IN THE MATTER OF AN OPPOSITION

by Colortron Photo Services Ltd. to application

No. 686,427 for the trade-mark COLORTRON

filed by Dashwood Industries Limited

On July 23, 1991, the applicant, Dashwood Industries Limited, filed an application to

register the trade-mark COLORTRON for "casement, double hung and slider windows"

based on proposed use in Canada. The application was advertised for opposition purposes on

March 4, 1992.

The opponent, Colortron Photo Services Ltd., filed a statement of opposition on July

22, 1992, a copy of which was forwarded to the applicant on August 27, 1992. The opponent

was subsequently granted leave to amend its statement of opposition on January 8, 1993.

The first ground of opposition is that the applicant's application does not comply with

the provisions of Section 30(i) of the Trade-marks Act in that the applicant could not have

been satisfied that it was entitled to use its applied for mark because the applicant was aware

of the opponent's prior use of its three registered trade-marks. The second ground is that the

applied for trade-mark is not registrable pursuant to Section 12(1)(d) of the Act because it is

confusing with three registered trade-marks of the opponent, the most relevant of which is the

trade-mark COLORTRON registered under No. 207,253 for "photo finishing" services.

The third ground is that the applicant is not the person entitled to registration pursuant

to Section 16(3) of the Act because, as of the applicant's filing date, the applied for trade-mark

was confusing with the opponent's three registered marks previously used in Canada by the

opponent. The fourth ground is also one of prior entitlement based on the opponent's three

previously filed applications which issued as the three registrations relied on. The fifth ground

is that the applied for trade-mark is not distinctive in view of the foregoing.

The applicant filed and served a counter statement. As its evidence, the opponent filed

an affidavit of Robert A. Falkner. As its evidence, the applicant filed an affidavit of Debbie

L. Valois. Both parties filed a written argument and no oral hearing was conducted.

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Initially, it should be noted that the fourth ground is not a proper ground of opposition in view of the provisions of Section 16(4) of the Act. None of the applications relied on was pending as of the applicant's advertisement date. Thus, the fourth ground is unsuccessful.

The remaining four grounds of opposition turn on the issue of confusion between the marks of the parties. Although the material time to consider the circumstances respecting that issue differs from ground to ground, it matters little which material time is used. Thus, a consideration of the issue of confusion between the applicant's mark and the opponent's registered mark COLORTRON pursuant to Section 12(1)(d) of the Act will effectively decide the outcome of this proceeding.

As for the ground of opposition based on Section 12(1)(d) of the Act, the material time for considering the circumstances respecting the issue of confusion with a registered trademark is the date of my decision: see the decision in <u>Conde Nast Publications Inc.</u> v. <u>Canadian Federation of Independent Grocers</u> (1991), 37 C.P.R.(3d) 538 at 541-542 (T.M.O.B.). Furthermore, the onus or legal burden is on the applicant to show no reasonable likelihood of confusion between the marks at issue. Finally, in applying the test for confusion set forth in Section 6(2) of the Act, consideration is to be given to all of the surrounding circumstances including those specifically set forth in Section 6(5).

As for Section 6(5)(a) of the Act, both marks are coined words and are thus inherently distinctive. However, the component COLOR used in both marks is suggestive of the character of the related wares or services. Thus, neither mark is inherently strong.

There being no evidence of use or advertising of the applicant's mark, I must conclude that it has not become known at all in Canada. The opponent's mark, on the other hand, has been used for a number of years as part of the design mark COLORTRON PHOTO SERVICES & Design. The opponent performs photo finishing services for professional photographers and photo finishing retailers, its total customer base being about 5,000. For the most part, the opponent operates essentially as a photo finishing wholesaler by performing

such services for large retailers such as department store chains and drug store chains. Thus, although the opponent's annual sales average more than \$25 million, its trade-mark appears to be known only to a relatively limited number of direct customers. There is no evidence that the members of the general public who use the photo finishing services of the various retailers are made aware of the opponent's trade-mark. Thus, I must conclude that the opponent's mark has only become known to some extent in Canada.

The length of time the marks have been in use favors the opponent. The opponent's photo finishing services are entirely different from the applicant's windows. Presumably, the trades of the parties would also be distinct. The marks at issue are identical in all respects.

As an additional surrounding circumstance, the applicant has relied on the state of the register as evidenced in the Valois affidavit. State of the register evidence is only relevant insofar as one can make inferences from it about the state of the marketplace: see the opposition decision in Ports International Ltd. v. Dunlop Ltd. (1992), 41 C.P.R.(3d) 432 and the decision in Del Monte Corporation v. Welch Foods Inc. (1992), 44 C.P.R.(3d) 205 (F.C.T.D.). Also of note is the decision in 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 state of the marketplace can only be drawn from state of the register evidence where large numbers of relevant registrations are located.

The Valois affidavit evidences ten registrations for trade-marks commencing with the word COLOR. However, none of those registrations covers the same wares or services at issue in the present case. Thus, I am unable to infer that COLOR-prefixed marks are common in the trades of either party. Even if I could have made such an inference, it is doubtful that it would have had much effect on the outcome given the identity of the marks at issue.

As a further surrounding circumstance, I have considered that the opponent's mark appears to have always been used as part of the trade-mark COLORTRON PHOTO SERVICES & Design. Thus, those who have become acquainted with the opponent's mark

will likely have associated it with "photo services" thereby minimizing the likelihood of

confusion with the applicant's mark COLORTRON used for windows.

In applying the test for confusion, I have considered that it is a matter of first

impression and imperfect recollection. In view of my conclusions above, and particularly in

view of the wide disparity between the wares, services and trades of the parties and in view of

the fairly limited reputation associated with the opponent's mark, I find that the marks at

issue are not confusing. Thus, all of the remaining grounds of opposition are unsuccessful.

In view of the above, and pursuant to the authority delegated to me under Section 63(3)

of the Act, I reject the opponent's opposition.

DATED AT HULL, QUEBEC, THIS 18th DAY OF JUNE, 1997.

David J. Martin,

Member,

Trade Marks Opposition Board.

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