IN THE MATTER OF AN OPPOSITION by The War Amputations of Canada/ Les Amputés de Guerre du Canada to application No. 576,115 for the trade-mark PLAYSAFE filed by Faber-Castell Canada Inc.

On January 13, 1987, the applicant, Faber-Castell Canada Inc., filed an application to register the trade-mark PLAYSAFE based upon proposed use of the trade-mark in Canada in association with "fibre tip pens, and colouring markers".

The opponent, The War Amputations of Canada/ Les Amputés de Guerre du Canada, filed a statement of opposition on July 31, 1987 in which it alleged that the trade-mark PLAYSAFE is not registrable in view of the provisions of Section 12(1)(d) of the Trade-marks Act in that the applicant's trade-mark is confusing with the opponent's registered trade-mark PLAYSAFE, registration No. 300,590. Further, the opponent alleged that the applicant is not the person entitled to registration of the trade-mark PLAYSAFE in that the applicant's mark is confusing with the opponent's trade-mark PLAYSAFE which had been used by the opponent in Canada continuously from at least as early as November 26, 1976 in association with "films, pamphlets, and brochures dealing with amputation and the prevention of accidental amputation" and services identified as "promotion of safety among children to aid in preventing accidental amputation". Further, the opponent alleged that the applicant's trade-mark is not distinctive in that the applicant's trade-mark is confusing with the opponent's trade-mark PLAYSAFE as registered and previously used in Canada.

The applicant served and filed a counterstatement in which it in effect denied the opponent's grounds of opposition.

The opponent filed as its evidence the affidavit of H. Clifford Chadderton while the applicant submitted the affidavit of Jack Kelly. Leave was granted to the opponent pursuant to Rule 46(1) of the Trade-marks Regulations to submit the affidavit of Debra David in place of that of Mr. Chadderton. Ms. David was cross-examined on her affidavit and the transcript and exhibits to the cross-examination, as well as the undertakings furnished by the opponent, form part of the record in this opposition.

Both parties filed written arguments and both were represented at an oral hearing.

The applicant sought to introduce into evidence the prosecution history of the Trade Marks Office file for the opponent's registered trade-mark PLAYSAFE by having a photocopy thereof identified as an exhibit to the David cross-examination. The applicant should have filed a certified copy of the Trade-marks Office file in accordance with Section 54(1) of the Trade-marks Act if it wished to rely upon it as evidence in this opposition. The applicant further submitted that the Opposition Board could have regard to the contents

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of any Trade Marks Office file in deciding the outcome of an opposition and should therefore consider the prosecution history of the opponent's registered trade-mark PLAYSAFE even if it has not been properly introduced into evidence. However, the Board normally does not consider the contents of Office files without them being properly evidenced in the opposition. Accordingly, I am not prepared to have regard to the file history of the opponent's registered trade-mark PLAYSAFE in deciding the outcome of this opposition.

All of the opponent's grounds of opposition turn on the issue of confusion between the applicant's trade-mark PLAYSAFE and the opponent's trade-mark PLAYSAFE as registered and allegedly previously used in Canada. Further, the opponent's claim to prior use of the trade-mark PLAYSAFE is in association with wares and services identical to those covered in its registration. With respect to the Section 16 ground of opposition, there is an initial burden on the opponent in view of the provisions of Sections 16(5) and 17(1) of the Trade-marks Act to establish its prior use of its trade-mark PLAYSAFE in Canada, as well as non-abandonment of the trade-mark in this country as of the date of advertisement of the applicant's application in the Trade Marks Journal.

The applicant has submitted that the opponent has not used the mark PLAYSAFE as a trade-mark as contemplated by Section 4(1) of the Trade-marks Act. I agree with the applicant that the opponent has not manufactured, sold, leased or hired its pamphlets or brochures and has therefore not shown prior use of its trade-mark in association with these wares. Further, while it would appear from the undertakings furnished by the opponent that it may have sold or leased PLAYSAFE films in Canada, the opponent's evidence is far from clear in this regard and is therefore insufficient to meet the initial burden on the opponent in respect of its showing of prior use of its trade-mark PLAYSAFE in association with films.

As for the opponent's services, the applicant submitted that a service could only be performed within the scope of Section 4(2) of the Act if it is performed for money whereas the opponent is a non-profit organization which renders a public service. A "trade-mark" is defined in Section 2 of the Trade-marks Act as meaning a mark that is used by a person for the purpose of distinguishing or so as to distinguish wares or services manufactured, sold, leased, hired or performed by him from those manufactured, sold, leased, hired or performed by others. This definition brings trade-marks covering services within the scope of the Trade-marks Act as there is no common law right to a trade-mark in connection with services. Indeed, trade-marks covering services were not established in Canada until the enactment of the present Trade-marks Act. In this regard, Mr. Justice Strayer in Kraft Ltd. v. Registrar of Trade Marks, 1 C.P.R. (3d) 457 commented as follows at pages 461-462:

In <u>Carling O'Keefe Breweries of Canada Ltd.-Les Brasseries Carling O'Keefe du Canada Ltée, trading as Carling O'Keefe Breweries</u> v. <u>Anheuser-Busch, Inc.</u>, 4 C.P.R. (3d) 216, the Opposition Board considered whether "the services of promoting the sale of the opponent's Carlsberg beer in Canada" are services within the scope of Section 4(2) of the Trade-marks Act. At pages 219-220, the hearing officer commented as follows:

In the present case, the public receives a benefit from the opponent's educational safety program. Further, there is no provision in the Trade-marks Act which states that a service must be paid for in order for the service to be performed and I am not prepared to infer that such should be the case. Further, unlike s. 4(1) of the Trade-marks Act, s. 4(2) does not include reference to services being "in the normal course of trade". As well, I am mindful of the comments of Strayer, J. in the Kraft Ltd. decision where he states that he could see no reason for imposing a restrictive interpretation on the word "services" in the Trade-marks Act.

In view of the above, I have concluded that the opponent has established its prior use and non-abandonment of the trade-mark PLAYSAFE in Canada in association with a safety program among children to aid in preventing accidental amputation, and has therefore met the burden upon it in respect of

the non-entitlement ground of opposition based on prior use of the trade-mark PLAYSAFE in association with a safety program. In any event, and even if I am incorrect in my conclusion that the opponent's activities constitute a "service" within the scope of the Trade-marks Act, the opponent is still entitled to rely upon its registration for the trade-mark PLAYSAFE in respect of its Section 12(1)(d) ground of opposition.

In determining whether there would be a reasonable likelihood of confusion between the trade-marks at issue, the Registrar must have regard to all the surrounding circumstances, including those specifically enumerated in Section 6(5) of the Trade-marks Act. Further, the Registrar must bear in mind that the legal burden is on the applicant to establish that there would be no reasonable likelihood of confusion between the trade-marks at issue.

With respect to the ground of opposition based on Section 12(1)(d) of the Trade-marks Act, the material date would appear to be as of the date of my decision in view of the recent decision of the Federal Court of Appeal in Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd. and The Registrar of Trade Marks, (1991), 37 C.P.R. (3d) 413 and the recent decision of the Opposition Board in Conde Nast Publications, Inc. v. The Canadian Federation of Independent Grocers, (1991), 37 C.P.R. (3d) 538. Further, the material date in respect of the non-entitlement ground of opposition is as of the applicant's filing date while the date of opposition is the material date in respect of the non-distinctiveness ground of opposition.

Considering the inherent distinctiveness of the trade-marks at issue, the opponent's trade-mark PLAYSAFE is, in my opinion, clearly descriptive of the character of a program which promotes safety among children, as well as being clearly descriptive of films, pamphlets and brochures relating to such a program. The applicant's trade-mark PLAYSAFE as applied to fibre tip pens and colouring markers is suggestive of the fact that the applicant's wares contain non-toxic ink or are otherwise not harmful to children. As such, the applicant's trade-mark as applied to its wares possesses more inherent distinctiveness that does the opponent's trade-mark PLAYSAFE as applied to its wares and services.

Regardless of whether or not the opponent's activities constitute trade-mark use in association with services, I am of the view that the opponent's evidence establishes that its trade-mark PLAYSAFE is relatively well known in Canada in association with its safety program for children as a result of the opponent's public service announcements, its participation in parades, its distribution of balloons, crests and the like, as well as its distribution and showing of its PLAYSAFE films since 1978. On the other hand, while the applicant's evidence establishes that it commenced selling its PLAYSAFE colouring markers in Canada in April 1988, the applicant has not filed any evidence as to the manner of use of its trade-mark PLAYSAFE. Further, page 4 of exhibit A to the Kelly affidavit includes the following notation:

"COLOURING MARKERS Fine tip, non-toxic and quick drying ink help make VENUS colour markers great for children. (Playsafe ink)."

It would appear, therefore, that the applicant may have at least initially intended that its mark distinguish the ink used in certain of its markers from the type of ink used in other types of markers sold or distributed either by it or by others. As a result, absent evidence as to the manner of use by the applicant of the trade-mark PLAYSAFE, I am not prepared to conclude that the applicant's trade-mark has become known to any measurable extent in Canada in association with either fibre tip pens or colouring markers.

The length of time that the trade-marks at issue have been in use in Canada favours the opponent only in respect of its PLAYSAFE safety program.

As the trade-marks at issue are identical, the only remaining criteria of those enumerated in Section 6(5) of the Act are the nature of the wares and services of the parties and the channels of trade associated with their wares and services. In this regard, I consider there to be no similarity between the applicant's pens and markers and either the opponent's services or its wares. Further, and in the absence of any evidence to the contrary, I do not consider that there would be any overlapping in the channels of trade associated with the wares and services of the parties.

As a further surrounding circumstance, the opponent relied upon its distribution of balloons and crests bearing the trade-mark PLAYSAFE in support of its submission that the public has become accustomed to seeing its trade-mark associated with such wares, such that the average consumer might be left in a state of doubt as to whether PLAYSAFE pens or markers were approved, sponsored, or otherwise manufactured or sold under license from it. Additionally, the opponent noted that its program is generally intended to prevent injury to children while the applicant's trade-mark PLAYSAFE suggests that its fibre tip pens and colouring markers have non-toxic ink which could avoid potential harm to children caused by pens or markers containing other than non-toxic ink. On the other hand, the applicant pointed out that there is no evidence of any licensing or sponsorship by the opponent of its trade-mark PLAYSAFE to date. However, I agree with the opponent that it need not establish that it has either sponsored or licensed the use of its trade-mark in association with wares in order for the average consumer to conclude that there is a possible connection between the applicant's use of the trade-mark PLAYSAFE in association with pens and markers and the opponent.

As yet a further surrounding circumstance, the applicant submitted that there was no evidence of actual confusion despite the concurrent use by it and the opponent of their respective trade-marks in the marketplace. However, I am not prepared to conclude that the absence of evidence of actual confusion is a particularly relevant factor in this opposition as the applicant has not filed evidence as to the manner of its

use of the trade-mark PLAYSAFE, bearing in mind my previous comments concerning the at least initial use

made by the applicant of its trade-mark PLAYSAFE to distinguish a type of non-toxic ink used in its

colouring markers.

With respect to the issue of confusion, the opponent argued that there is a societal interest in

avoiding a likelihood of confusion between the trade-marks at issue in that confusion between the

trade-marks of the parties could seriously impact on its fund raising capacity, its sole source of revenue for

its programs. While I appreciate the opponent's concerns, there is nothing in the Trade-marks Act, the

Regulations or in the jurisprudence which would point to a different standard to be applied when assessing

the issue of confusion between trade-marks where one of the parties is a charitable organization. Further,

while mostly children have been exposed to the opponent's PLAYSAFE program, I am not prepared to

conclude that there would be a greater risk of confusion as there is no evidence in this opposition that

children are less discriminating or are not as sophisticated as adults when purchasing pens and colouring

markers.

In view of the above, and bearing in mind that the legal burden is upon the applicant in respect of

the issue of confusion, and considering further that the opponent's mark, while initially a very weak mark,

has acquired distinctiveness in Canada in association with its safety program and further that there is an

element of safety for children in respect of the applicant's proposed use of its trade-mark for fibre tip pens

and colouring markers, I find that I am left in doubt as to whether or not there would be a reasonable

likelihood of confusion between the trade-marks at issue. In particular, I believe that the average consumer

might possibly conclude as a matter of immediate impression that the opponent may have sponsored or

approved that use by the applicant of a trade-mark identical to that of the opponent for wares intended for use primarily by children. As a result, the applicant's trade-mark is not registrable in view of the provisions of

Section 12(1)(d) of the Trade-marks Act.

In view of the above, I refuse the applicant's application pursuant to Section 38(8) of the

Trade-marks Act.

DATED AT HULL, QUEBEC THIS 31st DAY OF January , 1991.

G.W. Partington,

Chairman,

Trade Marks Opposition Board.

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