

**IN THE MATTER OF AN OPPOSITION
by TCG International Inc. to application
No. 1,096,514 for the trade-mark
AUTOSOCK filed by Autosock AS**

On March 19, 2001, Autosock SA (the “Applicant”) filed an application to register the trade-mark AUTOSOCK (the “Mark”). The application is based upon proposed use of the Mark in Canada in association with “non-skid devices for vehicle tires, namely non-skid devices of textile material for vehicle tires.”

The application was advertised for opposition purposes in the Trade-marks Journal of October 9, 2002. On March 10, 2003, TCG International Inc. (the “Opponent”) filed a statement of opposition against the application. The statement of opposition pleaded grounds of opposition under s. 38(2)(a), (b), (c), and (d) of the *Trade-marks Act*, R.S.C. 1985, c. T-13 (the “Act”). The Applicant filed and served a counter statement in which it denied the Opponent’s allegations.

As rule 41 evidence, the Opponent filed the affidavit of Michael B. Wallace, the Opponent’s corporate counsel. The Applicant obtained an order for the cross-examination of Mr. Wallace, but subsequently decided to not cross-examine him.

As rule 42 evidence, the Applicant filed the affidavits of Lars Sæbø (the Applicant’s CEO) and P. Claire Gordon (a law clerk employed by the Applicant’s agents). Neither affiant was cross-examined.

Each party filed a written argument. An oral hearing was not requested.

Onus

The Applicant bears the legal onus of establishing, on a balance of probabilities, that its application complies with the requirements of the Act. There is however an initial 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, 30 C.P.R. (3d) 293 at 298; *Dion Neckwear Ltd. v. Christian Dior, S.A. et al.* (2002), 20 C.P.R. (4th) 155 (F.C.A.)]

Material Dates

The following material dates apply to the indicated grounds of opposition.

- March 19, 2001 - s. 38(2)(a)/s. 30(i) [*Georgia-Pacific Corp. v. Scott Paper Ltd.*, 3 C.P.R. (3d) 469 at 475]
- s. 38(2)(c)/s. 16(3)(a) [s. 16(3)]
- March 10, 2003 - s. 38(2)(d)/s. 2 [*Metro-Goldwyn-Meyer Inc. v. Stargate Connections Inc.* (2004), 34 C.P.R. (4th) 317 (F.C.T.D.) at 324]
- today's date - s. 38(2)(b)/s. 12(1)(d) [*Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd. and The Registrar of Trade Marks*, 37 C.P.R. (3d) 413 (F.C.A.)]

The Evidence

Each of the grounds, other than the s. 38(2)(a) ground, is based on the likelihood of confusion between the Opponent's mark AUTOSTOCK (as used/registered for certain automotive-related wares and services) and the Applicant's mark AUTOSOCK. I summarize below those portions of the evidence that I consider to be the most pertinent to this issue.

Wallace Affidavit

Mr. Wallace informs us that the Opponent is a leading automotive and communications company in Canada that was incorporated in 1969. One of its divisions is the AUTOSTOCK DISTRIBUTION division, which distributes automotive products such as parts, tools and accessories through AUTOSTOCK distribution centres across Canada. The Opponent owns all of the AUTOSTOCK distribution centres, which numbered 27 as of February 2004.

Since 1999, the Opponent has had a website that serves a number of functions, including permitting its dealers to order automotive glass and other accessories online and permitting automotive retailers to search for AUTOSTOCK distribution centres. As Exhibits A, B and C, Mr. Wallace provides printouts showing how AUTOSTOCK was displayed on the Opponent's website as of January 29, 2004.

The Opponent also has two types of printed catalogues. A copy of the 2003/2004 edition of the catalogue that sells automobile-related goods such as windshields, glass, upholstery, trims, floor mats, vinyl tops, sun roofs, stripes and mouldings has been provided as Exhibit F. The AUTOSTOCK trade-mark is displayed throughout. Although AUTOSTOCK does not appear on the vast majority of the goods that are displayed therein, the Opponent's mark does appear on a windshield setting tool advertised at pages A12 and B18, as well as on a hood protector advertised at pages B20 and B42.

Exhibit G is the 2004 edition of a catalogue that advertises for sale automobile accessories, such as automotive fabric cleansers, floor mats and running boards. The AUTOSTOCK trade-mark is displayed throughout. Again, the AUTOSTOCK mark does not appear on the vast majority of the goods that are displayed therein but the Opponent's mark does appear on hood protectors advertised at page 97.

Mr. Wallace directs our attention to one product in the catalogue that is applied to automotive tire surfaces to protect or extend the tires or extend their wear, but it is sold under the mark DURATION. [Exhibit G, page 71]

Mr. Wallace states that the wares set out in both catalogues have been sold in Canada since well prior to March 19, 2001. He provides the Opponent's annual Canadian sales volumes for each of the years 1999 through 2003; they range from 75 million to 95 million Canadian dollars. As noted by the Applicant, the amount of sales attributable to the AUTOSTOCK windshield setting tools and hood protectors has not been set out, but I accept that the figures provided relate to the use of AUTOSTOCK in association with the Opponent's services, which are described in part as "operating a business for the sale of automobile windshields and glass, window panes, upholstery, trims, floor mats, vinyl tops, sun roofs, stripes, mouldings, and accessories for cars and vehicles."

Sæbø Affidavit

Mr. Sæbø informs us that the Applicant is a Norwegian research based company that was established in 1998. It has developed a product that improves the road safety of cars driving

under adverse weather conditions, namely the AUTOSOCK product. The product comprises a tire cover, which is aimed at increasing tire-to-road friction when driving vehicles on icy or snowy roads for a short period of time.

Mr. Sæbø provides printouts from his company's website dated November 2004, which promote its product in association with the Mark. (Exhibits A, B, C and D) He provides the numbers of Canadians who have visited the site annually: 2002 – 55; 2003 – 201; 2004 – 484.

The AUTOSOCK product has been sold in Europe but had not been sold in Canada as of the date of Mr. Sæbø's affidavit (November 26, 2004). Nevertheless, Mr. Sæbø expresses the view that Canadians who are familiar with friction instruments for vehicles such as chains will be familiar with its AUTOSOCK product. In support of this view, Mr. Sæbø provides a copy of an e-mail dated November 5, 2004 from an individual who operates a small import and distribution company in Canada, enquiring if the Applicant has any interest in distributing in Canada.

Mr. Sæbø states that there have been no reported incidents of confusion between AUTOSOCK and AUTOSTOCK.

Gordon Affidavit

Ms. Gordon provides copies of the parties' U.S. trade-mark registrations for the marks at issue. She also provides copies of several pages printed from the Internet on November 10, 2004, which refer to AUTOSTOCK.

Section 38(2)(a) Ground of Opposition

This ground states, "The application does not comply with Section 30(i) of the *Trade-marks Act* in that the applicant could not have been satisfied that it was entitled to use the trade-mark." I dismiss this ground on the basis that the Opponent has not satisfied its initial burden in respect thereof. The statement required by s. 30(i) has been included in the application and there is no evidence to support the allegation that such statement is not true.

Section 38(2) (b), (c) and (d) Grounds of Opposition

The remaining grounds of opposition are all based on the allegation that the Applicant's Mark is confusing with the Opponent's AUTOSTOCK mark. As I consider the s. 38(2)(b)/s. 12(1)(d) ground to be the strongest, I will first assess the likelihood of confusion between the Mark and the Opponent's mark AUTOSTOCK, registered under No. TMA263,769, as of today's date.

Before beginning, I confirm that the Opponent has satisfied its evidential burden because registration No. TMA263,769 is in good standing.

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. 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: the inherent distinctiveness of the trade-marks or trade-names and the extent to which they have become known; the length of time each has been in use; the nature of the wares, services or business; the nature of the trade; and the degree of resemblance between the trade-marks or trade-names in appearance or sound or in the ideas suggested by them.

In *Polo Ralph Lauren Corp. v. United States Polo Association et al.* (2000), 9 C.P.R. (4th) 51 (F.C.A.) at 58-59, Malone J.A. summarized the guidelines to be applied when assessing the likelihood of confusion as follows:

A review of some of the leading cases also establishes some practical guidelines. For example, the Court is to put itself in the position of an average person who is familiar with the earlier mark but has an imperfect recollection of it; the question is whether the ordinary consumer will, on seeing the later mark, infer as a matter of first impression that the wares with which the second mark is used are in some way associated with the wares of the earlier. With respect to the degree of resemblance in appearance, sound or ideas under subparagraph 6(5)(e), the trade-marks at issue must be considered in their totality. As well, since it is the combination of elements that constitutes a trade-mark and gives distinctiveness to it, it is not correct to lay the trade-marks side by side and compare and

observe similarities or differences among the elements or components of the marks when applying the test for confusion. In addition, trade-marks must not be considered in isolation but in association with the wares or services with which they are used. When dealing with famous or well-known marks, it may be more difficult to demonstrate that there is no likelihood of confusion, especially if the nature of the wares are similar. Lastly, the enumerated factors in subsection 6(5) need not be attributed equal weight. Each particular case of confusion might justify greater emphasis being given to one criterion than to others.

inherent distinctiveness of the trade-marks

Although each of the marks is an invented word, each is also suggestive of their associated wares/services. The Opponent's AUTOSTOCK mark suggests an inventory related to automobiles. The Applicant's AUTOSOCK mark suggests socks for automobiles and the Applicant's product is material that goes over an automobile's tires.

the extent to which each trade-mark has become known

This factor favours the Opponent. There is only minimal evidence of the Applicant's Mark being known to Canadians whereas the Opponent's fairly extensive use would result in it becoming known to a fair extent.

the length of time each trade-mark has been in use

The length of time that each mark has been in use favours the Opponent.

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

The Opponent's mark is registered for the following services:

- (1) Operating a business for the sale of automobile windshields and glass, window panes, upholstery, trims, floor mats, vinyl tops, sun roofs, stripes, mouldings, and accessories for cars and vehicles.
- (2) Exploitation d'une entreprise traitant de la réparation et entretien de véhicules-moteurs de tous genres et traitant de la vente, installation, réparation et entretien d'accessoires de véhicules-moteurs de tous genres nommément: pare-brises et vitres d'auto, rembourrage, tapis, toits ouvrants et coulissants, toits de vinyle, moulures, peintures d'auto, produits d'ignition, coffres à outils, tuyaux et boyaux pour air, huile, eau et essence, pièces de systèmes d'échappement, boulons et vis, pneus, bavolets, miroirs d'autos, housses d'autos, lubrifiants, huiles à moteur, amortisseurs, freins à disques, freins, accumulateurs, batteries, filtres à l'huile, filtres à air, alternateurs, générateurs, boîtes à contrôle, pompes à eau, pompes à essence, graisses pour véhicules, pièces de suspension, bougies, phares de véhicules-moteurs, joints universels, différentiels, arbres de transmission, joints de cardan, pignons à crémaillère et pièces d'allumage.

From the evidence, it appears that the Opponent's clients would be primarily automotive retailers, although there is nothing indicating that individual consumers could not purchase wares from the Opponent.

The Applicant's wares are for use by individual car owners, who would apply the wares to their tires when the weather necessitated them. However, these individuals would most likely purchase the AUTOSOCK product through automotive product/accessory retailers.

Since the Opponent appears to sell other parties' products, it is feasible that it could sell the Applicant's products.

the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them

There is an extremely high degree of resemblance between AUTOSTOCK and AUTOSOCK, visually and aurally. When one considers the nature of the Applicant's wares, the ideas suggested by the marks differ, but this difference in idea does not outweigh the resemblance in appearance and sound.

other surrounding circumstances

Mr. Sæbø indicates that he is not aware of any instances of confusion. However, as pointed out by the Opponent, it is not surprising that there has been no confusion in Canada given that the Applicant has not used its mark in Canada and only a very small number of Canadians may have even heard of it. Lack of confusion elsewhere in the world is not pertinent in the absence of further evidence, such as the extent of co-existence elsewhere and the state of the marketplace elsewhere.

Similarly, the evidence of co-existence of the parties' marks on the U.S. trade-mark register is not significant in the absence of further evidence, such as the state of the register in that country.

In support of its position that confusion is not likely, the Applicant has submitted that the

Opponent's AUTOSTOCK services appear to have co-existed peacefully with another party's AUTOSTOCK photography services. However, there is no reliable evidence supporting this submission. The Applicant relies on Exhibit D to the Gordon affidavit, which are pages printed from the Internet. Although this Exhibit is evidence of the existence of those pages as of the date they were printed, it is inadmissible hearsay evidence with respect to the information that appears on the Internet pages. [*Envirodrive Inc. v. 836442 Alberta Inc.*, 2005 A.B.Q.B. 446] In any event, there is no evidence that this other party is active in Canada or that any Canadian, other than Ms. Gordon, has accessed its website. [See *Procter & Gamble v. Hunter* (1999), 2 C.P.R. (4th) 266 (T.M.O.B.) at 273.]

conclusion re likelihood of confusion

The legal onus is on the Applicant to show that there is not a reasonable likelihood of confusion between the marks. Given the high degree of resemblance between the two marks, the fact that they are both used in the automotive products/accessories industry, and the absence of use of the Applicant's Mark in Canada (contrasted to the Opponent's use for a number of years), I find that the Applicant has not met its onus.

The s. 38(2)(b) ground of opposition therefore succeeds.

In the circumstances, I need not deal with the remaining grounds of opposition, but most likely, despite their earlier material dates, they would have also succeeded for reasons similar to those set out above.

Disposition

Having been delegated by the Registrar of Trade-marks by virtue of s. 63(3) of the Act, pursuant to s. 38(8) I refuse the application, based on the s. 38(2)(b) ground of opposition.

DATED AT TORONTO, ONTARIO, THIS 11th DAY OF SEPTEMBER 2006.

Jill W. Bradbury
Member
Trade-marks Opposition Board