



LE REGISTRAIRE DES MARQUES DE COMMERCE
THE REGISTRAR OF TRADEMARKS

Citation: 2022 TMOB 099

Date of Decision: 2022-05-17

IN THE MATTER OF AN OPPOSITION

Cellex-C International Inc.

Opponent

and

**Canadian Halal Health and Beauty
Inc.**

Applicant

1,837,132 for CELLOXI

Application

INTRODUCTION

[1] Cellex-C International Inc. (the Opponent) opposes registration of the trademark CELLOXI (the Mark) which is the subject of application No. 1,837,132 by Canadian Halal Health and Beauty Inc. (the Applicant).

[2] The Mark has been applied for registration in association with the following goods (the Goods):

Body deodorants; body lotions; body wash; face cream; hair conditioners; hair shampoo; hand cream; hand lotions; lip balm; toning lotion, for the face, body and hands.

[3] The grounds of opposition revolve around the likelihood of confusion between the Mark and the Opponent's trademarks CELLEX-C and CELLEX-C & Design for skin care preparations, and the Opponent's trade name CELLEX-C.

[4] For the reasons that follow, the application is refused.

THE RECORD

[5] The application was filed on May 11, 2017 on the basis of proposed use in Canada. It was advertised in the *Trademarks Journal* of June 20, 2018.

[6] The Opponent opposed the application on August 20, 2018, pursuant to section 38 of the *Trademarks Act*, RSC 1985, c T-13 (the Act).

[7] I note that the Act was amended on June 17, 2019. All references to the Act are to the Act as amended, with the exception of references to the grounds of opposition which refer to the Act before it was amended [see section 70 of the Act].

[8] The Opponent raises grounds of opposition based on non-registrability under section 12(1)(d) of the Act, non-entitlement under sections 16(3)(a), (b) and (c) of the Act, and non-distinctiveness under section 2 of the Act.

[9] The Applicant filed a counter statement essentially denying the grounds of opposition.

[10] Both parties filed evidence, as detailed below.

[11] Neither parties filed written representations, and no hearing was held.

EVIDENTIARY BURDEN

[12] The legal onus is on the Applicant to show that the application complies with the provisions 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. Once this initial burden is met, the Applicant must satisfy the Registrar, on a balance of probabilities, that the grounds of opposition pleaded should not prevent the registration of the Mark [*John Labatt Ltd v Molson Companies Ltd* (1990), 30 CPR (3d) 293 (FCTD) at 298; *Dion Neckwear Ltd v Christian Dior, SA* (2002), 20 CPR (4th) 155 (CAF)].

THE PARTIES' EVIDENCE

[13] The parties' evidence is summarized below and discussed further in the analysis of the grounds of opposition.

Opponent's evidence

[14] The Opponent filed certified copies of its trademark registrations for CELLEX-C (TMA475,626) and CELLEX-C & Design (TMA689,604), depicted below, for "over the counter preparations for topical application to the skin for the care thereof".



[15] The Opponent also filed an affidavit of Sanjeev Narayan, sworn February 22, 2019. Mr. Narayan, who is the Chief Financial Officer of the Opponent, was not cross-examined on his evidence.

[16] Mr. Narayan explains that the CELLEX-C brand was developed in Canada in or around 1990 and was first used in the early 1990's by the Opponent's predecessor-in-title in association with high-end over the counter topical skincare preparations [paras 2-3]. As Mr. Narayan collectively refers to these goods as the "Products" throughout his affidavit, I will do the same.

[17] Mr. Narayan asserts that the trademark CELLEX-C has appeared on labels and packaging of the Products since at least as early as 1991. He provides screenshots of the Opponent's website showing the variety of branded Products available for purchase in Canada over the years [paras 5-6; Exhibits 2-3].

[18] Mr. Narayan provides evidence with respect to the distribution of the Products sold through the Opponent's own store and website, and also through the Opponent's network of distributors and resellers [paras 7-8]. He provides the Opponent's volume and value of sales of the Products, with representative samples of invoices to various clients [para 9-13; Exhibits 5-8].

[19] Mr. Narayan provides the Opponent's expenses for advertising and promotion of the Products. He describes, with supporting exhibits, the different ways by which the Products are advertised and promoted in Canada [paras 14-21; Exhibits 9-15].

[20] Mr. Narayan asserts, with supporting exhibits, that the Products have been studied and featured in trade journals as well as frequently featured in popular publications or in other media and have also been extensively reviewed by consumer on YouTube channels [paras 22-26; Exhibits 16-19].

Applicant's evidence

[21] As a preliminary matter, I note that although referenced in the Applicant's letter of June 25, 2019 among the material filed as its evidence, the following documents did not accompany the letter: (i) uncertified copy of the file history of application No. 748,321; and (ii) uncertified copy of the Examiner's 1st Report for application No. 1,844,900. I wish to add that even if these documents had been filed, they would not have been considered as part of the Applicant's evidence. An uncertified copy of a document that is under the custody of the Registrar must be submitted by way of affidavit or statutory declaration [section 49 of the *Trademarks Regulations*, SOR/18-227].

[22] Accordingly, the Applicant's evidence consists of the following:

- certified copies of third-party trademark registrations and application for CELL BLOCK-C (TMA514,373), CELEXA (TMA508,065), CELLUX (TMA878,616), CELLE-Q (TMA843,894), CELLULI CHOC (TMA599,498), and CELLULA + & Design (1,936,774); and
- the statutory declaration of David Michaels declared June 25, 2019. Mr. Michaels was not cross-examined on his evidence.

[23] Mr. Michaels is a brand consultant for the Applicant and has held this position since February 2015 [para 1].

[24] Absent representations from the Applicant, it is unclear whether Mr. Michaels' affidavit is intended as expert evidence in this case. In any event, I am not prepared to accept his affidavit

as expert evidence since Mr. Michaels does not possess the necessary independence from the Applicant on the outcome of this case [*Black Entertainment Television, Inc v CTV Limited* (2008), 66 CPR (4th) 212 (TMOB)].

[25] In considering the evidence, I am disregarding any statements of Mr. Michaels amounting to an opinion on the question of facts and law to be determined by the Registrar in this proceeding.

[26] Leaving aside hearsay issues, I do not afford any significance to Mr. Michaels' statements with respect to the U.S. Food and Drug Administration's approval, or lack thereof, of the Opponent's over the counter skin care preparations [paras 20-25; Exhibits 1-2]. It suffices to say that the issue to be decided in this case is not the Opponent's entitlement to use its trademarks in Canada, but rather the Applicant's right to the registration of the Mark.

[27] Relying on Google Analytics data, Mr. Michaels states that there were "fewer than 400 searches per month for the Cellex-C keyword on the internet over the past year" [para 9]. Leaving aside hearsay issues, this evidence is of no help to the Applicant in the assessment of the likelihood of confusion between the parties' trademarks.

[28] In the end, the relevant evidence in the context of Mr. Michaels' affidavit is found in his assertions with respect to the Goods and the nature of trade associated with the Mark [paras 14, 16, and 31]. I shall return to these assertions below in the analysis of the ground of opposition.

ANALYSIS OF THE GROUNDS OF OPPOSITION

Non-registrability under section 12(1)(d) of the Act

[29] The ground of opposition alleges the Mark is not registrable in view of confusion with the Opponent's trademarks CELLEX-C and CELLEX-C & Design (hereafter sometimes referred to collectively as the CELLEX-C Marks) of registration Nos. TMA475,626 and TMA689,604.

[30] I have exercised the Registrar's discretion to confirm that the Opponent's registrations are in good standing [*Quaker Oats Co of Canada v Menu Foods Ltd* (1986), 11 CPR (3d) 410 (TMOB)]. Since both registrations are extant, the Opponent has met its initial burden for this

ground of opposition. Thus, the question becomes whether the Applicant has met its legal onus to establish, on a balance of probabilities, that there is no reasonable likelihood of confusion between the Mark and the Opponent's CELLEX-C Marks.

[31] In considering the issue of confusion, I will focus my analysis on the Opponent's word mark CELLEX-C (TMA475,626) as in my view it represents the Opponent's best chance of success.

The test for confusion

[32] The test for confusion is one of first impression and imperfect recollection. Section 6(2) of the Act provides that use of a trademark causes confusion with another trademark if the use of both trademarks in the same area would be likely to lead to the inference that the goods or services associated with those trademarks are manufactured, sold, leased, hired or performed by the same person, whether or not the goods or services are of the same general class or appear in the same class of the Nice Classification. This test does not concern confusion of the trademarks themselves, but rather confusion as to whether the goods or services associated with each of the trademarks come from the same source.

[33] In applying the test for confusion, the Registrar must have regard to all the surrounding circumstances, including those specifically enumerated in section 6(5) of the Act, namely: (a) the inherent distinctiveness of the trademarks and the extent to which they have become known; (b) the length of time each trademark has been in use; (c) the nature of the goods, services or business; (d) the nature of the trade; and (e) the degree of resemblance between the trademarks, including in appearance or sound or in the ideas suggested by them.

[34] These criteria are not exhaustive and different weight will be given to each one in a context specific assessment [see *Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée*, 2006 SCC 23; *Mattel, Inc v 3894207 Canada Inc*, 2006 SCC 22, at para 54]. I also refer to *Masterpiece Inc v Alavida Lifestyles Inc*, 2011 SCC 27, at para 49, where the Supreme Court of Canada states that section 6(5)(e) of the Act, the resemblance between the marks, will often have the greatest effect on the confusion analysis.

The inherent distinctiveness of the trademarks and the extent to which they have become known

[35] The overall consideration of this factor involves a combination of inherent and acquired distinctiveness of the trademarks. The acquired distinctiveness of a mark refers to the extent to which it has become known.

[36] I assess the inherent distinctiveness of the parties' marks as about the same. Both trademarks are coined words comprising the prefix CELL, which is arguably suggestive of skin cells in the context of the parties' respective goods. Likewise, it appears from documentary evidence provided by Mr. Narayan that the letter C in the Opponent's Mark refers to vitamin C.

[37] In turning to the extent to which the Opponent's trademark has become known, I note that I consider the evidence of use and promotion of the composite mark CELLEX-C & Design to also constitute evidence of use and promotion of the word mark CELLEX-C (the Opponent's Mark) [for the principles regarding added elements and stylization, see *Nightingale Interloc v Prodesign Ltd* (1984), 2 CPR (3d) 535 (TMOB)].

[38] I conclude that the Opponent's Mark has become significantly known in Canada. Indeed, in addition to numerous examples of use of the Opponent's Mark on the Products and advertising and promotion of branded Products over the years, the following evidence is provided by Mr. Narayan:

- Since 1999, the number of units of Products sold in Canada by the Opponent has been in the range of 150,000 to 215,000 units/year.
- For the years 1996 to 2018, the Opponent's Canadian retail sales of the Products are estimated at over \$90 million.
- From April 1, 2016 to January 31, 2019, the Opponent has spent a total amount of \$158,828.50 to advertise and promote the Products in Canada.

[39] Insofar as the Mark is concerned, Mr. Michaels explains that its associated Goods are still in the product development and market research phase.

[40] Accordingly, this factor favours the Opponent.

The length of time the trademarks have been in use

[41] I am satisfied that the evidence establishes continuous use of the Opponent's Mark in Canada since at least 1996. Thus, this factor favours the Opponent.

The nature of the goods, services or business; and the nature of the trade.

[42] It is the statement of the goods in the application and the statement of goods in the registration that must be taken into consideration when assessing the factors set forth at section 6(5)(c) and (d) of the Act [*Mr Submarine Ltd v Amandista Investments Ltd* (1987), 19 CPR (3d) 3 (FCA) and *Miss Universe Inc v Bohna* (1994), 58 CPR (3d) 381 (FCA)].

[43] It is apparent that the line of Products described in Mr. Narayan's affidavit corresponds to the statement of goods "over the counter preparations for topical application to the skin for the care thereof" in the Opponent's registration. As regard to the Goods, as stated in the application for the Mark, they can be categorized generally as face, body and hair care products.

[44] Whether there is a direct or indirect overlap between skin care preparations, as described in the Opponent's registration, and face, body and hair care products, as described in the Applicant's application, I find it reasonable to conclude to a relationship between these goods.

[45] With regard to the nature of the trade, Mr. Michaels' evidence is that the Goods will be sold through the Applicant's website, grocery stores and low-cost retailers such as drug marts. Mr. Narayan's evidence is that the Products are sold through the Opponent's own store and website as well as through distributors and resellers. Mr. Narayan explains that the consumers and resellers of the Products include dermatologists, spas, beauty salons, and vitamin and health food stores who in turn sell the products to their own customers.

[46] I note that there is no restriction in either the Applicant's application or the Opponent's registration that would restrict the parties' respective channels to those established by the evidence. Furthermore, despite Mr. Michaels' assertions that the Goods (i) do not contain any medicinally active ingredients, (ii) will not be advertised to treat any skin conditions, and (iii) will not purport to reduce the appearance of fine lines or treat the skin around the eyes for

wrinkles, it is conceivable in my view that the goods of the parties may be purchased by the same consumer.

[47] Accordingly, these factors favour the Opponent.

The degree of resemblance between the trademarks in appearance or sound or in the ideas suggested

[48] As noted above, the degree of resemblance between the trademarks is often the most significant factor in the confusion analysis. When considering the degree of resemblance, it is preferable to first consider whether there is an aspect of the trademark that is “particularly striking or unique” [*Masterpiece*, above, at para 64].

[49] The Mark is comprised of the single striking element CELLOXI. The Opponent’s Mark comprises the element CELLEX and the letter C separated by a hyphen. Since a letter of the alphabet lacks inherent distinctiveness, the striking element of the Opponent’s Mark is CELLEX.

[50] Notwithstanding their different end portion, that is OXI and EX-C, I find that the trademarks, when considered as a whole, have a fair degree of resemblance in appearance. Indeed, not only do they share the prefix CELL, but they are almost identical in length.

[51] Since the hyphen is silent, common sense dictates that the Opponent’s Mark is pronounced CELLEXC. Therefore, I also find that there is a high degree of resemblance between the trademarks in sound, especially for an English-speaking consumer.

[52] Finally, I find that there a fair degree of resemblance in the ideas suggested by the trademarks owing to their shared prefix CELL which, as indicated before, is suggestive of skin cells in the context of the parties’ goods.

[53] Accordingly, the degree of resemblance factor favours the Opponent.

Additional circumstance - State of the register evidence

[54] Presumably, the certified copies of four registrations and one application for trademarks comprising the prefix CELL (or CEL) have been provided by the Applicant to serve as state of the register evidence.

[55] State of the register evidence favours an applicant when it can be shown that the presence of a common element in marks would cause consumers to pay more attention to the other features of the marks, and to distinguish between them by those other features [*McDowell v Laverana GmbH & Co. KG*, 2017 FC 327 at para 42]. Inferences regarding the state of the marketplace may be drawn from such evidence in two situations: a large number of relevant registrations are located; and/or there is evidence of common use in the marketplace of relevant third-party marks [*Kellogg Salada Canada Inc v Maximum Nutrition Ltd* (1992), 43 CPR (3d) 349 (FCA); *McDowell, supra*, at paras 41-46; and *Cie Gervais Danone v Astro Dairy Products Ltd*, 1999 CanLii 7656 (FC)].

[56] Absent representations from the Applicant, suffice it to say that no inference regarding the state of the marketplace can be drawn from the state of the register evidence provided by the Applicant.

Conclusion - Likelihood of confusion

[57] Having considered all of the surrounding circumstances of this case, I conclude that the Applicant has not discharged its legal onus to show, on a balance of probabilities, that there is no reasonable likelihood of confusion between the Mark and the Opponent's Mark.

[58] Accordingly, the section 12(1)(d) ground of opposition succeeds to the extent that it is based on the Opponent's registration No. TMA475,626 for the trademark CELLEX-C.

Non-entitlement to registration under section 16(3)(a) of the Act

[59] The section 16(3)(a) ground of opposition is premised on allegations of confusion between the Mark and the previously used or made known CELLEX-C Marks of the Opponent.

[60] In order to meet its initial burden under this ground of opposition, the Opponent must show that its CELLEX-C Marks were used or made known in Canada prior to the filing date of the application (May 11, 2017) and were not abandoned at the date of advertisement of the application (June 20, 2018) [section 16(5) of the Act].

[61] As previously indicated, I am satisfied that the evidence establishes continuous use of the Opponent's Mark in association with the Products since at least 1996. Thus, the Opponent has met its initial burden under this ground of opposition.

[62] The difference in the relevant material date has no impact on my previous assessment of the factors set out in section 6(5) of the Act under the section 12(1)(d) ground of opposition. Thus, I conclude that the Applicant has not discharged its ultimate onus of establishing, on a balance of probabilities, that there was no likelihood of confusion between the Mark and the Opponent's Mark as of May 11, 2017.

[63] Accordingly, the section 16(3)(a) ground of opposition is successful to the extent that is based on the prior use of the Opponent's Mark.

Non-entitlement to registration under section 16(3)(b) of the Act

[64] The section 16(3)(b) ground of opposition is premised on allegations of confusion between the Mark and the Opponent's CELLEX-C Marks previously applied for registration under No. 748,321 and No. 1,205,088.

[65] To discharge its evidential burden under this ground of opposition, the Opponent must show that its alleged applications were (i) filed prior to the filing date of the application for the Mark and (ii) pending at the date of advertisement of the application for the Mark [section 16(4) of the Act]. A pending application is one which has not yet matured to registration [*Governor and Co of Adventurers of England trading into Hudson's Bay v Kmart Canada Ltd* (1997), 76 CPR (3d) 526 (TMOB) at 528].

[66] Since application No. 748,321 matured to registration on May 2, 1997 (TMA475,626) and application No. 1,205,088 matured to registration on June 12, 2007 (TMA689,604), neither application was pending on June 20, 2018.

[67] Accordingly, the section 16(3)(b) ground of opposition is rejected.

Non-entitlement to registration under section 16(3)(c) of the Act

[68] The section 16(3)(c) ground of opposition is premised on allegations of confusion between the Mark and the trade name CELLEX-C allegedly previously used in association with the Opponent's business of manufacturing, distribution, retail and wholesale sale of skin care preparations.

[69] As I have found that the Opponent succeeds with respect to the section 16(3)(a) ground of opposition, I will refrain from considering the section 16(3)(c) ground of opposition.

Non-distinctiveness under section 2 of the Act.

[70] The material date for assessing the ground of opposition alleging that the Mark is not distinctive under section 2 of the Act is the filing date of the statement of opposition [*Metro-Goldwyn-Mayer Inc v Stargate Connections Inc* (2004), 34 CPR (4th) 317 (FC)].

[71] I am satisfied that the Opponent has met its initial evidential burden to show that the Opponent's Mark was sufficiently known in Canada, as of August 20, 2018, to negate the distinctiveness of the Mark [*Motel 6, Inc v No 6 Motel Ltd* (1981), 56 CPR (2d) 44 (FCTD); *Bojangles' International LLC v Bojangles Café Ltd* (2006), 48 CPR (4th) 427 (FCTD)].

[72] Furthermore, the difference in the material date under this ground of opposition does not materially affect my findings under the sections 12(1)(d) and 16(3)(a) grounds of opposition. Therefore, in view of the likelihood of confusion between the Mark and the Opponent's Mark, I conclude that the Applicant has not discharged its legal onus to show, on a balance of probabilities, that the Mark was distinctive as of August 20, 2018.

[73] Accordingly, the distinctiveness ground of opposition is successful.

DISPOSITION

[74] Pursuant to the authority delegated to me under section 63(3) of the Act, I refuse the application pursuant to section 38(12) of the Act.

Céline Tremblay
Member
Trademarks Opposition Board
Canadian Intellectual Property Office

**TRADEMARKS OPPOSITION BOARD
CANADIAN INTELLECTUAL PROPERTY OFFICE
APPEARANCES AND AGENTS OF RECORD**

HEARING DATE No Hearing Held

AGENTS OF RECORD

McMillan LLP

For the Opponent

No Agent Appointed

For the Applicant