitigates against a finding of a likelihood of confusion.

[46] I note that the fact that the Applicant owns this registration does not give it the automatic right to extend the registration of the Mark [see *Mister Coffee & Services Inc. v. Mr. Coffee, Inc.* (1999), 3 C.P.R. (4th) 405 (T.M.O.B.) at 416 and *American Cyanamid Co. v. Stanley Pharmaceuticals Ltd.* (1996), 74 C.P.R. (3d) 572 (T.M.O.B.) at 576].

[47] Based on the foregoing, this does not form a relevant surrounding circumstance in support of the Applicant's position.

*Additional Surrounding Circumstance – Alleged Coexistence*

[48] At the oral hearing, the Applicant alleged coexistence of the parties' marks in the Canadian marketplace based on the Applicant's use claims and the existence of the Applicant's registration No. TMA528,719.

[49] In response, the Opponent submitted, and I agree, that the Applicant has failed to provide any evidence of use of the Mark and as a result there is no evidence of record supporting the Applicant's claim to coexistence of the parties' marks in the Canadian marketplace.

[50] Based on the foregoing, I find that this does not form a relevant surrounding circumstance in support of the Applicant's position.

*Conclusion re s. 12(1)(d) of the Act*

[51] In applying the test for confusion I have considered it as a matter of first impression and imperfect recollection. Having considered all of the surrounding circumstances, in particular the similarities between the parties' marks in appearance, sound and idea suggested and in the nature of the wares and trade, I find that the Applicant has not discharged its burden of showing, on a balance of probabilities, that there is no reasonable likelihood of confusion between the Mark and the Opponent's Mark with respect to Wares(2) [TRANSLATION]: "Cosmetics for the face, lips, eyes, hands, nails, legs, feet and body, namely preparations for skin and nail care".

[52] However, I am dismissing the ground of opposition based on s. 12(1)(d) with respect to Wares (1) and Wares (3) as I find that the difference in the nature of the wares is sufficient to shift the balance of probabilities in the Applicant's favour.

Non-entitlement Ground – s. 16(1)(a) of the Act – Wares (1)

[53] Despite the burden of proof on the Applicant to establish, on a balance of probabilities, that there is no reasonable likelihood of confusion between the Mark and the Opponent's Mark, the Opponent has the initial onus of proving that the trade-mark alleged in support of its ground of opposition based on s. 16(1)(a) of the Act was made known prior to the claimed date of first use for the Mark (May 2000) and had not been abandoned at the date of advertisement of the application for the Mark (April 9, 2008) [s. 16(5) of the Act].

[54] The Opponent has established, through the Miller affidavit, that it has used the Opponent's Mark in Canada only since 2004. Furthermore, Mr. Miller does not provide any evidence regarding whether the Opponent's Mark had been made known in Canada as of any date. As a result, the Opponent has not met its evidential burden to establish making known of the Opponent's Mark before the claimed date of first use of May 2000. As a result, this ground of opposition must be dismissed on account of the Opponent's failure to meet its evidential burden.

Non-entitlement Ground – s. 16(1)(a) of the Act – Wares (2)

[55] Despite the burden of proof on the Applicant to establish, on a balance of probabilities, that there is no reasonable likelihood of confusion between the Mark and the Opponent's Mark, the Opponent has the initial onus of proving that the trade-mark alleged in support of its ground of opposition based on s. 16(1)(a) of the Act was used prior to the claimed date of first use for the Mark (April 2006) and had not been abandoned at the date of advertisement of the application for the Mark (April 9, 2008) [s. 16(5) of the Act].

[56] The Opponent has established, through the Miller affidavit, that it has used the Opponent's Mark in Canada since 2004 and that the Opponent was continuing to sell hair care products in association with the Opponent's Mark in the Canadian marketplace in its ordinary course of trade as at the date of advertisement of the application for the Mark. As a result, the Opponent has met its evidential burden to establish use of the Opponent's Mark before the claimed date of first use of April 2006 and non-abandonment of the Mark at the date of advertisement.

[57] As I came to the conclusion that, based on the evidence filed in the record, the Mark is confusing with the Opponent's Mark with respect to Wares (2) and because the difference in relevant dates does not affect my analysis, this non-entitlement ground of opposition is therefore successful.

Non-entitlement Ground – s. 16(3)(a) of the Act – Wares (3)

[58] Despite the burden of proof on the Applicant to establish, on a balance of probabilities, that there is no reasonable likelihood of confusion between the Mark and the Opponent's Mark, the Opponent has the initial onus of proving that the trade-mark alleged in support of its ground of opposition based on s. 16(3)(a) of the Act was used prior to the filing date for the Applicant's application (June 14, 2006) and had not been abandoned at the date of advertisement of the application for the Mark (April 9, 2008) [s. 16(5) of the Act].

[59] As was discussed in more depth above in the analysis of the s. 12(1)(d) ground of opposition, the Opponent provides evidence through the Miller affidavit establishing that the Opponent's Mark has been used in Canada since 2004 and had not been abandoned as of the date of advertisement of the application for the Mark. The Opponent has therefore met its initial burden.

[60] As I came to the conclusion that, based on the evidence filed in the record, there is no likelihood of confusion between the Mark and the Opponent's Mark with respect to Wares (3) and because the difference in relevant dates does not affect my analysis, this non-entitlement ground of opposition is therefore dismissed.

Non-distinctiveness Ground – s. 38(2)(d) of the Act

[61] While there is a legal onus on the Applicant to show that the Mark is adapted to distinguish or actually distinguishes its Wares from those of others throughout Canada [see *Muffin Houses Incorporated v. The Muffin House Bakery Ltd.* (1985), 4 C.P.R. (3d) 272 (T.M.O.B.)], there is an initial evidential burden on the Opponent to establish the facts relied upon in support of the ground of non-distinctiveness.

[62] Pursuant to its evidential burden, the Opponent is under an obligation to show that, as of the filing of the statement of opposition, the Opponent's Mark had become known sufficiently to negate the distinctiveness of the Mark [see *Bojangles' International, LLC v. Bojangles Café Ltd.* (2004), 40 C.P.R. (4th) 553, affirmed (2006), 48 C.P.R. (4th) 427 (F.C.)].

[63] I find that, when reviewed as a whole, the Miller affidavit provides sufficient evidence to support a finding that the Opponent's Mark had become sufficiently known as of September 9, 2008 in association with hair care products to negate the distinctiveness of the Mark, thus enabling the Opponent to meet its burden.

[64] As the difference in material dates does not have any significant impact on my previous analysis of the surrounding circumstances under the registrability ground of opposition, I find that the Applicant has not discharged its onus to establish, on a balance of probabilities, that there is no likelihood of confusion between the parties' marks at the material date with respect to Wares (2). Therefore, I find that the non-distinctiveness ground of opposition is successful with respect to Wares (2).

[65] By contrast, as was found in the registrability ground of opposition, the difference in the nature of the wares is sufficient for Wares (1) and (3) to shift the balance of probabilities in the Applicant's favour and the ground of opposition is unsuccessful with respect to Wares (1) and (3).

Disposition

[66] Pursuant to the authority delegated to me under s. 63(3) of the Act, I refuse application with respect to the wares [TRANSLATION] “Cosmetics for the face, lips, eyes, hands, nails, legs, feet and body, namely preparations for skin and nail care” and I reject the opposition with respect to the remainder of the wares pursuant to s. 38(8) of the Act [see *Produits Menagers Coronet Inc. v. Coronet-Werke Heinrich Schlerf GmbH* (1986), 10 C.P.R. (3d) 492 (F.C.T.D.) as authority for a split decision].

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Andrea Flewelling  
Member  
Trade-marks Opposition Board  
Canadian Intellectual Property Office