



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

**Citation: 2016 TMOB 3**  
**Date of Decision: 2016-01-06**

**IN THE MATTER OF AN OPPOSITION**

<b>Trio Selection Inc.</b>	<b>Opponent</b>
<b>and</b>	
<b>DK Company A/S</b>	<b>Applicant</b>
<b>1,513,930 for CREAM</b>	<b>Application</b>

[1] Trio Selection Inc. (the Opponent) opposes registration of the trade-mark CREAM (the Mark) that is the subject of application No. 1,513,930.

[2] The application was originally filed by Jens Poulsen Holding ApS (Poulsen Holding) on February 4, 2011. The application was subsequently assigned by Poulsen Holding to the current applicant DK Company A/S (the Applicant) and the assignment was recorded with the Trade-marks Office on August 7, 2015.

[3] The application is based upon proposed use of the Mark in Canada in association with the following goods and services, as revised by Poulsen Holding in the course of the prosecution of the application:

Goods:

(1) Leather and imitations of leather, and goods made of these materials namely animal skins, hides; trunks namely leather storage trunks and travelling bags; umbrellas, parasols and walking sticks; whips; belts, suspenders, hats, shoes, dress shoes, sport shoes, casual shoes, sandals, athletic shoes.

Services :

(1) Business management for others; business administration in connection with design, production, sale and marketing of clothing and related goods for others.

[4] The application is also based upon use of the Mark in Denmark and registration in or for the Office for Harmonization in the Internal Market (OHIM) in the European Union (EU) with the following goods:

Goods:

(2) Clothing for women, namely, shirts, dress shirts, sports shirts, woven or knitted shirts, ties, bow ties, neckwear namely neckties, sweaters, jackets, sports jackets, dress jackets, parkas, slacks, pants, trousers, suits, sport coats, overcoats, topcoats, hosiery, swimwear, shorts, dresses, skirts, tops namely crop tops, fleece tops, knit tops and tube tops.

[5] The opposition was brought by the Opponent under section 38 of the *Trade-marks Act*, RSC 1985, c T-13 (the Act) and raises grounds of opposition based upon sections 2 (non-distinctiveness); 12(1)(d) (non-registrability); 16(3)(a), (b), and (c) (non-entitlement); 30(e) and (i) (non-conformity) of the Act. The central issue is whether there is a likelihood of confusion between the Mark and the Opponent's trade-mark CREAM SODA Design (reproduced below) registered under No. TMA298,834 in association with the following goods: "Junior sportswear, namely: pants, shirts, skirts, jackets, vests, T-shirts, dresses, sweat-suits, shorts, suits, sweaters and coats", which the Opponent claims to have used in Canada since October 1983.



[6] For the reasons that follow, the opposition is unsuccessful.

The Record

[7] The application was advertised for opposition purposes in the *Trade-marks Journal* on October 17, 2012.

[8] The Opponent opposed the application by a statement of opposition filed with the Registrar on March 15, 2013. The Applicant (through its predecessor in title Poulsen Holding) filed and served a counter statement on June 11, 2013 denying each of the grounds of opposition set out in the statement of opposition.

[9] In support of its opposition, the Opponent filed the affidavit of its Vice-President, Llyod Prizant, sworn July 21, 2014.

[10] In support of its application, the Applicant filed the affidavits of Jens Poulsen, Chief Executive Officer (CEO) and a member of the Board of Directors of Poulsen Holding, sworn July 21, 2014; Kristina Sebastian-Crone, law clerk at the firm representing the Applicant, sworn July 23, 2014; and Jane Buckingham, trade-mark searcher with the same firm, also sworn July 23, 2014.

[11] The Opponent then requested leave to file an amended statement of opposition in order to add a new ground of opposition based upon non-compliance of the application with section 30(e) of the Act. Leave was granted by the Registrar by way of Office letter dated September 2, 2014. The Applicant thereafter requested leave to amend its counter statement twice, which requests were granted by the Registrar by way of Office letters dated October 10, 2014 and January 12, 2015.

[12] Both parties filed written arguments and were represented at a hearing. In its written argument and at the hearing, the Opponent advised that it is not pursuing the grounds of opposition based upon sections 16(3)(b) and (c), and 30(i) of the Act. Accordingly, these grounds will not be discussed further.

### Analysis

#### The parties' respective burden or onus

[13] 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 [see *John Labatt*

*Ltd v Molson Companies Ltd* (1990), 30 CPR (3d) 293 (FCTD); and *Dion Neckwear Ltd v Christian Dior, SA et al* (2002), 2002 FCA 29, 20 CPR (4th) 155 (FCA)].

The non-registrability ground of opposition

[14] The Opponent has pleaded that the Mark is not registrable having regard to the provisions of section 12(1)(d) of the Act in that it is confusing with the Opponent's registered trade-mark CREAM SODA Design referred to above.

[15] I have exercised the Registrar's discretion to confirm that this registration is in good standing as of today's date, which is the material date for assessing a section 12(1)(d) ground of opposition [see *Park Avenue Furniture Corp v Wickers/Simmons Bedding Ltd* (1991), 37 CPR (3d) 413 (FCA)].

[16] As the Opponent's evidential burden has been satisfied, the Applicant must therefore establish, on a balance of probabilities, that there is not a reasonable likelihood of confusion between the Mark and this registered trade-mark of the Opponent.

The test for confusion

[17] Section 6(2) of the Act provides 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 be likely to lead to the inference that the goods or services associated with those trade-marks are manufactured, sold, leased, hired or performed by the same person, whether or not the goods or services are of the same general class.

[18] Thus, this section does not concern the confusion of the trade-marks themselves, but confusion of goods or services from one source as being from another source.

[19] The test for confusion is one of first impression and imperfect recollection. As stated by Mr. Justice Denault in *Pernod Ricard v Molson Breweries* (1992), 44 CPR (3d) 359 (FCTD) at 369:

The trade marks should be examined from the point of view of the average consumer having a general and not a precise recollection of the earlier mark. Consequently, the marks should not be dissected or subjected to a microscopic analysis with a view to

assessing their similarities and differences. Rather, they should be looked at in their totality and assessed for their effect on the average consumer as a whole.

[20] In applying the test for confusion, the Registrar must have regard to all the surrounding circumstances, including those listed at section 6(5) of the Act, namely: (a) the inherent distinctiveness of the trade-marks and the extent to which they have become known; (b) the length of time the trade-marks have been in use; (c) the nature of the goods, services or business; (d) the nature of the trade; and (e) the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them. This list is not exhaustive and all relevant factors are to be considered. Further, all factors are not necessarily attributed equal weight as the weight to be given to each depends on the circumstances [see *Mattel, Inc v 3894207 Canada Inc* (2006), 2006 SCC 22, 49 CPR (4th) 321 (SCC); *Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée* (2006), 2006 SCC 23, 49 CPR (4th) 401 (SCC); and *Masterpiece Inc v Alavida Lifestyles Inc* (2011), 2011 SCC 27, 92 CPR (4th) 361 (SCC) for a thorough discussion of the general principles that govern the test for confusion].

The inherent distinctiveness of the trade-marks and the extent to which they have become known

[21] The trade-marks at issue both possess some measure of inherent distinctiveness in the context of their respective goods and/or services as they are neither descriptive nor suggestive of these goods and services.

[22] The strength of a trade-mark may be increased by making it known through promotion or use. This brings me to review the evidence on this point filed through the Prizant and Poulsen affidavits respectively.

[23] I shall note at this point of my analysis that I am not affording weight to any of the statements made by the affiants that constitute personal opinion on the likelihood of confusion between the parties' marks. The likelihood of confusion is a question of fact and law to be determined by the Registrar based on the evidence of record in the present proceeding.

The Prizant affidavit

[24] Mr. Prizant states that the Opponent is a Montreal based company that designs and sells clothing, including sportswear apparel [para 3].

[25] Mr. Prizant states that clothing identified by the CREAM SODA trade-mark has been sold and is presently being sold at various retailers across Canada, including London Drugs Limited, Claudette Croteau Inc., Fly Boutique, J & W Jobbers, Hart Stores Inc., Style Exchange/Concept wear, Brandos Unisex, Hangers Fashions, October Eighth Inc., TJX Europe (Europe), Concept Mode, etc. [para 9].

[26] Mr. Prizant provides the Opponent's partial sales revenue for some of the past years from clothing identified by the CREAM SODA trade-mark. The sales revenues through London Drugs Limited amount to \$97,470 and \$109,038 for the reference periods identified as "Spring 2014" and "Spring 2013" respectively, and to \$44,783 through "various" retailers for the period referenced as "Spring 2010" [para 10]. However, no breakdown per product is provided.

[27] In support of his statements of use of the CREAM SODA trade-mark, Mr. Prizant attaches the following exhibits to his affidavit:

- Exhibit 2, which Mr. Prizant describes as a corporate brochure of the Opponent [para 5]. Upon review of this exhibit, I note that it merely consists of an undated one-pager document describing the Opponent's brands. The CREAM SODA trade-mark is depicted as shown below and described as follows: "A collection of the hottest fashions in the Junior and Ladies market reflecting newest trends".



- Exhibit 3, which Mr. Prizant describes as photographs showing exemplar clothing marked with the CREAM SODA trade-mark [para 6]. Upon review of these undated

photographs, I note that the labels sewed on the garments depict the following stylized version of the CREAM SODA trade-mark:



The garments apparently consist of ladies camisoles and tops;

- Exhibit 4, which Mr. Prizant describes as a catalogue identifying and referencing exemplar of the clothing line marked with the CREAM SODA trade-mark [para 7]. Upon review of this undated catalogue, I note that it refers to the following stylized version of the CREAM SODA trade-mark:

*Cream Soda*

The catalogue merely contains drawings of jackets for girls. There is no information as to how this catalogue was distributed in Canada and the extent of such distribution;

- Exhibit 5, which Mr. Prizant describes as photographs showing exemplar garment labels and tags marked with the CREAM SODA trade-mark [para 8]. Upon review of this exhibit, I note that it essentially consists of an undated photograph of a camisole for the “junior market” apparently depicting the following stylized version of the CREAM SODA trade-mark:



- Exhibit 6, which Mr. Prizant describes as an exemplar of a commercial brochure promoting sales of clothing identified by the CREAM SODA trade-mark [para 11]. Upon review of this exhibit, I note that it merely consists of two flyers depicting the CREAM SODA trade-mark as shown in Exhibit 2, and advertising a warehouse sale of men's suits and ladies spring summer sale, both from July 11 to 26. However, the year is not indicated. There is also no information as to how these flyers were distributed in Canada and the extent of such distribution. Furthermore, it is not possible to determine from these flyers if the wearing apparel so advertised is associated with the CREAM SODA trade-mark. Rather, the flyers apparently refer to third parties' trade-marks such as MICHEAL KORS, KENNETH COLE, VERO MODA, etc.

[28] As stressed by the Opponent, none of the exhibits attached to the Prizant affidavit evidences use of the CREAM SODA Design trade-mark *as registered*. Rather, the only evidence of claimed use provided by the Opponent relates to significantly different unregistered CREAM SODA design marks. That said, I find it is not necessary to determine to what extent use of these unregistered design marks may qualify as use of the CREAM SODA Design mark as registered.

[29] Indeed, even if I were to accept that use of these unregistered CREAM SODA design marks amounts to use of the CREAM SODA Design trade-mark as registered, any actual evidence of use provided by the Prizant affidavit remains weak and ambiguous. As stressed above, all examples of use provided by Mr. Prizant are undated. Furthermore, in the absence of a breakdown, it is not possible to determine to which of the Opponent registered goods the partial sales figures provided by Mr. Prizant relate to. Likewise, no marketing figures have been provided.

[30] To sum up, I am unable to conclude that the Opponent's CREAM SODA Design trade-mark has become known in Canada in such a manner as to enhance materially its distinctiveness.



### The Poulsen affidavit

[31] As indicated above, Mr. Poulsen is the CEO and a member of the Board of Directors of Poulsen Holding. He is also the CEO and a member of the Board of Directors of the Applicant [paras 1 and 3].

[32] Mr. Poulsen states that he founded Poulsen Holding in 1998 and the Applicant in 2001. He describes the Applicant as a multi-brand fashion company and one of Europe's leading suppliers of fashion and lifestyle brands catering to men, women and children [para 3].

[33] At the time of swearing his affidavit, the Applicant was the worldwide exclusive licensee of Poulsen Holding with respect to the Mark and used the Mark in association with standards as set by Poulsen Holding in respect of women's clothing and accessories [para 5].

[34] Mr. Poulsen states that the Applicant began using the Mark in association with women's clothing and accessories in Denmark since 2004. Since then, CREAM clothing and accessories have grown into one of the Applicant's leading brands. Mr. Poulsen state that today, the Mark is represented in most of Europe and several other markets, including Canada. Showrooms featuring clothing and accessories in association with the Mark are found in Copenhagen, Oslo, Stockholm, Helsinki, Berlin, Hamburg, Stuttgart, Frankfurt, Munchen, Salzburg, Paris, Amsterdam, Rome, Barcelona, Melburne, and Montreal [para 6].

[35] Mr. Poulsen states that CREAM brand clothing and accessories are sold at retail store locations across Europe, Canada and elsewhere. In particular, the Applicant has used the Mark in association with women's clothing and accessories in the Canadian retail market since at least 2011. Mr. Poulsen explains that the Mark is clearly visible on the product tag and garment label of all CREAM brand clothing and accessories sold in Canada [para 10].

[36] Mr. Poulsen states that Double J Fashion Group (2013) Inc. (Double Fashion) is the Canadian distributor of the Applicant for CREAM brand clothing and accessories. He states that since June 2011, Double J Fashion has distributed such goods to clothing retailers across Canada. Double J Fashion has also featured CREAM brand clothing and accessories in its Vancouver, Toronto, and Montreal wholesale showrooms since 2011 [para 11].

[37] Mr. Poulsen states that as of June 2014, there were 53 retailers across Canada carrying the Applicant's CREAM brand clothing and accessories. The Applicant's CREAM brand clothing and accessories sold through Canadian retailers include jackets, blazers, cardigans, scarves, waistcoats, shawls, leggings, stockings, tights, pants, skirts, dresses, underdresses, shirts, tops, tunics, blouses, t-shirts, bags, belts, shoes, sandals, tunics, and skirts [para 12].

[38] Mr. Poulsen states that the total Canadian sales of clothing and accessories in association with the Mark from the Applicant to Double J Fashion since 2011 are in excess of €690,000. Canadian sales of clothing and accessories in association with the Mark by Canadian retailers to the public are estimated in excess of \$600,000 CAD for the year 2013 [para 13].

[39] Mr. Poulsen states that the Applicant also operates a website and an online retail store for CREAM brand clothing and accessories at *www.cream-clothing.com* which is accessible in Canada. This website has been in operation since at least as early as April 2005. Since 2005, there have been over 845,000 visits to such website, including over 15,000 Canadian visits [para 7].

[40] Mr. Poulsen states that CREAM brand clothing and accessories displayed and sold through the *www.cream-clothing.com* website includes underdresses, tops/t-shirts, blouses, dresses/tunics, pants, skirts, cardigans/waistcoats, blazers/jackets, shoes, lingerie, belts, bags, scarves, and leather goods. The Mark is displayed on the top left corner of each individual webpage and is also found in the product names and images of the garment labels [para 8].

[41] Mr. Poulsen states that online sales from the *www.cream-clothing.com* website of clothing and accessories bearing the Mark have been made to at least 23 countries worldwide including Canada. When a customer in Canada or elsewhere receives a product purchased online from such website, the Mark is displayed on the product label, garment tag, and shipping invoice [para 9].

[42] In support of his statements of use of the Mark, Mr. Poulsen attaches the following exhibits to his affidavit:

- Exhibit A, which consists of current screen captures from the *www.cream-clothing.com* website [para 7];

- Exhibit B, which consists of a photograph of a CREAM brand shirt displaying the Mark as used in Canada [para 10]; and
- Exhibit C, which consists of copies of the Fall 2011, Fall 2012, Autumn 2013, and Autumn 2014 catalogues which Mr. Poulsen states are distributed to retailers across Canada by Double J Fashion [para 14]. Mr. Poulsen adds that CREAM brand fashion catalogues are also made available online at the *www.cream-clothing.com* website.

[43] To sum up, I am satisfied from my review of the Poulsen affidavit and accompanying exhibits that the Mark has become known to some extent in Canada in association with women's clothing and accessories.

[44] Before turning to the next factor, I wish to note that the Applicant has further provided some evidence of use of the Mark in Canada through the Sebastian-Crone affidavit. On July 9, 2014, Ms Sebastian-Crone made an online purchase on the Applicant's website of a CREAM long top [see paras 4 to 8; and Exhibits C to G attached thereto].

The length of time the trade-marks have been used

[45] As indicated above, the evidence of use of the Opponent's CREAM SODA Design trade-mark introduced through the Prizant affidavit is unclear in many aspects. It does not enable me to draw any meaningful conclusion with respect to the length of time, if any, the CREAM SODA Design trade-mark has been used in Canada. While the registration for the Opponent's CREAM SODA Design trade-mark claims use of the mark in association with junior sportswear since October 1983, it does not evidence by itself use of the Opponent's mark in association with these goods. Indeed, the mere existence of a registration can establish no more than "de minimis" use and cannot give rise to an inference of continuing use of the mark [see *Entre Computer Centers, Inc v Global Upholstery Co* (1992), 40 CPR (3d) 427 (TMOB)].

[46] By comparison, the Poulsen affidavit evidences that the Applicant has commenced use of the Mark in association with women's clothing and accessories in Canada in June 2011, and that such use has been continuous since then.

The nature of the goods, services or business, and the nature of the trade

[47] When considering the nature of the goods, services or business and the nature of the trade, I must compare the Applicant's statement of goods and services with the statement of goods in the registration relied upon by the Opponent [see *Henkel Kommanditgesellschaft auf Aktien v Super Dragon Import Export Inc* (1986), 12 CPR (3d) 110 (FCA); and *Mr Submarine Ltd v Amandista Investments Ltd* (1987), 19 CPR (3d) 3 (FCA)].

[48] There is a clear overlap between the Opponent's junior sportswear and the Applicant's goods (1) covering clothing for women. They both fall into the clothing category. Likewise, their corresponding channels of trade are the same or similar in that the parties' respective clothing goods are both sold at various retail store locations across Canada. The fact that the parties' clothing goods are directed to a different demographic ("junior sportswear" versus "women's fashion") is not determinative in that the Opponent's junior sportswear of the type shown in Exhibit 4 to the Prizant affidavit is likely to be purchased by an accompanying adult.

[49] Likewise, I find there is an overlap between some of the Applicant's goods (1) and the Opponent's goods and their corresponding channels of trade in view of Mr. Poulsen's evidence. As indicated above, the Applicant is a "fashion and lifestyle brand". The Applicant's clothing and accessories are featured in the same showrooms, and the Applicant's distributor has sold them to the same Canadian retailers.

[50] However, most of the Applicant's goods (1) and all of the services (1) are not related to any of the Opponent's goods. In the absence of any evidence to the contrary, it is reasonable to conclude that their corresponding channels of trade would also differ.

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

[51] As noted by the Supreme Court in *Masterpiece, supra*, at paragraph 49, "the degree of resemblance, although the last factor listed in [section] 6(5) [of the Act], is the statutory factor that is often likely to have the greatest effect on the confusion analysis [...] if the marks or names

do not resemble one another, it is unlikely that even a strong finding on the remaining factors would lead to a likelihood of confusion”.

[52] Moreover, as previously mentioned, it is well-established in the case law that likelihood of confusion is a matter of first impression and imperfect recollection. In this regard, “[w]hile the marks must be assessed in their entirety (and not dissected for minute examination), it is still possible to focus on particular features of the mark that may have a determinative influence on the public’s perception of it” [see *Pink Panther Beauty Corp v United Artists Corp* (1998), 1998, CanLII 9052 (FCA), 80 CPR (3d) 247 (FCA), at para 34]. Even though the first word or portion of a trade-mark is generally the most important for the purpose of distinction, the preferable approach is to first consider whether any aspect of the trade-mark is particularly striking or unique [see *Masterpiece, supra*, at para 64].

[53] Applying those principles to the present case, I find there are significant differences between the parties’ marks.

[54] As evidenced by the Applicant through the Sebastian-Crone affidavit, the terms “cream” and “cream soda” have different dictionary meanings and suggest different ideas.

[55] In particular “cream soda” has a precise and singular meaning as “a carbonated vanilla-flavoured soft drink”. [See among other dictionary definitions filed under Exhibits I, J and K to the Sebastian-Crone affidavit, *The Canadian Oxford Dictionary* under Exhibit I]

[56] “Cream” on the other hand has a variety of meanings none of which overlapping with the definition of “cream soda”. Various examples of the definition of “cream” include:

- the fatty content of milk which gathers at the top...
- the best or choicest part of something...
- a creamlike preparation...
- a very pale yellow or off-white colour
- a soup or sauce containing milk or cream
- a full-bodied mellow sweet sherry

- defeat decisively
- beat thoroughly

[See Exhibits I, J and K].

[57] I agree with the Applicant that the additional element of “SODA” in the Opponent’s trade-mark creates an entirely different word and meaning. As stressed above, the term “cream soda” has a precise and singular meaning. I shall note in this regard that the fact that the Opponent’s counsel submitted at the hearing that she was not personally aware that “cream soda” is a sweet carbonated soft drink is not pertinent in view of the plain dictionary meaning of such term.

[58] In the present case, both words of “CREAM SODA” are striking. The word “CREAM” does not dominate “SODA”, or *vice versa*.

[59] Again, this results in significant differences between the parties’ marks in appearance and sound, as well as in the ideas suggested by them.

#### Additional surrounding circumstances

##### Coexistence of the parties’ marks in the marketplace

[60] The Applicant submits that the parties’ marks have coexisted in the Canadian market since June 2011 and no evidence has been furnished by the Opponent regarding any instances of actual confusion between the marks.

[61] In the *Dion Neckwear* case, *supra*, the Court commented as follows on the issue of coexistence:

[TRANSLATION] In regard to the insufficiency of elements of evidence presented by the opponent concerning concrete cases of confusion, the registrar was of the opinion that an opponent did not have to submit this type of evidence. This is true in theory, but when the applicant has presented certain elements of evidence that could make it possible to conclude in the absence of risk of confusion, the opponent runs a significant risk if, in relying on the burden of proof incumbent on the applicant, it presumes that it does not have to submit evidence on the subject of confusion. Although the issue that has to be resolved is that of knowing whether there exists “a risk of confusion” and not an “actual confusion,”

or “concrete cases of confusion,” the absence of “actual confusion” is a factor to which the courts grant significance when ruling on the “risk of confusion.” A negative inference can be drawn when the evidence shows that the simultaneous use of two marks is significant and that the opponent has submitted no element of evidence tending to show the existence of a confusion. (See the decision *Pink Panther [Beauty Corp. v. United Artists Corp.]*, 1998 CanLII 9052 (FCA), [1998], 80 C.P.R. (3d) 247 (FCA); *Multiplicant Inc. v. Petit Bateau Valton S.A.* (1994), 55 C.P.R. (3d) 372 (C.F. 1st. inst.); *Bally Schuhfabriken AG/Bally’s Shoe Factories Ltd. v. Big Blue Jeans Ltd.* (1992), 41 C.P.R. (3d) 205 (C.F. 1st. inst.); *Monsport Inc. v. Vêtements de Sport Bonnie (1978) Ltée* (1988), 22 C.P.R. (3d) 356 (C.F. 1st. inst.)).

[62] I note that the Poulsen affidavit is silent as to whether any actual instances of confusion would have been brought to the attention of the Applicant. In any event, since the evidence does not permit me to draw any meaningful conclusion as to the extent and the period of use of the Opponent’s CREAM SODA Design trade-mark, I cannot draw any meaningful conclusion with respect to the absence of actual confusion. Indeed, in the absence of evidence showing that the parties’ goods did in fact coexist in the marketplace, the absence of evidence of actual confusion is not surprising.

#### State of the register

[63] The Applicant submits that the state of the register evidence introduced through the Buckingham affidavit suggests that the Opponent’s CREAM SODA Design trade-mark should be given a very narrow ambit of protection.

[64] State of the register evidence is introduced to show the commonality or distinctiveness of a mark or portion of a mark in relation to the register as a whole. Evidence of the state of the register is only relevant insofar as inferences may be made on it concerning the state of the marketplace, and inferences about the state of the marketplace can only be drawn when a significant number of pertinent registrations are located [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); and *Maximum Nutrition Ltd v Kellogg Salada Canada Inc* (1992), 43 CPR (3d) 349 (FCA)].

[65] In the present case, the Applicant submits that the Buckingham affidavit evidences 26 instances of the element “cream” in active trade-mark registrations and applications in

association with clothing [see Exhibit B attached thereto]. The Applicant adds that when the search was expanded to all non-food related goods and services, 160 active registrations and applications were found [see Exhibit C attached thereto].

[66] At the hearing, the Applicant drew my attention to five of the registrations and two of the pending applications disclosed in Exhibit A to the Buckingham affidavit, which would be primarily related to clothing, and which the Applicant submits are the most pertinent. However, I note that the two applications in question have not been allowed. As for the five registrations, they do not constitute a number significant enough for inferences about the state of the marketplace to be made. In any event, I do not consider this additional circumstance necessary to find in the Applicant's favour.

#### Conclusion regarding the likelihood of confusion

[67] As noted by the Federal Court of Appeal in *Dion Neckwear, supra*, at page 163, the Registrar "need not be satisfied beyond doubt that confusion is unlikely. Should the 'beyond doubt' standard be applied, applicants would, in most cases, face an insurmountable burden because certainty in matters of likelihood of confusion is a rare commodity."

[68] Given my analysis above, I find that the Applicant has established, according to the balance of probabilities, that a consumer having an imperfect recollection of the Opponent's CREAM SODA Design trade-mark would be unlikely to conclude that the Applicant's goods and services originate from the same source or are otherwise related to or associated with the Opponent's registered goods.

[69] I find that the differences existing between the parties' marks are determinant in themselves and more than sufficient to outweigh the factors favouring the Opponent in this case. My finding is reinforced when I factor in the differences existing between the services (1) and most of the goods (1) of the Applicant and the clothing goods of the Opponent.

[70] Accordingly, the section 12(1)(d) ground of opposition is dismissed.



### The non-entitlement ground of opposition

[71] The Opponent has pleaded that the Applicant is not the person entitled to registration of the Mark in view of the provisions of section 16(3)(a) of the Act since at the date of filing of the Applicant's application, the Mark was confusing with the Opponent's CREAM SODA trade-mark that had been previously used in Canada by the Opponent.

[72] An opponent meets its evidential burden with respect to a section 16(3)(a) ground if it shows that as of the date of filing of the applicant's application, its trade-mark had been previously used in Canada and had not been abandoned as of the date of advertisement of the applicant's application [section 16(5) of the Act]. As per my review above of the Prizant affidavit, it is questionable whether the Opponent has met its burden.

[73] Even if I were to find that the Opponent has met its burden, I would still find that the Applicant has discharged its legal onus to establish that there was no reasonable likelihood of confusion between the Mark and any of the Opponent's CREAM SODA design marks as of the filing date of the Applicant's application.

[74] Indeed, while the difference in relevant dates affects my analysis above under the non-registrability ground of opposition in that there had been no use of the Mark in Canada as of the relevant date to assess the section 16(1)(a) ground of opposition, I remain of the view that the differences existing between the Mark and the Opponent's CREAM SODA design marks are sufficient by themselves to find in favour of the Applicant.

[75] Accordingly, the section 16(3)(a) ground of opposition is dismissed.

### The non-distinctiveness grounds of opposition

[76] The Opponent has pleaded that the Mark is not distinctive within the meaning of section 2 of the Act in that it does not actually distinguish, nor is it adapted to distinguish the goods and services of the Applicant from the goods of the Opponent in Canada.

[77] An opponent meets its evidential burden with respect to a distinctiveness ground if it shows that as of the filing of the opposition (in this case, March 15, 2013) its trade-mark had

become known to some extent at least to negate the distinctiveness of the applied-for mark [see *Motel 6, Inc v No 6 Motel Ltd* (1981), 56 CPR (2d) 44 (FCTD)]. As per my review above of the Prizant affidavit, it is questionable whether the Opponent has met its burden.

[78] Even if I were to find that the Opponent has met its burden, I would still find that the Applicant has discharged its legal onus to establish that there was no reasonable likelihood of confusion between the Mark and any of the Opponent's CREAM SODA design marks as of the filing of the opposition in view of the significant differences existing between the parties' marks.

[79] Accordingly, the non-distinctiveness ground of opposition is dismissed.

#### The non-conformity ground of opposition

[80] The Opponent has pleaded that the application contravenes section 30(e) of the Act in that at the date of filing of the application, the Applicant had already used the Mark in Canada in association with the goods (1) and services (1) listed in its application, thereby falsely stating that it intended to use the Mark in Canada.

[81] More particularly, the Opponent relies on Mr. Poulsen's statements contained in paragraphs 7 and 9 of his affidavit according to which:

[The Applicant] operates a website and an online retail store for CREAM brand clothing and accessories at *www.cream-clothing.com* which is accessible in Canada. Attached as Exhibit A to my affidavit are current screen captures from the *www.cream-clothing.com* website.[...] Since 2005, there have been over 845,000 visits to the *www.cream-clothing.com* website including over 15,000 Canadian visits.

Online sales from the *www.cream-clothing.com* website of clothing and accessories bearing the [Mark] have been made to at least 23 countries worldwide including Canada. When a customer in Canada or elsewhere receives a product purchased online from *www.cream-clothing.com*, the CREAM trade-mark is displayed on the product label, garment tag, and shipping invoice.

[82] The material date to assess this ground of opposition is the date the application was filed [see *Canadian National Railway Co v Schwauss* (1991), 35 CPR (3d) 90 (TMOB)]. Since the facts regarding the Applicant's intentions are particularly within the knowledge of the Applicant, the initial burden on the Opponent under section 30(e) is lighter than usual [see *Molson Canada*

*v Anheuser-Busch Inc* (2003), 2003 FC 1287 (CanLII), 29 CPR (4th) 315 (FCTD); *Canadian National Railway Co v. Schwauss, supra*; and *Green Spot Co v JB Food Industries* (1986), 13 CPR (3d) 206 (TMOB)]. The Opponent can meet its initial burden under section 30(e) by reference not only to its own evidence but also to the Applicant's evidence [see *Labatt Brewing Company Limited v Molson Breweries, a Partnership* (1996), 68 CPR (3d) 216 (FCTD)]. However, the Opponent may only successfully rely upon the Applicant's evidence to meet its initial burden if the Opponent shows that the Applicant's evidence puts into issue the claims set forth in the Applicant's application [see *Molson Canda v Anheuser-Busch Inc, supra*; *York Barbell Holdings Ltd v ICON Health and Fitness, Inc* (2001), 13 CPR (4th) 156 (TMOB); and *Corporativo de Marcas GJB, SA de CV v Bacardi & Company Ltd* 2014 FC 323 at paras 30-38 (CanLII)]. I find this is not such a case.

[83] The screen captures filed under Exhibit A postdate the material date to assess this ground of opposition. Even if I were to consider the evidence as indicating the state of the website as of the material date, I note that the screen captures all pertain to goods (2) which relate to the use and registration abroad basis, not the proposed use basis. Thus, the mere fact that the Applicant's clothing goods (2) may have been promoted on the Applicant's website by no means puts into issue the correctness of the claims set forth in the Applicant's application, not to mention that the mere display of the Mark on the Opponent's website does not by itself evidence use of the Mark in Canada in association with the Applicant's clothing goods pursuant to section 4 of the Act.

[84] Accordingly, the section 30(e) ground of opposition is dismissed.

Disposition

[85] In view of the foregoing and pursuant to the authority delegated to me under section 63(3) of the Act, I reject the opposition pursuant to section 38(8) of the Act.

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Annie Robitaille  
Member  
Trade-marks Opposition Board  
Canadian Intellectual Property Office

**TRADE-MARKS OPPOSITION BOARD  
CANADIAN INTELLECTUAL PROPERTY OFFICE  
APPEARANCES AND AGENTS OF RECORD**

**HEARING DATE:** 2015-11-24

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