

**IN THE MATTER OF AN OPPOSITION by Dura
Undercushions Ltd. to application No. 700,883 for
the trade-mark DURAPLUSH filed by BASF Corporation**

On March 13, 1992, the applicant, BASF Corporation (“BASF”), filed an application to register the trade-mark DURAPLUSH for carpet underlay, based on proposed use of the mark in Canada. The applicant had previously filed a corresponding trade-mark application in the United States of America, on November 27, 1991, and therefore the subject Canadian application was accorded the earlier USA filing date pursuant to Section 34 of the Trade-marks Act.

The Office recorded an assignment of the subject Canadian application to BASF Canada Inc. on October 23, 1992, however, the assignee and BASF subsequently advised the Registrar that the assignment was inadvertent. The assignment was then deleted: see the Office letter dated June 8, 1993. The subject application was advertised for opposition purposes in the Trade-marks Journal issue dated September 30, 1992 and was opposed by Dura Undercushions Ltd. on March 29, 1993. An amended statement of opposition was filed on April 7, 1993, a copy of which was forwarded to the applicant on May 4, 1993. The applicant responded by filing and serving a counter statement generally denying the opponent’s allegations.

The opponent pleads that it owns the registered trade-marks DURA, DURALUX, and DURATHREAD for carpet underlay, and the registered trade-marks DURACUSHION and DURALAY for carpets and other floor coverings. The opponent refers to its above-mentioned marks as its DURA marks and I will do likewise. The first ground of opposition is that the applied for mark DURAPLUSH is not registrable because it is confusing with “the opponent’s DURA marks, and with each of them.” The second ground alleges that the applicant is not entitled to register the applied for mark because at the date of filing the application (that is, November 27, 1991) the mark DURAPLUSH was confusing with one or more of the opponent’s DURA marks, and also confusing with the opponent’s corporate name Dura Undercushions Ltd. and its trade-name Dura Undercushions, all previously used in Canada by the opponent. The third ground alleges that the applied for mark DURAPLUSH is not distinctive of the applicant’s wares in view of the opponent’s use of its marks and business names. The fourth and final ground

alleges that the applicant BASF did not in fact intend to use the applied for mark in Canada, and therefore (i) the applicant is not entitled to registration, and (ii) the subject application does not conform to paragraph 30(e) of the Trade-marks Act.

The opponent's evidence consists of the affidavits of David W. Beal, a consultant to the opponent company and formerly its President and owner; Herbert McPhail and Melissa T. Reischer, trade-mark searchers; and Dianne C. Nickerson, legal secretary. The applicant's evidence consists of the affidavits of Michael T. Meehan, National Sales manager for the carpet cushion division of Woodbridge Foam Corporation (Woodbridge manufactures and sells DURAPLUSH branded carpet cushion in Canada under license from the applicant); Mary Noonan, trade-marks searcher; and Tonia Pedro, law clerk. The opponent filed a second affidavit of Dianne C. Nickerson as its reply evidence. The applicant objects that the second Nickerson affidavit is not proper reply evidence, which will be discussed later in these reasons. Mr. Beal was cross-examined on his affidavit and the transcript thereof forms part of the evidence of record.

Both parties filed a written argument well in advance of the oral hearing, and both parties were ably represented by counsel at the oral hearing. The opponent submitted in its written argument that (i) Woodbridge's use of the mark DURAPLUSH was not under the direct or indirect control of the applicant BASF as required by subsection 50 (1) of the Trade-marks Act, (ii) that the notice requirements of subsection 50(2) of the Trade-marks Act had not been met, (iii) and that therefore "the use of the trade-mark DURAPLUSH by Woodbridge Foam Corporation has rendered the trade-mark non-distinctive of the applicant . . . This ground has not been expressly pleaded, but it is one that is apparent from the applicant's own evidence, and , if necessary, an amendment to plead this particular ground will be sought at the Oral Hearing": see paragraphs 93(b) and 95(c) of the opponent's written argument. Of course, leave for such an amendment should have been requested at least contemporaneously with the filing of the written argument, if not earlier. In any event, the opponent advised at the oral hearing that it would not be requesting leave to amend its pleadings. Thus, any use of the mark DURAPLUSH accruing to Woodbridge cannot be considered, for the purposes of this proceeding, as negating the

distinctiveness of the applied for mark: see *Imperial Developments Ltd. v. Imperial Oil Limited* (1984), 79 C.P.R. (2d) 12 (F.C.T.D.).

Mr. Beal's testimony may be summarized as follows. The opponent has been operating in Canada under its trade-name Dura Undercushions since about 1976, that is, for about 20 years, although the company and its predecessors have been manufacturing and selling rubber carpet undercushions since about 1957. The terms "undercushion", "underlay" and "underpadding" are used interchangeably to designate layers of cushioning material which are physically separate from carpets. Underlay is installed to provide a cushioning effect which increases the life of the carpet. The opponent concentrates on commercial applications for its underlay; its primary target for advertising and promotion is architects. Other target groups include designers, specification writers, building managers, hotel and restaurant supply houses and floor covering contractors. The opponent sells through distributors as well as to direct accounts. If contractors and retail outlets are characterized as the opponent's ultimate customers, then the opponent's customer base has remained more or less constant at about 200 to 300 customers for the period 1984 to 1994: see Q 272, 273 of Mr. Beal's transcript of cross-examination.

The determinative issue with respect to the first three grounds of opposition is whether the applied for mark DURAPLUSH is confusing with any of the opponent's DURA marks or with the opponent's trade-name Dura Undercushions. The material times for considering the issue of confusion are the effective date of the filing of the application namely, November 27, 1991 in respect of the pleading alleging non-entitlement; the date of opposition in respect of the pleading alleging non-distinctiveness; and the date of my decision with respect to the pleading alleging non-registrability. In the circumstances of this case, nothing turns on which material date is chosen to assess the issue of confusion.

The legal onus is on the applicant to show that there would be no reasonable likelihood of confusion, within the meaning of Section 6(2), between the applied for mark DURAPLUSH and the opponent's marks or business names. The presence of an onus on the applicant means that if a determinate conclusion cannot be reached once all the evidence is in, then the issue must be

decided against the applicant: see *John Labatt Ltd. v. Molson Companies Ltd.* (1990) 30 C.P.R.(3d) 293 at 297-298 (F.C.T.D.). The test for confusion is one of first impression and imperfect recollection. Factors to be considered, in making an assessment as to whether two marks (or trade-names) are confusing, are set out in Section 6(5) of the Act: the inherent distinctiveness of the marks 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; the degree of resemblance in appearance or sound of the marks or in the ideas suggested by them. This list is not exhaustive; all relevant factors are to be considered. All factors do not necessarily have equal weight. The weight to be given to each depends on the circumstances: see *Gainers Inc. v. Tammy L. Marchildon and The Registrar of Trade-marks* (1996), 66 C.P.R.(3d) 308 (F.C.T.D.).

The opponent's marks and trade-names possess relatively low degrees of inherent distinctiveness in relation to carpet underpadding. In this regard, the prefix DURA conveys the idea of "durability" (as confirmed by Mr. Beal at cross-examination), a desirable quality of carpet underpadding, while the suffixes comprising the opponent's marks namely LUX, THREAD, CUSHION and LAY are suggestive or descriptive of the opponent's wares or of their function. Similarly, the applied for mark DURAPLUSH possesses a relatively low degree of inherent distinctiveness. As noted earlier, the opponent has been operating as Dura Undercushions since about 1976. It appears from the trade-mark registrations annexed to the first Nickerson affidavit that the applicant has been using its marks DURACUSHION and DURALUX since 1960 and 1964 respectively. Sales of carpet underlay under the marks DURACUSHION and DURALUX, as well as under the mark SUPER DURA, from 1987 to 1992 inclusive, are set out in paragraph 28 of Mr. Beal's affidavit. Although the affidavit refers to sales under the mark DURA, the transcript of cross-examination indicates that those sales were in fact under the mark SUPER DURA. Annual sales of carpet underlay averaged \$1.9 million under the mark DURACUSHION; \$325,000 under the mark DURALUX, and \$150,000 under the mark SUPER DURA. As noted by the applicant in its written argument, the opponent's trade-mark registration for DURACUSHION does not include the wares underlay and the opponent has not relied on its mark SUPER DURA in its pleadings. Nevertheless, sales of carpet underlay under the marks

DURACUSHION and SUPER DURA are relevant to my considerations. Mr. Beal testified on cross-examination that the marks DURA *per se*, DURATHREAD and DURALAY (pleaded in the statement of opposition) have not been in use for the last 10 to 20 years or so.

As far as I am able to determine from the evidence at hand, and from examples of advertising and promotion attached as exhibits to Mr. Beal's affidavit, the reputation acquired by the opponent's trade-names Dura Undercushions and Dura *per se* is limited to architects and commercial flooring contractors. Further, in my estimation, the opponent's trade-names Dura Undercushions and Dura have acquired a greater reputation than any of the opponent's individual marks in use in Canada namely, DURACUSHION, DURALUX and SUPER DURA.

Exhibit A of Mr. Meehan's affidavit demonstrates that carpet underlay produced by Woodbridge is imprinted with the following:

THIS CARPET CUSHION IS MADE
WITH BASF CORPORATION

DURAPLUSH
CARPET CUSHION TECHNOLOGY

At the oral hearing the opponent submitted, firstly, that the applicant has not established direct or indirect control over the character or quality of Woodbridge's carpet underlay; secondly, that the above acknowledgement does not show use of the mark DURAPLUSH within the meaning of subsection 4(1) of the Act; and thirdly, that even if the above notice does show use of the mark DURAPLUSH, then the notice does not meet the requirements of subsection 50(2) of the Act and therefore any reputation for the mark DURAPLUSH does not accrue to the applicant BASF.

I agree with the opponent that there is no explicit evidence showing that BASF directly or indirectly controls the character or quality of carpet underlay produced by its licensee Woodbridge. However, in my view, the above-noted acknowledgement on carpet underlay would be understood to mean that Woodbridge was using the mark DURAPLUSH with permission from BASF. In other words, I am satisfied that the acknowledgement shows "use" of DURAPLUSH as a mark pursuant subsection 4(1) and meets the notice requirements of subsection 50(2). Thus, while the applicant's mark DURAPLUSH had not acquired any

reputation in Canada as of the earliest material date (November 27, 1991), I am prepared to infer that the mark DURAPLUSH would have acquired some reputation accruing to BASF by 1995 as a result of sales “in excess of 1.5 million square yards of the DURAPUSH branded carpet cushion for residential applications in Canada”: see paragraph 4 of Mr. Meehan’s affidavit. If the opponent is correct that Woodbridge’s acknowledgement, shown above, does not meet the requirements under subsection 4(1) or 50(2), then the only adverse consequence to the applicant is that it cannot claim any acquired distinctiveness for its mark at the later material times. However, as I indicated earlier, nothing turns on which material date is chosen to assess the issue of confusion, and corollary to that, nothing turns on whether the applicant can claim some degree of reputation for its mark at the later material times.

The nature of the parties’ wares is the same; the parties’ wares serve the same purpose, that is, to provide a cushioning layer between carpeting and a hard floor surface. The applicant’s wares are primarily intended for residential purposes and are sold to the public through about 250 carpet retailers in Canada. The opponent’s product is unique in that it is made from rubber and is intended for high volume pedestrian traffic areas such as commercial buildings, hotels, offices, and restaurants. To the extent that there is a similarity or overlap between the wares of the parties, that is, both are carpet underlays, there is also potential for overlap in the parties’ channels of trades. However, the applicant has not restricted its description of wares in its trade-mark application to any particular purpose or material of manufacture or channel of trade and neither has the opponent in respect of its trade-mark registrations for DURA, DURALUX, and DURATHREAD. Of course, it is the description of the wares (and services) that govern in considering paragraphs 6(5)(c) and (d) of the Act. In other words, I am obliged to consider whether confusion would be likely if the applicant and opponent were to operate in any way open to them: see the decisions in *Mr. Submarine Ltd. v. Amandista Investments Ltd.* (1987), 19 C.P.R.(3d) 3 at 10-11 (F.C.A.); *Henkel Kommanditgesellschaft v. Super Dragon* (1986), 12 C.P.R.(3d) 110 at 112 (F.C.A.) and *Miss Universe, Inc. v. Bohna* (1994), 58 C.P.R.(3d) 381 at 390-392 (F.C.A.). That is, I am obliged to consider whether confusion would be likely in circumstances where the applicant sold underpadding made from rubber to flooring professionals, and where the opponent sold residential type carpet underlay to the general public.

Counsel for the parties were in agreement that evidence of the restricted actual trades of the parties as carried on to date, as discussed in *McDonald's Corporation v. Coffee Hut Stores Ltd.* (1996), 68 C.P.R.(3d) 168 at 169 (F.C.A.), is not relevant in the instant case. I agree that the approach taken in *Coffee Hut*, above, should be applied in those cases where the specification of the wares and/or services in an application might be open to interpretation.

Ordinarily, it is the first word or the first syllable in a trade-mark that is more important than subsequent components for the purpose of distinguishing between marks. Thus, a preliminary inspection of the marks (and trade-names) in issue reveals a fairly high degree of resemblance owing to the prefix DURA. However, in a case such as this where the first portion DURA is suggestive of the quality or character of the wares, the importance of the prefix is less critical. Nevertheless, the suffixes PLUSH and LUX both suggest the idea of "luxury" or of "richness" and therefore the most significant degree of resemblance is between the applicant's mark DURAPLUSH and opponent's mark DURALUX.

The applicant has submitted that the significance of any resemblance between the applied for mark DURAPLUSH and the opponent's trade-marks and business names is mitigated by the state of the register evidence introduced by means of the Noonan affidavit, and actual marketplace evidence introduced by means of the Pedro affidavit. Of course, state of the register evidence is only relevant insofar as one can make inferences from it about the state of the marketplace: see *Ports International Ltd. v. Dunlop Ltd.* (1992), 41 C.P.R.(3d) 432 (TMOB) and *Del Monte Corporation v. Welch Foods Inc.* (1992), 44 C.P.R.(3d) 205 (F.C.T.D.). See also *Kellogg Salada Canada Inc. v. Maximum Nutrition Ltd.* (1992), 43 C.P.R.(3d) 349 (F.C.A.) which is support for the proposition that inferences about the marketplace can only be drawn from state of the register evidence where large numbers of relevant registrations are located.

Ms. Pedro's evidence is fairly summarized at p. 16-17 of the applicant's written argument:

The “local marketplace” referred to above is predominantly the city of Ottawa.

Ms. Noonan evidences, by my count, thirty-one registered marks, and six trade-marks applications, standing in the names of various owners, in which the component DURA appears predominantly as a prefix. About 11 of the above-mentioned registrations, and 4 applications, are for types of flooring, for example, DURAGRID for flooring grids, DURADEK for vinyl floor and deck coverings, DURACON II for vinyl floor coverings, DURASTEPP for rubber studded flooring tiles, DURATONE for vinyl composition tiles, DURAFLOOR for floor tiles, and ENDURA for carpets. The remaining marks are for wares closely related to flooring, for example, DURATION for a protective undercoating to floors, DURATHEM for resin coating to concrete floors, DURAL for (inter alia) carpet adhesives, DURA-GLOSS for plastic coating for vinyl floors, DURATEX for (inter alia) floor boards, and DURA SHINE for floor polish. Ms. Noonan also evidenced the results of a NUANS database search “in relation to all home related products including flooring products and other industrial products” in which the prefix DURA appeared in 65 instances including, for example, Dura Roof Tile Ltd., Dura Loc Roofing Systems Limited, Dura Fence, Dura Fold Doors, Dura Eavestroughing, Durra Drywall, and Duraguard

Fence Ltd.

In view of the above, I am prepared to infer that the average consumer is familiar with the prefix DURA as component of marks and trade-names used in association with a variety of home care/home improvement wares and services in general, and with flooring products in particular. Of course, it is not surprising that various traders have adopted the component DURA for marks and trade-names to convey the idea of durability where that characteristic is a desirable feature of the product or service. At the oral hearing, the opponent submitted that it was wrong to give much weight, if any, to Mss. Pedro's and Noonan's evidence discussed above since their evidence does not specifically relate to carpet underlay. I do not agree that the applicant's evidence is so far afield from carpet underlay as to be irrelevant. In my view, the average consumer would likely have encountered many of the products and services cited by the applicant in the process of maintaining his home in a state of good repair generally or in the process of choosing a suitable floor covering. In my view, consumers shopping for a particular product do not wear blinders making them oblivious to related or substitute products.

Ms. Noonan has also evidenced trade-marks incorporating the prefix DURA registered in the United States of America, however, such evidence by itself is of no probative value to the issues to be decided in this proceeding. Further, paragraph 5 of Ms. Noonan's affidavit reports a corporate and business name search "to determine the number of Canadian trade names and trade-marks incorporating the element DURA." The search is attached as Exhibit E of her affidavit and is comprised of "120 pages containing approximately 20 entries on each page giving approximately 2240 entries in which the element DURA appears." The opponent has not adequately explained the significance of Exhibit E and I have therefore been unable to give any probative value to it. Similarly, I have not given any weight to Ms. O'Brien's evidence concerning trade-names in the USA in association with the sale and installation of flooring or floor coverings.

Another evidential issue to be decided is whether the second Nickerson affidavit is proper reply evidence, or inadmissible for the reason that it is not confined to matters strictly in response

to the applicant's evidence. Ms. Nickerson is a legal secretary employed by the agents for the opponent and her second affidavit primarily serves to introduce into evidence copies of letters from the opponent to the applicant objecting to the applicant's use of the marks DURAPLUSH and DUR-A-GUARD. I agree with the applicant that such evidence is not reply to any matters raised by the applicant and is therefore not proper reply evidence. Even if Ms. Nickerson's second affidavit were to be considered, then the conclusion to be drawn, at best, is that the opponent was vigilant in protecting its trade-marks rights and did not acquiesce in the applicant's use of the above-mentioned marks. However, this Board not have jurisdiction to consider matters of equity and therefore such evidence would not have advanced the opponent's case in any event.

The opponent relies on its "family" of DURA marks to argue that the average consumer would infer that "the DURAPLUSH mark was a logical extension identifying another product in the DURA line." However, the evidence shows that the prefix DURA is not uncommon for marks and trade-names for flooring and related wares and therefore the opponent cannot claim any proprietary right to the prefix DURA. Rather, consumers would be expected to distinguish among such marks and trade-names on the basis of their overall differences when the marks and trade-names are viewed in their totalities: see, for example, *Teledyne Inc. v. The Queen in Right of Canada* (1986) 11 C.P.R.(3d) 199 (TMOB) at p.205. Further, there is only one member in the opponent's "family" of marks (leaving aside its trade-names) that has acquired any significant degree of reputation namely, the mark DURACUSHION. Thus, there is no factual basis for the submission that the average consumer would infer that DURAPLUSH belongs to a family of marks owned by the opponent.

In view of the above, and keeping in mind in particular the low inherent distinctiveness of the opponent's marks and trade-names, that the reputation acquired by the opponent's marks and trade-names is limited to architects and commercial flooring professionals, and that the prefix DURA is common for marks for the flooring trade, I find that the applicant has met the onus on it to show that, at all material times, the applied for mark DURAPLUSH was not and is not confusing with any of the opponent's marks or trade-names. Thus, the first three grounds of opposition are unsuccessful.

The fourth ground of opposition alleges that the applicant did not intend to use the applied for mark. In this regard, the opponent points to the initial assignment of the mark DURAPLUSH from the applicant to BASF Canada Inc. and submits that BASF Canada Inc. is the person who intended to use the mark DURAPLUSH, as well as the legal applicant in so far as this proceeding is concerned. I do not agree. In my view, the inadvertent assignment of the mark was adequately explained on the file record and further, that there is nothing to cast doubt on the correctness of the Registrar's decision to delete the assignment. Moreover, in my view there is nothing suspect in the actions of the applicant BASF that the opponent can rely on to meet its evidential burden in respect of the fourth ground.

The opponent's other submission in support of its fourth ground of opposition is technical in nature and is found at paragraphs 91-92 of its written argument, reproduced below:

The applicant filed its trade-mark application on March 13, 1992, that is, prior to June 9, 1993 when paragraph 30(e) the Act was amended to its present form as shown above. Prior to June 9, 1993, the “registered user” regime of the Act was in force and an applicant was required to state that it intended to use the proposed mark if the application was not accompanied by a “registered user” application. The subject application was not accompanied by a registered user application and was in compliance with the Act as of the filing date. I appreciate that the Act speaks in the present and that the applicant might have amended its application to indicate that it would be using its mark through a licensee. However, I do not believe that the applicant’s default in amending its application after the legislation had changed is so substantial a contravention of the

Act as to result in a refusal of the application. Thus, the fourth ground of opposition is unsuccessful.

In view of the above, the opponent’s opposition is rejected.

DATED AT HULL, QUEBEC, THIS 31st DAY OF JULY, 1997.

Myer Herzig,
Member,
Trade-marks Opposition Board