



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

**Citation: 2012 TMOB 83**  
**Date of Decision: 2012-05-01**

**IN THE MATTER OF AN OPPOSITION  
by Pirelli Tyre S.p.A to application  
No. 1,315,886 for the trade-mark  
SCORPION RACING & Design in the  
name of SCORPION RACING INC.**

[1] On September 8, 2006, SCORPION RACING INC. (the Applicant) filed an application to register the SCORPION RACING & Design trade-mark shown below (the Mark).



The application was filed on the basis of the Applicant's use in Canada in association with the following wares (as amended): since at least as early as September, 2004 with On-road and off-road motorcycle, dirt bike and motocross bike accessories namely, radiator guards and February, 2006 in association with On-road and off-road motorcycle, dirt bike and motocross bike accessories namely, skid plates, and glide plates (collectively the Wares).

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

[3] On June 9, 2008, Pirelli Tyre S.p.A. (the Opponent) filed a statement of opposition pleading the grounds summarized below:

- (a) contrary to section 30(b) of the *Trade-marks Act*, RSC 1985, c T-13 (the Act), the Applicant has not used the Mark in association with the Wares since the dates of first use alleged;
- (b) contrary to section 30(i) of the Act, the Applicant could not have been satisfied that it is entitled to use the Mark in association with the Wares having regard to the registration and use in Canada of the Opponent's SCORPION trade-marks and since the Applicant's use of the Mark is contrary to sections 19, 20, and 22 of the Act;
- (c) contrary to section 12(1)(d) of the Act, the Mark is not registrable because it is confusing with registration No. TMA458,566 for the scorpion design set out below (the SCORPION Design Trade-mark) and registration No. TMA466,905 for SCORPION;



- (d) contrary to section 16(1)(a) of the Act, the Applicant is not the person entitled to registration of the Mark because as of the dates of first use alleged it was confusing with the use of the SCORPION trade-mark and Scorpion Design Trade-mark of the Opponent; and
- (e) contrary to section 2 of the Act, the Mark is not distinctive of the Applicant.

[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 Brandon Reinhart and Scott Griffin. In support of its application, the Applicant filed an affidavit of Steve Vander Helm. Mr. Vander Helm was cross-examined and the transcript, exhibits and answers to undertakings form part of the record. The Opponent filed a written argument. Both parties attended a hearing held on April 19, 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 [*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)(b)/12(1)(d) of the Act - the date of my decision [*Park Avenue Furniture Corporation v Wickes/Simmons Bedding Ltd and The Registrar of Trade Marks* (1991), 37 CPR (3d) 413 (FCA)];

-section 38(2)(c)/16(1) of the Act - the date of first use claimed in the application; and

- 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)].

### Preliminary Issues

#### Applicant's Attendance at the Hearing

[8] At the outset of the hearing it was brought to my attention that the Opponent's agent was unaware that Mr. Vander Helm, President of the Applicant, was appearing since the Opponent had not been copied on the Applicant's correspondence confirming its attendance by telephone. As the Opponent's agent had brought case law, I briefly adjourned the hearing so the cases could be sent by facsimile and reviewed by the Applicant. As the Applicant only received some of the cases in their entirety, the Opponent's agent agreed to focus his submissions on the cases for which the Applicant had received complete copies.

#### Applicant's Request for Leave to File Additional Evidence

[9] During the Applicant's submissions, it requested leave to file additional evidence, namely registration No. TMA641,845 for SCORPIONEXO. As it was not in the interests of justice to allow the filing of this additional evidence given its limited importance and the late stage of the proceedings, I refused to grant leave [*Johnson & Johnson v Taro Pharmaceuticals Inc* (1998), 87 CPR (3d) 338 (TMOB) at 341]. I note that even if this registration was in evidence, it would not have effected my decision since one registration is not significant enough for me to draw any conclusions with respect to whether use of SCORPION is common in the relevant marketplace [see *Ports International Ltd v Dunlop Ltd* (1992), 41 CPR (3d) 432 (TMOB); *Welch Foods Inc v Del Monte Corp* (1992), 44 CPR (3d) 205 (FCTD); *Maximum Nutrition Ltd v Kellogg Salada Canada Inc* (1992), 43 CPR (3d) 349 (FCA)].

#### Affidavit of Brandon Reinhart


[10] Brandon Reinhart, an articling student with the agents for the Opponent, visited various tire stores. In his affidavit, he attaches brochures from the Applicant obtained from the tire stores and sets out the content of his conversations with store employees as to whether Pirelli SCORPION Ice & Snow tires have been sold. The content of Mr. Reinhart's affidavit is hearsay and there is no evidence of record setting out why it was necessary for Mr. Reinhart to provide such evidence, nor any evidence concerning its reliability. In these circumstances, I am not prepared to find the Reinhart evidence admissible albeit with diminished weight [*R v Khan*, [1990] 2 SCR 531 (SCC); *Anheuser-Busch Inc v Daum*; (2010), 88 CPR (4<sup>th</sup>) 300 (TMOB) at paras 10-16].

Section 30(i) Ground of Opposition

[11] At the hearing, the Opponent withdrew the ground of opposition based on s. 30(i).

Section 12(1)(d) Ground of Opposition

[12] I will first consider the section 12(1)(d) ground of opposition. I have exercised my discretion and checked the register to confirm that registration Nos. TMA458,566 for the SCORPION Design Trade-mark and TMA466,905 for SCORPION are extant [*Quaker Oats Co of Canada v Menu Foods Ltd* (1986), 11 CPR (3d) 410 (TMOB)]. Therefore, the Opponent has met its initial burden with respect to this ground. The particulars of these trade-marks are set out below:

Registration No.	Trade-mark	Wares
TMA458,566		Tires, pneumatic, semi-pneumatic and solid tires for vehicle wheels; wheels for vehicles; inner tubes, rims, parts and fittings for all the aforesaid goods.
TMA466,905	SCORPION	Tires, pneumatic, semi-pneumatic and solid tires for vehicle wheels; wheels for vehicles; inner tubes, rims, parts and fittings for all of the aforesaid goods.

[13] The test to determine the issue of confusion is set out in section 6(2) of the Act where it is stipulated that the use of a trade-mark causes confusion with another trade-mark if the use of both trade-marks in the same area would likely lead to the inference that the wares and services associated with those trade-marks are manufactured, sold or leased by the same person, whether or not the wares and services are of the same general class. In making such an assessment, I must take into consideration all the relevant surrounding circumstances, including those listed in section 6(5): the inherent distinctiveness of the trade-marks and the extent to which they have become known; the length of time the trade-marks have been in use; the nature of the wares

and services or business; the nature of the trade; and the degree of resemblance between the trade-marks in appearance, or sound or in the ideas suggested by them.

[14] These criteria are not exhaustive and different weight will be given to each one in a context specific assessment [see *Mattel, Inc v 3894207 Canada Inc*, [2006] 1 SCR 772 (SCC) at para 54]. I also refer to *Masterpiece Inc v Alavida Lifestyles Inc*, (2011), 92 CPR (4th) 361 (SCC) at para 49, where the Supreme Court of Canada states that section 6(5)(e), the resemblance between the marks, will often have the greatest effect on the confusion analysis. As such, I will begin with the analysis of this factor.

*the degree of resemblance*

[15] There is a significant degree of resemblance between the marks at issue in appearance, sound and idea suggested. The Applicant has adopted the entirety of the Opponent's registered mark SCORPION as the beginning of the word component of the Mark. The word RACING in the Mark does not diminish the resemblance between the parties' marks as it is descriptive of the function of the Wares [*Reno-Dépôt Inc v Homer TLC Inc* (2009), 84 CPR (4th) 58 (TMOB) at para 58]. Finally, the design element of the Mark significantly resembles the Opponent's SCORPION Design Trade-mark since both are depictions of scorpions and include similar and exaggerated stylized segmentation, legs and tails. I find that the small differences in the designs pointed to by the Applicant including the difference in the claws, stinger and segmentation are not significant enough to negate the degree of resemblance. Rather, these are the types of differences which are only apparent when doing a side by side comparison which is not how resemblance is to be assessed [*Oshawa Group Ltd v Creative Resources Co Ltd* (1982), 61 CPR 2d 29 (FCA) at 35].

*nature of the wares, services, business or trade*

[16] When considering the wares, services and trades of the parties, it is the statement of wares or services in the parties' trade-mark application or registrations that govern in respect of the issue of confusion arising under section 12(1)(d) of the Act [*Esprit International v Alcohol Countermeasure Systems Corp* (1997), 84 CPR (3d) 89 (TMOB) at 98-99]. The Opponent's registered wares are for use with vehicles. There is no restriction as to the types of vehicles

covered by the registration. The evidence of Scott Griffin, Vice President Motorcycle Division of Pirelli Tire North America, provides the following:

- Pirellie Tire North America is related to the Applicant and is licensed by or with the authority of the Applicant to use the SCORPION trade-mark (paras 1-2).
- The SCORPION trade-mark appears on the side wall of tires (Exhibit D) and is referenced in brochures distributed in Canada (para 7).
- SCORPION motocross and motor bike tires have been distributed in Canada since 2004 by Parts Canada (para 10).

In his affidavit, Mr. Vander Helm, President of the Applicant, provides pictures of packaging and a radiator guard both featuring the Mark (Exhibit B). He explains in the cross-examination on his affidavit that the Applicant sells aftermarket motorbike parts and accessories (Qs. 20-21) to distributors such as Motovan.com (Qs. 44-46) who in turn sell to dealerships who in turn sell to the public (Q. 40). He further explains that Motovan.com and Parts Canada are competitors and the two biggest distributors of motorbike parts and accessories in Canada (Qs. 59-63).

[17] At the hearing, the Applicant argued that the parties wares were different since tires are made of rubber and need to be replaced periodically, while guards and plates are aluminum, designed for protection and typically do not need to be replaced.

[18] I find, however, that the parties' wares directly overlap since the Opponent's registrations are not limited to any particular vehicle and its evidence shows that its tires are used on motor bikes and motocross bikes. Furthermore, the evidence suggests that there is also overlap in the nature of the trade of the parties since the parties wares are sold by competing distributors. Such overlap in the nature of wares and trade increases the risk of confusion [*Toys "R" Us Ltd v Manjel Inc* (2003), 24 CPR (4th) 449 at 467-468].

*inherent distinctiveness, extent and length of use*

[19] The Mark and the Opponent's trade-marks are all inherently distinctive as there is no apparent connection between scorpions and the parties' wares. The extent of use appears to favour the Opponent who has sold over 2000 motocross and motor bike tires in Canada in association with the SCORPION trade-mark in each of the years 2006-2009 (Griffin affidavit, Exhibit A). In contrast, the Applicant provides evidences of the sales of twenty radiator guards in 2004 and fifteen skid plates in 2006 (Vander Helm affidavit, Exhibits A and B). I do not find that the length of time in use favours the Opponent to a significant extent since Mr. Griffin's evidence is not clear as to whether the Opponent was using the SCORPION trade-mark and/or SCORPION Design Trade-mark in Canada prior to June 30, 2004 (Griffin affidavit, paras 5;8-10).

*conclusion*

[20] I conclude that, on a balance of probabilities, there is a reasonable likelihood of confusion between the marks due to the significant resemblance between the Mark and the opponent's marks and the overlapping nature of the wares and trade of the parties. Therefore, this ground of opposition succeeds.

#### Section 16(1)(a) Ground of Opposition

[21] The Opponent has also pleaded that the Mark is confusing with the SCORPION trade-mark and SCORPION Design Trade-mark under section 16 of the Act. The assessment of this ground of opposition differs from that under section 12(1)(d) in that the material date under section 16(1)(a) is September 2004 for the wares described as on-road and off-road motorcycle, dirt bike and motocross bike accessories namely, radiator guards and February, 2006 for the wares described as on-road and off-road motorcycle, dirt bike and motocross bike accessories namely, skid plates, and glide plates.

[22] In order to meets its initial burden under section 16, the Opponent must provide evidence that it was using its SCORPION trade-mark and the SCORPION Design Trade-mark in Canada prior to the material dates set out above and had not abandoned



these marks as of January 9, 2008, the date of advertisement of the subject application (s 16(5) of the Act).

[23] Mr. Griffin's evidence summarized below is sufficient to meet the Opponent's burden with respect to the SCORPION trade-mark for motocross and motor bike tires.

- Pirelli Tire North America is related to the Applicant and is licensed by or with the authority of the Applicant to use the SCORPION trade-mark (paras 1-2).
- The SCORPION trade-mark appears on the side wall of tires (Exhibit D).
- Motocross and motor bike tires have been sold in Canada in association with the SCORPION trade-mark since before September, 2004 (para 4). This is supported by an invoice confirming a sale and shipment of tires on June 30, 2004 to a retailer in Ontario (para 5, Exhibit B).

[24] Although the section 16 material date is approximately eight years earlier than today's date, the different date does not result in a different outcome. Therefore, based on the Opponent's prior use of SCORPION, the section 16(1)(a) ground succeeds for reasons similar to those set out under my discussion of the section 12(1)(d) ground.

#### Remaining Grounds of Opposition

[25] Having already refused the application under two grounds, I will not discuss the remaining grounds of opposition.

#### Disposition

[26] Pursuant to the authority delegated to me under section 63(3) of the Act, I refuse the application pursuant to section 38(8) of the Act.

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Natalie de Paulsen  
Member  
Trade-marks Opposition Board  
Canadian Intellectual Property Office