

**IN THE MATTER OF AN OPPOSITION
by Canadian Tire Corporation, Limited to
application No. 1,025,166 for the trade-
mark ARMORSEAL filed by The Sherwin-
Williams Company**

On August 9, 1999, The Sherwin-Williams Company (the “Applicant”) filed an application to register the trade-mark ARMORSEAL (the “Mark”) based upon use of the Mark in Canada since at least as early as May 7, 1999.

The application was advertised for opposition purposes in the Trade-marks Journal of October 2, 2002. At that point of time, the statement of wares read, “clear and pigmented coatings used in the nature of interior and exterior paints, wood stains and varnishes.”

On March 3, 2003, Canadian Tire Corporation, Limited (the “Opponent”) filed a statement of opposition against the application. The Applicant filed and served a counter statement in which it denied the Opponent’s allegations.

As evidence pursuant to rule 41 of the *Trade-marks Regulations (1996)* (the “Regulations”), the Opponent filed the affidavits of Chris Thompson, the Opponent’s Director of Advertising, and Tylene Susan Levey, a law clerk.

The Applicant elected to not file any evidence and did not cross-examine either of the Opponent’s affiants.

Each party filed a written argument and participated in an oral hearing.

Onus

The Applicant bears the legal onus of establishing, on a balance of probabilities, that its application complies with the requirements of of the *Trade-marks Act*, R.S.C. 1985, c. T-13 (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 Ltd v. Molson Companies Ltd.* (1990), 30 C.P.R. (3d) 293 (F.C.T.D.) at 298; *Dion Neckwear Ltd. v. Christian Dior, S.A. et al.* (2002), 20 C.P.R. (4th) 155 (F.C.A.).]

Section 30(b) Ground of Opposition

The Opponent's first ground of opposition is reproduced below:

The application does not comply with subsection 30(b) of the Act in that the alleged trade mark has not been used in association with clear and pigmented coatings used in the nature of interior and exterior paints, wood stains and varnishes, since May 7, 1999 in Canada as claimed in the application.

The evidential burden on the Opponent is lighter respecting the issue of non-conformance with s. 30(b) [*Tune Masters v. Mr. P's Mastertune Ignition Services Ltd.* (1986), 10 C.P.R. (3d) 84 (T.M.H.O.) at 89; *John Labatt Ltd. v. Molson Companies Ltd., supra*]. Furthermore, s. 30(b) requires that there be continuous use of the applied for trade-mark in the normal course of trade since the date claimed, *i.e.* up to the material date, namely the filing of the application [*Labatt Brewing Co. v. Benson & Hedges (Canada) Ltd.* (1996), 67 C.P.R. (3d) 258 (F.C.T.D.) at 262; *Georgia-Pacific Corp. v. Scott Paper Ltd.* (1984), 3 C.P.R. (3d) 469 (T.M.O.B.) at 475].

Both parties made considerable oral submissions with respect to this s. 30(b) ground, focusing on the decisions in *Parmalat Food Inc. v. Sun World International Inc.* (2006), 50 C.P.R. (4th) 283 (T.M.O.B.), *John Labatt Ltd. v. Molson Companies Ltd., supra*, and *Tubecon Inc. v. Tubeco Inc.* (1986), 10 C.P.R. (3d) 386 (T.M.O.B.).

In *Parmalat*, Board Member Herzig noted that the applicant's decision to not file evidence was not sufficient on its own to bring the s. 30(b) ground into play. However, he found that the opponent met its initial evidential burden when the applicant's counsel cross-examined the opponent's affiants, asked them if they had ever encountered the applicant's trade-marked wares, and received the answer "no". Mr. Herzig was satisfied that the opponent's affiants were very familiar with the appropriate market and noted that the applicant had every opportunity to dispel any doubts concerning its use of its mark.

In *John Labatt*, Mr. Justice McNair was faced with evidence from a representative of a subsidiary of the opponent. This individual attested that it was part of his current duties to be familiar with the relevant marketplace and the products of his company's competitors. He stated that to the best of his knowledge and belief the applicant's trade-marked ware was not, and had not been, on sale in Canada. However, the applicant was claiming use of its mark since 1962 and it was not clear what the affiant's knowledge and expertise was prior to assuming his current position, which was long after 1962. The affiant did state that since 1968, he had been involved in the relevant industry and had been "generally aware" of brands extant in the marketplace. The Court held that the affidavit was exceedingly vague in outlining the affiant's qualifications, expertise and employment history prior to his current position and that the affiant's statements concerning his general awareness since 1968 were "so vague and lacking in specificity as to render them virtually meaningless".

In *Tubecon*, Chairman Partington found that the opponent's evidence did not meet its evidential burden for several reasons. The opponent's affiants' experience seemed to be largely limited to the Province of Quebec and solely to concrete pipes. Therefore their statements that they had not seen the applicant's pipes was insufficient as they were not familiar with either the Canadian market outside of Quebec or with non-concrete piping (the applicant's wares being simply "piping").

In the present case, the Opponent relies on parts of its own evidence to satisfy its initial burden. The relevant parts of Mr. Thompson's affidavit (signed May 14, 2004) are reproduced below:

1 I am currently the Director of Advertising, of the Advertising Department of Canadian Tire Corporation, Limited ("Canadian Tire") and have held that position for approximately 4 months. From March, 2000, to December, 2002, I was the Category Manager, Paint of the Home Improvement/Hardware Department of Canadian Tire. I was employed in that position for approximately 2 ½ years. I have been employed by Canadian Tire in other positions for approximately 6 years. As such I have personal knowledge of the facts hereinafter deposed to or have had the facts reported to me by members of my staff after examination of corporate records and believe such facts to be true and correct.

...

14. In my capacity as the Category Manager, Paint of the Home Improvement/Hardware Department of Canadian Tire, I closely monitored marketplace activities. If the applicant had been selling paint products in association with the trade mark ARMORSEAL, I am

sure it would have been brought to my attention, particularly since the applicant was supplying products to Canadian Tire. I was unaware of the applicant's use in the trade mark ARMORSEAL until I became aware of the advertisement for that mark published in the Trade-marks Journal.

...

17. Based on my experience in the buying and selling of paints and home products I do not believe that the applicant has been using the ARMORSEAL trade mark in association with the wares as alleged.

I also note that in paragraph 4 of his affidavit, Mr. Thompson attests that as of both May 1999 and March 2003 there were Canadian Tire associate stores in every province throughout Canada.

I find that the Opponent's evidence does not satisfy its light evidential burden. Mr. Thompson attests that he closely monitored the relevant marketplace between March 2000 and December 2002. Mr. Thompson's evidence certainly raises doubt as to whether the Applicant's Mark was being used between March 2000 and December 2002, but the issue under s. 30(b) is whether the Applicant was using its Mark as of May 7, 1999 through August 9, 1999. Whether or not the Applicant used its Mark after August 9, 1999 is not germane. I appreciate that Mr. Thompson states that he was employed by the Opponent since approximately 1998 but, as he has given no information concerning his duties prior to March 2000, I cannot conclude that he was sufficiently familiar with the appropriate market prior to March 2000 so as to make his lack of knowledge of the Applicant's Mark prior to March 2000 meaningful.

Given that the Opponent did not meet its initial evidential burden, there was no need for the Applicant to file evidence to defend this ground. The s. 30(b) ground fails.

Section 12(1)(d) Ground of Opposition

The Opponent's second ground of opposition is summarized below:

The alleged trade-mark ARMORSEAL is not registrable having regard to the provisions of s. 12(1)(d) of the Act in that it is confusing with four registered trade-marks owned by the Opponent, namely, registrations Nos. TMA498,136, TMA467,329, and TMA532,868 for ARMOR COAT and registration No. TMA538,413 for ARMOR COAT & Design [collectively the "Opponent's Marks"].

The material date to assess the likelihood of confusion under this ground of opposition is today's date. [*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.)]

The Opponent has satisfied its initial burden by filing certified copies of the registrations upon which it relies.

the test for confusion

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: a) the inherent distinctiveness of the trade-marks or trade-names 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 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.

In the recent Supreme Court of Canada decision in *Mattel, Inc. v. 3894207 Canada Inc.* (2006), 49 C.P.R. (4th) 321 (S.C.C.), at paragraphs 56-58 Mr. Justice Binnie elaborated on the consumer in the test for confusion as follows:

What, then, is the perspective from which the likelihood of a “mistaken inference” is to be measured? It is not that of the careful and diligent purchaser. Nor, on the other hand, is it the “moron in a hurry” so beloved by elements of the passing-off bar: *Morning Star Co-Operative Society Ltd. v. Express Newspapers Ltd.*, [1979] F.S.R. 113 (Ch. D.), at p. 117. It is rather a mythical consumer who stands somewhere in between, dubbed in a 1927 Ontario decision of Meredith C.J. as the “ordinary hurried purchasers”: *Klotz v. Corson* (1927), 33 O.W.N. 12 (Sup. Ct.), at p. 13. ...

A consumer does not of course approach every purchasing decision with the same attention, or lack of it. When buying a car or a refrigerator, more care will naturally be taken than when buying a doll or a mid-priced meal: *General Motors Corp. v. Bellows*, [1949] S.C.R. 678. In the case of buying ordinary run-of-the-mill consumer wares and services, this mythical consumer, though of average intelligence, is generally running behind schedule and has more money to spend than time to pay a lot of attention to details. In appropriate markets, such a person is assumed to be functionally bilingual: *Four Seasons Hotels Ltd. v. Four Seasons Television Network Inc.* (1992), 43 C.P.R. (3d) 139 (T.M.O.B.). To those mythical consumers, the existence of trade-marks or brands make shopping decisions faster and easier. The law recognizes that at the time the new trade-mark catches their eye, they will have only a general and not very precise recollection of the earlier trade-mark, famous though it may be or, as stated in *Coca-Cola of Canada Ltd. v. Pepsi-Cola Co. of Canada Ltd.*, [1942] 2 D.L.R. 657 (P.C.), “as it would be remembered by persons possessed of an average memory with its usual imperfections” (p. 661). The standard is not that of people “who never notice anything” but of persons who take no more than “ordinary care to observe that which is staring them in the face”: *Coombe v. Mendit Ltd.* (1913), 30 R.P.C. 709 (Ch. D.), at 717. However, if ordinary casual consumers somewhat in a hurry are likely to be deceived about the origin of the wares or services, then the statutory test is met.

I will begin by assessing the likelihood of confusion between the Applicant’s Mark and the mark that is the subject of registration No. TMA498,136, ARMOR COAT. The wares covered by that registration are: enamel paint; latex/alkyd floor paint; interior multi purpose varnish/marine spar varnish; masonry paint; aluminium paint; primer sealer; interior and exterior urethane finish; silicone waterproofing; lacquer; rust paint; specialty paints; clear penetrating wood preservative

and sealer, and green liquid wood, rope and fabric preservative; shellac; melamine paint; driveway sealer/crack filler/oil spot primer; linseed oil.

s. 6(5)(a) - inherent distinctiveness of the trade-marks and the extent to which each trade-mark has become known

Neither of the parties' marks is inherently strong since each suggests that the associated product will protect the item to which it is applied.

There is no evidence that the Applicant's Mark has become known. In contrast, the Opponent's evidence demonstrates that its mark has become known to a significant degree. In particular, I rely on the following evidence to reach such a conclusion:

- The Opponent's ARMOR COAT wares have been advertised in millions of catalogues distributed each year to Canadians since at least 1990. [paragraph 7, Thompson affidavit]
- Canadian sales of the Opponent's ARMOR COAT wares have exceeded \$145 million since January 1, 1990. [paragraph 11, Thompson affidavit]

s. 6(5)(b) - the length of time each trade-mark has been in use

The Applicant's application claims that it has used its Mark since 1999 whereas Mr. Thompson has attested that the Opponent's ARMOR COAT mark has been used since as early as 1937. The certified copy of registration No. 498,136 also indicates 1937 as the date of first use of the Opponent's ARMOR COAT mark.

s. 6(5)(c) and (d) - the nature of the wares, services or business; the nature of the trade

The parties' wares overlap; both parties statement of wares include paint and varnish.

The Opponent sells its wares to its associated stores, which sell them to the public. Such stores numbered over 450 when Mr. Thompson filed his evidence and are located throughout Canada. From the Opponent's advertisements it appears that it sells a variety of products, including a wide range of paint products. [paragraphs 3 and 4, exhibits C and D, Thompson affidavit]

The only information that we have concerning the Applicant's business is that it supplies

products to the Opponent. [paragraph 14, Thompson affidavit]

The Opponent has pointed out that the Applicant's statement of wares contains no limitation on its channels of trade. Accordingly, it is appropriate to accept that its channels of trade could overlap with those of the Opponent.

The Applicant has argued that extra care would be taken in the purchase of the parties' products because they are applied to expensive items such as decks. As pointed out by the Opponent, there is no evidence that special care is taken in the purchase of paint products. In any event, I do not accept the Applicant's argument since clearly paint can be applied to inexpensive objects as easily as it can be applied to expensive objects. I see no reason to conclude that the purchasers of the wares at issue should be considered to be more sophisticated than the average consumer.

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

“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.” [*K-Tel International Ltd. v. Interwood Marketing Ltd.* (1997), 77 C.P.R. (3d) 523 (F.C.T.D.) at 527]

I find that the overall degree of resemblance between ARMORSEAL and ARMOR COAT is fairly high, particularly when both are associated with paint. In appearance, they both begin with ARMOR and conclude with four additional letters. In sound, they are both three-syllable words that start with ARMOR. In idea suggested, they both suggest that the associated paint product will provide strong protection to the item to which they are applied.

The Applicant has argued that there are significant differences between the words COAT and SEAL, which would serve to distinguish the marks from one another. As I understand the argument, it turns in part on the notion that a “coat” suggests something that can be taken off, whereas a “seal” is permanent. I do not accept that this is a significant difference between the marks. In support, I note the following definitions from the *Oxford Canadian Dictionary*, Second Edition, which indicate close connections between “coat” and “seal” in the context of paint

products:

Coat – a covering of paint *etc.* laid on a surface at one time; apply a coat of paint *etc.* to provide with a layer or covering

Seal – apply a heavy non-porous coating to (new wood, a wall, *etc.*) to make it impervious, esp. to facilitate the application of a second, finishing coat

Paint – colouring matter, esp. in liquid form, for imparting colour to a surface

I also note that, despite this argument, the Applicant has identified its wares as “coatings”. Moreover, the Opponent has identified its wares in part as “sealers”.

further surrounding circumstances

It is noted that there is no evidence of any other party using an ARMOR prefix mark.

conclusion re likelihood of confusion

I find that an individual who has an imperfect recollection of the Opponent’s ARMOR COAT paint products, upon seeing ARMORSEAL coating products, is reasonably likely to conclude as a matter of first impression that the latter is supplied by, or authorized by, the same entity that has promoted and sold the former products. Although the Opponent’s mark is not an inherently strong mark, it has evidenced a substantial reputation in Canada and the parties’ wares are intimately related if not identical. To the extent that the Applicant’s wares might serve to “seal” whereas the Opponent’s wares might serve to “coat”, it would be reasonable for a consumer to infer that the same party offers paint for sealing under ARMORSEAL and paint for coating under ARMOR COAT.

The onus is on the Applicant to satisfy me that confusion is not reasonably likely and it has not done so. The s. 12(1)(d) ground of opposition is accordingly successful.

Distinctiveness Ground of Opposition

The material date for considering the issue of distinctiveness of the Mark is generally accepted to be the date of filing of the opposition [see *Metro-Goldwyn-Mayer Inc. v. Stargate Connections Inc.* (2004), 34 C.P.R. (4th) (F.C.T.D.)]. 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. The Opponent need not show that its trade-mark is well known in Canada or has been made known solely by the restricted means set out in s. 5 of the Act in order to meet this evidential burden; showing that the Opponent's mark is "known to some extent at least" is sufficient [*Motel 6, Inc. v. No. 6 Motel Ltd.* (1981), 56 C.P.R. (2d) 44 (F.C.T.D.) at 58].

The Opponent's evidence does show that its ARMOR COAT mark was known to a fair extent in Canada as of March 3, 2003. Accordingly, it has satisfied its evidential burden.

For reasons similar to those outlined in my discussion regarding the s. 12(1)(d) ground of opposition, I find that there was a likelihood of confusion between the Applicant's ARMORSEAL mark and the Opponent's ARMOR COAT mark as of March 3, 2003. In the circumstances of this case, nothing turns on the date at which the issue of confusion is determined.

The non-distinctiveness ground of opposition accordingly succeeds.

Section 16(1)(a) Ground of Opposition

As I have already refused the application on two grounds, I will not address the outstanding ground of opposition.

Disposition

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

DATED AT TORONTO, ONTARIO, THIS 23rd DAY OF NOVEMBER 2006.

Jill W. Bradbury
Member
Trade-marks Opposition Board