IN THE MATTER OF AN OPPOSITION by TERRA NOVA SHOES LTD. to application No. 840,874 for the trade-mark BONATERRA & Design filed by NATEVO NATURSCHUH GMBH

On April 1, 1997, the applicant, NATEVO NATURSCHUH GMBH, filed an application for registration of the trade-mark BONATERRA & Design, a representation of which appears below, based on proposed use of the trade-mark in Canada by the applicant itself and/or through a licensee and use and registration of the trade-mark in the Federal Republic of Germany in association with:

> "Footwear and parts thereof, namely; shoes, boots, sandals, slip-on shoes, soles, outsoles, insoles and inner soles, uppers/bootlegs."

The applicant claimed and was accorded a priority filing date of January 23, 1997 based on its application for registration filed in the Federal Republic of Germany under application No. 397 02 723.0.

The present application was advertised for opposition purposes in the ***Trade-marks Journal*** of December 3, 1997 and the opponent, TERRA NOVA SHOES LTD., filed a statement of opposition on April 1, 1998, a copy of which was forwarded to the applicant on April 21, 1998. The applicant served and filed a counter statement in response to the statement of opposition on June 30, 1998. The opponent submitted as its evidence the affidavit of Robert J. Worrall while the applicant filed as its evidence the affidavits of Herbert McPhail and Kelly Dafoe. Both parties submitted written arguments and neither party requested an oral hearing.

The following are the grounds of opposition asserted by the opponent in its statement of opposition:

> **a)** The present application does not conform to Subsection 30(d) of the ***Trade-marks Act*** in that the applicant has not used the trade-mark BONATERRA & Design in Germany as stated in the present application;
>
> **b)** The present application does not comply with Subsection 30(i) of the ***Trade-marks Act*** in that the applicant could not have been satisfied that it was entitled to use the applied for

trade-mark in Canada having regard to their preexisting knowledge of the trade-marks and trade-name set forth in the remaining grounds of opposition;

c) The applied for trade-mark is not registrable in view of Paragraph 12(1)(d) of the ***Trade-marks Act*** in that the applicant's trade-mark is confusing with the following trade-mark registrations owned by the opponent:

Trade-mark	*Registration No.*	Wares
TERRA	248,467	Industrial and safety footwear.
TERRA	274,789	Ladies' sportswear, namely, dresses, jackets, skirts, slacks, shorts, shirts, blouses, halters, T-shirts, sweaters and vests.
TERRA NOVA	230,890	Footwear, namely boots and shoes.
TERRA-LITES	311,188	Work boots, casual safety shoes, dress safety shoes, and casual shoes.
TERRA-LITES	481,830	Clothing, namely, caps, shirts, pants, jackets, coats, gloves, socks, underwear and coveralls.

d) The applicant is not the person entitled to registration of the applied for trade-mark in view of Paragraph 16(2)(a) of the ***Trade-marks Act*** in that, as of the filing date of the present application and at any other relevant date, the applicant's trade-mark was confusing with the trade-marks TERRA, TERRA NOVA and TERRA-LITES, and the family of TERRA trade-marks, which had been previously used in Canada by the opponent in association with footwear, clothing and related products and the sale and distribution thereof;

e) The applicant is not the person entitled to registration of the applied for trade-mark in view of Paragraph 16(2)(c) of the ***Trade-marks Act*** in that, as of the applicant's filing date and at any other relevant date, the applicant's trade-mark was confusing with the opponent's trade-name Terra Nova Shoes Ltd. which had been previously used in Canada in association with footwear, clothing and related products and the sale and distribution thereof;

f) The applied for trade-mark is not distinctive of the applicant having regard to the opponent's use in Canada of the trade-marks and trade-name referred to in the previous grounds of opposition, and advertising and promotion in Canada of all of the aforesaid.

The first two grounds of opposition are based on Subsections 30(d) and 30(i) of the ***Trade-marks Act***. While the legal burden is on the applicant to show that its application complies with Subsections 30(d) and 30(i) of the ***Act***, there is an initial evidential burden on the opponent to adduce sufficient admissible evidence which, if believed, would support the truth of the allegations relating to the Subsection 30(i) ground [see ***Joseph E. Seagram & Sons Ltd. et al v. Seagram Real Estate Ltd.***, 3 C.P.R. (3d) 325, at pp. 329-330]. In the present case, no evidence has been furnished by the opponent to show that the applicant has not used the trade-mark BONATERRA & Design in Germany, as claimed in its application. Likewise, no evidence has been submitted by the opponent to show that the applicant could not have been satisfied that it was entitled to use its trade-mark

BONATERRA & Design in Canada on the basis *inter alia* that it considered that its trade-mark is not confusing with the opponent's trade-marks and trade-name. Moreover, to the extent that the Subsection 30(i) ground is founded on allegations set forth in the remaining grounds of opposition, the success of this ground is contingent upon a finding that the applicant's trade-mark is not registrable or not distinctive, or that the applicant is not the person entitled to registration of the trade-mark BONATERRA & Design, as alleged in those grounds [see ***Consumer Distributing Co. Ltd. v. Toy World Ltd.***, 30 C.P.R. (3d) 191, at p.195; and ***Sapodilla Co. Ltd. v. Bristol-Myers Co.***, 15 C.P.R.(2d) 152, at p.155]. I will therefore consider the remaining grounds of opposition.

The third ground is based on Paragraph 12(1)(d) of the ***Trade-marks Act***, the opponent alleging that the applicant's trade-mark BONATERRA & Design is not registable in that the applied for trade-mark is confusing with its registered trade-marks identified above. With respect to the third ground, the legal burden is on the applicant to establish that there would be no reasonable likelihood of confusion between its trade-mark BONATERRA & Design and the opponent's registered trade-marks as of the date of decision, the material date with respect to the Paragraph 12(1)(d) ground [see ***Park Avenue Furniture Corp. v. Wickes/Simmons Bedding Ltd. et al***, 37 C.P.R. (3d) 413 (F.C.A.)]. Further, in determining whether there would be a reasonable likelihood of confusion between the applicant's mark BONATERRA & Design and one, or more, of the opponent's registered trade-marks, the Registrar must have regard to all the surrounding circumstances including, but not limited to, those specifically enumerated in Subsection 6(5) of the ***Trade-marks Act***.

Considering initially the inherent distinctiveness of the trade-marks at issue [Para.6(5)(a)], both the applicant's trade-mark BONATERRA & Design as applied to the wares covered in the present application and the opponent's registered trade-marks TERRA, TERRA NOVA and TERRA-LITES as applied to the wares covered in the opponent's registrations are inherently distinctive.

With respect to the extent to which the trade-marks at issue have become known [Para. 6(5)(a)] and the length of time the marks have been in use [Para.6(5)(b)], both of these criteria clearly favour the opponent in that the applicant failed to adduce any evidence relating to its use of

the trade-mark BONATERRA & Design in Canada. On the other hand, the Worrall affidavit establishes that the opponent has used one, or more, of its trade-marks TERRA, TERRA NOVA and TERRA-LITES (or TERRA LITES) in Canada in association with footwear since 1972, with total sales of such footwear associated with these marks in Canada from 1988 to 1997 inclusive exceeding $190,000,000.

As for the nature of the wares of the parties [Para.6(5)(c)] and the nature of the trade associated with their respective wares [Para.6(5)(d)], it is the applicant's statement of wares and the statements of wares covered in the opponent's registrations which must be considered in assessing the likelihood of confusion in relation to the Paragraph 12(1)(d) ground [see ***Mr. Submarine Ltd. v. Amandista Investments Ltd.***, 19 C.P.R.(3d) 3, at pp. 10-11 (F.C.A.); ***Henkel Kommanditgesellschaft v. Super Dragon***, 12 C.P.R.(3d) 110, at p. 112 (F.C.A.); and ***Miss Universe, Inc. v. Dale Bohna***, 58 C.P.R.(3d) 38,1 at pp. 390-392 (F.C.A.)]. In this regard, the applicant's "Footwear and parts thereof, namely; shoes, boots, sandals, slip-on shoes, soles, outsoles, insoles and inner soles, uppers/bootlegs" overlap the footwear covered in registration Nos. 248,467, 230,890 and 311,188. Moreover, and in the absence of any evidence to the contrary, I would expect that the respective channels of trade of the parties could likewise overlap.

With respect to the degree of resemblance between the trade-marks at issue [Para. 6(5)(e)], I find that the applicant's trade-mark BONATERRA & Design bears a fair degree of similarity in appearance to each of the opponent's registered trade-marks TERRA and at least some similarity in appearance to the opponent's registered marks TERRA NOVA and TERRA-LITES. Further, the applied for trade-mark also bears a fair degree of similarity in sounding and in the ideas suggested to the opponent's registered trade-marks TERRA and TERRA NOVA and some similarity in sounding, as well as in the ideas suggested, to each of the opponent's registered TERRA-LITES trade-marks. Moreover, I would note that the applicant has adopted the opponent's registered trade-mark TERRA as an element, albeit not the initial element, of its trade-mark BONATERRA & Design [see ***Conde Nast Publications Inc. v. Union des Editions Modernes***, 46 C.P.R. (2d) 183, at p.188].

As a further surrounding circumstance in assessing the likelihood of confusion between the trade-marks at issue, the applicant has relied upon the affidavit of Herb McPhail which introduces into evidence the results of a trade-mark search to locate all active registrations and pending applications incorporating the term TERRA covering clothing, footwear and headgear. Other than application No. 829,966 for the trade-mark TERRA FIRMA & Design which has since been abandoned, none of the third party registrations or pending applications located by Mr. McPhail covers footwear. I have therefore accorded little weight to the state of the register evidence submitted by the applicant.

The applicant also sought to rely on the affidavit of Kelly Dafoe which introduces into evidence the results of an investigation conducted by the affiant on August 11, 1999 to locate footwear having a brand name incorporating the word TERRA. Annexed to the Dafoe affidavit are photographs taken by the affiant of: TERRA-FI99 TEVA & Design sandal and packaging; an AIR TERRA KIMBIA shoebox; NIKE AIR TERRA GRANDE shoes and packaging; and TEVA TERRADACTYL sandal and packaging. The footwear and packaging appearing in the photographs were located by the affiant in four different retail outlets situated in Ottawa. While no evidence has been furnished by the applicant relating to the extent of use of any of the third party marks identified in the photographs, I note that the opponent has not challenged the findings in the Dafoe affidavit. I find therefore that the third party use of the four marks including the element TERRA on packaging of footwear is a relevant surrounding circumstance in assessing the likelihood of confusion between the trade-marks at issue in relation to the Paragraph 12(1)(d) ground.

As yet a further surrounding circumstance in assessing the likelihood of confusion between the trade-marks at issue, the opponent has shown that it has established some measure of a family of TERRA marks with its adoption and evidence of relatively extensive use of the trade-marks TERRA NOVA and TERRA-LITES or TERRA LITES in association with footwear.

Having regard to the foregoing, and even bearing in mind the evidence of third party use of various marks which include the element TERRA, I find that I am still in doubt in respect of the issue of confusion between the applicant's trade-mark BONATERRA & Design and the opponent's

registered trade-mark TERRA, registration No. 248,467. In particular, the applicant's mark and the registered trade-mark TERRA bear a fair degree of resemblance in appearance, sounding and in the ideas suggested, the applicant's mark including the entirety of the opponent's registered trade-mark. Moreover, the opponent's evidence shows that it has established the existence of some measure of a family of TERRA marks as applied to footwear including the trade-mark TERRA NOVA and that there has been relatively significant sales in Canada of the opponent's footwear in association with its family of marks. As the legal burden is on the applicant in respect of the issue of confusion, and bearing in mind that the applicant has not shown that it has yet used its trade-mark in Canada, I find that the applicant has not met the legal burden on it in respect of the issue of confusion in relation to the third ground. Thus, the Paragraph 12(1)(d) ground of opposition is successful.

The fourth ground is based on Subsection 16(2)(b) of the ***Trade-marks Act***, the opponent alleging that the applicant is not the person entitled to registration of the trade-mark BONATERRA & Design in that, as of the applicant's priority filing date, the applicant's trade-mark was confusing with the opponent's trade-marks TERRA, TERRA NOVA and TERRA-LITES, and the family of TERRA trade-marks, which had been previously used in Canada by the opponent in association with footwear, clothing and related products and the sale and distribution thereof. Having regard to the provisions of Subsections 16(5) and 17(1) of the ***Trade-marks Act***, there is an initial burden on the opponent in relation to this ground to establish use of its trade-marks in Canada prior to the applicant's priority filing date [January 23, 1997], as well as to show that it had not abandoned its marks in Canada as of the date of advertisement of the present application [April 1, 1998].

The Worrall affidavit establishes that the opponent has used its trade-marks TERRA, TERRA NOVA and TERRA-LITES in Canada in association with footwear prior to the applicant's filing date and that it had not abandoned its marks as of the date of advertisement of the present application. As a result, the legal burden is on the applicant to satisfy the Registrar that there would have been no reasonable likelihood of confusion between its trade-mark BONATERRA & Design and one, or more, of the opponent's trade-marks as of its priority filing date. Again, in determining whether there would be a reasonable likelihood of confusion between the applicant's mark and the opponent's trade-marks, the Registrar must have regard to all the surrounding circumstances

including those identified in Subsection 6(5) of the ***Trade-marks Act***.

My previous comments concerning the inherent distinctiveness of the trade-marks at issue, the extent to which the trade-marks have become known and the length of time the marks have been in use, the nature of the wares and the nature of the trade of the parties, and the degree of resemblance between the trade-marks at issue all continue to apply. However, the Dafoe evidence is no longer applicable as the investigation conducted by Ms. Dafoe took place more than two and a half years after the material date for assessing this ground. Consequently, the opponent's case in relation to this ground is far stronger than its Paragraph 12(1) (d) ground. I find therefore that the applicant has failed to show that there would have been no reasonable likelihood of confusion between the trade-marks at issue as of its priority filing date. Consequently, this ground is also successful. Moreover, the non-distinctiveness ground is also successful as the Dafoe evidence would also be excluded from consideration as of the date of opposition, the material date for considering the non-distinctiveness ground.

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

DATED AT HULL, QUEBEC, THIS 25TH DAY OF OCTOBER, 2000.

G.W. Partington,
Chairperson,
Trade-marks Opposition Board.