



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

Citation: 2012 TMOB 75
Date of Decision: 2012-04-19

**IN THE MATTER OF AN OPPOSITION
by Wolverine Outdoors Inc. to
application No. 1,176,213 for the trade-
mark M & Design in the name of Marker
Völkl (International) GmbH**

[1] On April 30, 2003, Marker International GmbH (Marker International) filed an application to register the trade-mark M & Design, shown below (the Mark), on the dual basis of registration and use of the Mark in Germany and proposed use of the Mark in Canada:



[2] The statement of wares and services of the application of record, as amended on April 29, 2004, reads as follows:

Wares: helmets for sportsmen/women, goggles for sportsmen/women; bags namely bags for sports apparatus, garment bags, rucksacks; clothing, namely athletic clothing, casual clothing, outdoor winter clothing, ski wear and protective clothing, caps, gloves, sports gloves; sports articles and apparatus, namely skis, ski bindings, snowboards, snowboard bindings, ski and snowboard gloves, sports articles namely shinbone, knee and/or elbow protectors, ski bags.







Services: organisation of sporting events, also as joint organiser or sponsor of sporting events.

[3] I note that the Canadian Trade-marks Database of the Canadian Intellectual Property Office (CIPO) shows that Marker Völkl (International) GmbH (Marker Völkl) was recorded as

owner of the application on March 15, 2007 further to an assignment of March 5, 2007 from Marker International. Unless indicated otherwise, I will use the term “Applicant” throughout my decision to refer to either the original applicant, Marker International, or the current applicant, Marker Völkl, depending on the point in time.

[4] The application was advertised for opposition purposes in the *Trade-marks Journal* of June 16, 2004.

[5] Wolverine Outdoors, Inc. (the Opponent) filed a statement of opposition on August 16, 2007. As a preamble to the grounds of opposition, the Opponent alleges ownership of a family of registered and pending trade-marks “consisting of or including the element M & Design for use in association with a variety of footwear and clothing items”, namely:

<u>Trade-mark</u>	<u>App./Reg. No.</u>	<u>Wares</u>
	TMA573,705	Shirts, t-shirts, sweatshirts, sweaters, pants, shorts, jackets, shells, vests, coats, hats, gloves, scarves, socks, belts, backpacks, daypacks, letter-carrier bags, travel bags, duffel bags, and carry-all tote bags.
	TMA645,008	Footwear, namely hiking, multi-sport, trail running, running, after sport (casual mocs and slides), casual footwear, sandals and children's footwear.
	TMA588,407	Footwear namely hiking, multi-sport, trail running, running, after sport (casual mocs and slides), casual footwear, sandals and children's footwear; clothing, namely shirts.
	1,322,867	Clothing, namely shirts, sweatshirts, pants, shorts, pullovers, jackets, hats, gloves, socks and belts; footwear.
	1,322,866	Clothing, namely shirts, sweatshirts, pants, shorts, pullovers, jackets, hats, gloves, socks and belts; footwear.
	TMA644,915	Footwear, namely hiking, multi-sport, trail running, running, after sport (casual mocs and slides), casual footwear, sandals and children's footwear.

[6] The grounds of opposition allege, in summary, that: (i) the application does not conform to the requirements of s. 30(b), (e) and (i) of the *Trade-marks Act*, R.S.C. 1985, c. T-13 (the Act); (ii) the Mark is not registrable pursuant to s. 12(1)(d) of the Act; (iii) the Applicant is not the person entitled to registration of the Mark pursuant to s. 16(3)(a) of the Act; and (iv) the Mark is not distinctive pursuant to s. 2 of the Act.

[7] The Applicant filed a counter statement essentially denying each ground of opposition.

[8] Both the Applicant and the Opponent filed evidence and written arguments and were ably represented at an oral hearing.

Material Dates

[9] The material dates that apply to the grounds of opposition are as follows:

- s. 38(2)(a) / s. 30 – the filing date of the application [see *Georgia-Pacific Corp. v. Scott Paper Ltd.* (1984), 3 C.P.R. (3d) 469 (T.M.O.B.)];
- s. 38(2)(b) / s. 12(1)(d) – the date of my decision [see *Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd. and The Registrar of Trade Marks* (1991), 37 C.P.R. (3d) 413 (F.C.A.)];
- s. 38(2)(c) / s. 16(3)(a) – the filing date of the application [s. 16(3)(a) of the Act];
- s. 38(2)(d) / non-distinctiveness – the filing date of the statement of opposition [see *Metro-Goldwyn-Mayer Inc. v. Stargate Connections Inc.* (2004), 34 C.P.R. (4th) 317 (F.C.)].

Onus

[10] 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 C.P.R. (3d) 293 (F.C.T.D.); *Dion Neckwear Ltd. v. Christian Dior, S.A. et al.* (2002), 20 C.P.R. (4th) 155 (F.C.A.)].

Evidence

[11] Though my review below of the parties' evidence is somewhat lengthy, I find it is necessary to fully appreciate the parties' submissions as well as my subsequent preliminary comments.

Opponent's Evidence in Chief

[12] In support of its opposition, the Opponent filed the affidavit of Christian Triquet, including its Exhibits "A" to "O", sworn on December 31, 2008. The Applicant obtained an order for the cross-examination of Mr. Triquet but did not proceed with the cross-examination.

[13] As a preliminary matter, I note that Mr. Triquet introduces the evidence by collectively referring to the Opponent's trade-marks consisting of or including the element M & Design that have been alleged in support of the opposition. Thus, any subsequent use of the terms "M & Design Marks" in my review of the affidavit of Mr. Triquet reflects his collective reference to the Opponent's alleged trade-marks.

[14] Mr. Triquet is the President of Merrell Canada, a division of Wolverine World Wide Corporation Inc. (Wolverine Corp.) [para. 1]. Wolverine Corp. and the Opponent are both wholly owned subsidiaries of Wolverine World Wide, Inc. [paras. 1 and 3].

[15] Mr. Triquet states that the Opponent acts as a wholesaler and manufacturer of outdoor apparel, including footwear for men, women and children as well as clothing, accessories and bags. The Opponent owns the MERRELL brand and the M & Design Marks [para. 3]. Mr. Triquet provides the particulars of the registrations and applications for the M & Design Marks [para. 6, Exhibits "A-1" to "A-6"].

[16] Mr. Triquet explains that products bearing the M & Design Marks were distributed directly in Canada by the Opponent prior to January 2, 2005 [para. 4]. The footwear, clothing, accessories and bags associated with the trade-mark MERRELL and the M & Design Marks have been produced and distributed in Canada by the Merrell Canada division of Wolverine Corp. since January 2, 2005 pursuant to a licensing arrangement with the Opponent. Mr. Triquet states that the Opponent controls and has always controlled the character and quality of the

goods bearing the M & Design Marks, which statement he supports by detailing some of the steps taken by the Opponent in that regard [para. 5].

[17] According to Mr. Triquet’s statements, trade-marks consisting of or including the element M & Design have been used in Canada by the Opponent itself and through its licensee in association with the Opponent’s MERRELL brand of footwear since 1999. Mr. Triquet specifically identifies as follows the dates of first use of four of the M & Design Marks [para. 7]:



December 1999



December 2000



and
June 27, 2005

[18] Mr. Triquet explains that the consumers for the MERRELL branded line of outdoor footwear, outerwear, clothing and bags sold in association with the M & Design Marks range from outdoor sports enthusiasts to the general public [paras. 11 and 15]. He further explains that the MERRELL branded lines of products bearing the M & Design Marks are sold through department stores, footwear chains, specialty retailers, mass merchants and Internet retailers [para. 16].

[19] Mr. Triquet files images of samplings of MERRELL branded footwear, outerwear, clothing and bags sold in Canada and representative of the manner of use of the M & Design Marks since at least as early as 1999 [paras. 9-11, Exhibits “B” and “C”]. Also appended as exhibits to the Triquet affidavit are: a sampling of product information sheets, which are typical of products information made available to the public since at least as early as 2002 [para. 13, Exhibit “D”]; “maps” of retailers in major cities across Canada [para. 17, Exhibit “E”]; and excerpts from the websites of “various nationally located and renowned outdoor clothing and winter sports equipments stores” [para. 18, Exhibit “F”].

[20] Mr. Triquet provides approximate sales figures corresponding to sales of M & Design Marks branded clothing, outerwear, baggage and footwear in Canada between 2000 and 2008. According to the yearly breakdown, these sales have steadily increased over the years from

approximately US\$12 million in 2000 to US\$47 million in 2008 [para. 19]. He files a copy of a representative sale invoice [para. 20, Exhibit “G”].

[21] From paragraphs 23 to 40 of his affidavit, Mr. Triquet provides information and material with respect to advertising and promotion in Canada of M & Design Marks branded clothing, outerwear, outerwear accessories and outdoor footwear since 2000 through: sponsorship of outdoor sporting events [Exhibits “H-1” to “H-8”]; sponsorship of athletes [Exhibits “I”]; printed publications, in particular magazines [Exhibits “J-1” and “J-2”] and catalogues [Exhibit “K”]; celebrity endorsement [Exhibit “L”]; MERRELL websites [Exhibits “M-1” and M-2”]; press releases [Exhibit “N”]; and articles on third parties’ websites [Exhibit “O”]. According to the yearly breakdown provided by Mr. Triquet, the approximate advertising figures “for the promotion and advertising of products” bearing the M & Design Marks in Canada for the years 2000 to 2008 totaled over US\$10 million [para. 22].

Applicant’s Evidence

[22] In support of its application, the Applicant filed the affidavit of Murray Nussbaum, including its Exhibits “A” to “H”, sworn on September 17, 2009. The Opponent obtained an order for the cross-examination of Mr. Nussbaum but did not proceed with the cross-examination.

[23] As a preliminary matter, I note that according to the heading of Mr. Nussbaum’s affidavit, the term “Applicant” *in his affidavit* is a reference to Marker Völkl, the current applicant. Thus, my reference to Marker Völkl in my review of the affidavit of Mr. Nussbaum reflects his use of the term “Applicant”.

[24] Mr. Nussbaum identifies himself as the General Manager of Marker Völkl Canada since January 2005. Marker Völkl Canada is the Canadian distributor of Marker Völkl [para. 1]. Mr. Nussbaum affirms that the facts attested to in his affidavit are within his personal knowledge or are from the records of Marker Völkl to which he has access [para. 2].

[25] Mr. Nussbaum explains as follows the nature of Marker Völkl’s business:

3. In 2004, the Marker group of companies (which included the earlier owner of the Application, namely, Marker International GmbH) and the Völkl group of companies were purchased by K2 Inc. (hereafter referred to as “K2”). Further to its purchase of these groups of companies, K2 established the Marker Völkl group of companies and, through a series of corporate re-organisations, the Applicant and owner of the [Mark] in Canada and around the world became Marker Völkl (International) GmbH.

4. For many years, and continuing to the present, the Marker group of companies has been a leader in the field of ski bindings. The Völkl group of companies, on the other hand, has an established reputation in the field of skis and snowboards. The coming together of these two groups meant that the resulting company would benefit from the other’s reputation and that the company would have a strong hold on the ski/snowboard and ski binding market as a whole.

5. At all times, in Canada, the necessary arrangements have been in place between the owner of the Application and any entities authorised to use the [Mark] in this country. Accordingly, any and all use of the [Mark] in Canada has been under the control of the owner of the [Mark] and that owner has controlled the character and quality of all goods and services sold or otherwise associated with the [Mark] in this country.

[26] Mr. Nussbaum states that he has knowledge of the manner in which the Mark “is used in Canada and around the world in association with the range of sport articles and apparatus, including ski bindings, helmets and goggles, and related wares and services that are offered” by Marker Völkl [para. 7].

[27] At paragraph 8 of his affidavit, Mr. Nussbaum states that the Mark has been used in Canada since at least as early as the 2003-2004 ski season. He explains that the products bearing the Mark are sold through specialty ski retailers and in the ski and snowboard sections of general sporting goods stores as well as at “on-site events such as consumer shows, trade shows and other media events”. He goes on to state: “In the vast majority of cases, whenever the [Mark] is used and/or displayed in Canada it is accompanied by the house mark MARKER.”

[28] Mr. Nussbaum files photographs showing the Mark “used in association with ski bindings and related accessories, namely ski helmets and ski goggles” and states that they “are representative of the manner in which the [Mark] has been used with such wares sold since it was first used in Canada in the 2003-2004 ski season” [para. 9, Exhibits “A-1” to “A-8”].

[29] According to Mr. Nussbaum's statements, the Mark is also featured prominently in Canadian retail establishments selling ski bindings and related accessories. He files photographs showing the Mark "as it appears on signage and other materials that are distributed by [Marker Völkl] to Canadian retail establishments" and "representative of the manner in which the [Mark] has appeared in Canadian retail establishments since wares bearing the [Mark] were first sold in [Canada] in the 2003-2004 ski season [para. 10, Exhibits "B-1" to B-6].

[30] Still according to Mr. Nussbaum's statements, the Mark appears as well in technical and dealer information materials that are distributed to retailers by Marker Völkl. Mr. Nussbaum files photographs of dealer information pages [Exhibit "C-1"] and technical manuals [Exhibit "C-2" and "C-3"] and states that they are "representative of such materials that have been distributed in Canada since wares bearing the [Mark] were first sold in Canada in 2003-2004" [para. 11]. The Mark is also featured at ski and snowboards events that "are organised or otherwise sponsored" by Marker Völkl in Canada [para. 12]. Mr. Nussbaum files advertisements for an event sponsored by Marker Völkl during the 2006-2007 and 2007-2008 ski seasons [Exhibits "D-1" and "D-2"].

[31] Mr. Nussbaum provides the list of Canadian retail establishments selling products bearing the Mark at the time of his affidavit [Exhibit "E"]. According to his statements, the list includes speciality ski shops as well as general sporting goods and is representative of stores that have sold products bearing the Mark in Canada since the 2003-2004 ski season [paras. 13-14]. Due to the "technical nature of the products", they are "almost exclusively displayed in the ski/snowboard section of general sporting goods where specialised personnel is on hand to assist customers" [para. 14].

[32] According to the yearly breakdown provided in the Nussbaum affidavit, the sales figures "for products sold in Canada" in association with the Mark from the 2005-2006 to the 2009-2010 ski seasons totalled approximately over \$7.5 million [para. 15]. Mr. Nussbaum states that the Canadian sales figures for the 2003-2004 and 2004-2005 seasons are not available but "would certainly be somewhere" between \$1.2 and \$1.5 million [para. 16].

[33] According to Mr. Nussbaum's statements, between 2005 to the date of his affidavit, Marker Völkl has spent close to \$20,000 annually to advertise and promote in Canada "wares

sold” and “events held” in Canada in association with the Mark [para. 17]. The distribution of catalogues to retailers is one of the main forms of advertising by Marker Völkl. Other forms of advertisements and promotional materials include give-aways, such as t-shirts worn by employees of retail stores, stickers and posters [para. 18]. Mr. Nussbaum files photographs of: collages of catalogues and stickers [Exhibits “F-1” to “F-3”]; a poster [Exhibit “G”]; and of a key chain distributed as give away [Exhibit “H”]. Still according to Mr. Nussbaum’s statements, these are representative of catalogues, posters and give-aways that have been or were distributed in Canada by Marker Völkl since the 2003-2004 ski season [paras. 19-21].

Opponent’s Evidence in Reply

[34] As evidence in reply to the Applicant’s evidence, the Opponent filed a second affidavit of Mr. Triquet, including its Exhibit “A” (the second Triquet affidavit) and the affidavit of Karen E. Thompson, including its Exhibits “A” to “C”. Each affidavit was sworn on April 22, 2010.

[35] The second Triquet affidavit serves to file a listing of Canadian retail establishments that allegedly sell products bearing the Mark and have also sold or sell wares associated with one or more of the M & Design Marks [par. 3].

[36] Ms. Thompson is a trade-mark searcher employed by the Opponent’s trade-mark agent. She files the results of her searches of the Internet Archive Wayback Machine website to obtain archived versions of the website *www.markercanada.com* from 1999 to 2009 [para. 3, Exhibit “A”]. She files a copy of the archived webpage for November 22, 2002 [para. 4, Exhibit “B”]. She also files a copy of the webpage she accessed when clicking on the word “Marker” on the archived webpage [para. 5, Exhibit “C”].

Preliminary Comments

[37] Before analyzing the grounds of opposition, I wish to comment on issues arising from some of the Opponent’s submissions as to deficiencies in the Nussbaum affidavit.

Applicant's Affiant

[38] The Opponent does not object to Mr. Nussbaum's competency to give evidence on the Applicant's behalf. However, it notes that Mr. Nussbaum has been employed as General Manager of Marker Völkl Canada since January 2005 only, which is almost two years after the filing date of the application.

[39] It is likely that a more complete picture of Mr. Nussbaum's knowledge of the facts stated in his affidavit, be it personal or from the records of Marker Völkl, could have been obtained through cross-examination, but the Opponent elected to forego cross-examination. In the absence of cross-examination, I am not prepared to disregard the evidence given by Mr. Nussbaum that predates January 2005. That being said, the absence of cross-examination does not prevent me to assess the value or weight of his evidence [see *London Drugs Ltd. v. Purpharm Inc.* (2006), 54 C.P.R. (4th) 87 at 92-93 (T.M.O.B.)].

Ski Season

[40] The second issue revolves around Mr. Nussbaum's statement that the Mark has been used in Canada since as least as early as the 2003-2004 ski season. The Opponent submits that Mr. Nussbaum "does not explain when a ski season starts, or whether products were or are typically available for sale prior to a ski season or during the seasons leading up to a particular year's ski season".

[41] I am prepared to take judicial notice that the ski season in Canada will typically run from November to April with variances depending on location, altitude and other factors such as snowmaking. Also, I find it reasonable to conclude that products for a particular year's ski season are available for purchase prior to that ski season, which seems to be supported by the evidence of record. In that regard, I note that the following mentions appear on the archived page of November 22, 2002 for the website *www.markercanada.com*: "2003-2004 WINTER PRODUCT BROCHURES ARE ROLLING IN!" in English and "LES PRODUITS POUR LA SAISON 2003-2004 SONT ARRIVÉES (*sic*)!" in French]. I also note in passing that the evidence produced by the Wayback Machine indicating the state of websites in the past has been found to be generally reliable [see *Candrug Health Solutions Inc. v. Thorkelson* (2007), 60

C.P.R. (4th) 35 (F.C.); reversed on other grounds 64 C.P.R. (4th) 431 (F.C.A.)). I would add that the Applicant does not debate the admissibility of the Wayback Machine evidence introduced by the Thompson affidavit.

Users of the Mark in Canada

[42] The remaining issues that I wish to discuss revolve around the Opponent's submissions with respect to ambiguities in the Nussbaum affidavit as to the users of the Mark when considering the statements in paragraphs 3 to 5 of the affidavit, which I have reproduced at paragraph 25 of my decision. In summary, the Opponent submits that it is not clear: (i) what entities were in fact authorized to use the Mark in Canada; (ii) whether the "necessary arrangements" between the Applicant and any alleged user of the Mark, such as Marker Völkl Canada, were licensing arrangements; and (iii) whether the Applicant exercised control over the quality of the wares sold and the services performed in association with the Mark. I remark that any ambiguities in the Nussbaum affidavit should be resolved against the Applicant [see *Conde Nast Publications Inc. v. Union des Editions Modernes* (1979), 46 C.P.R. (2d) 183 (F.C.T.D.)].

[43] First, I am not concerned by the use of the Mark by Marker Völkl Canada, if any, since trade-mark use by a distributor is that of the owner of the trade-mark. In addition, I find that the lack of details on the members of the Marker, the Völkl and the Marker Völkl groups of companies is not by itself detrimental to the Applicant's case, nor is the lack of explanation as to where Marker Völkl fits within the Marker Völkl group of companies. Also, even though the document recorded by CIPO with respect to the assignment of the application for the Mark to the Applicant [see para. 3 of my decision] was not filed in evidence, I had regard to it to confirm the date and parties thereto. [See *Star-Kist Foods Inc. v. Canada (Reg. of T.M.)* (1988), 20 C.P.R. (3d) 264 (F.C.A.) for the proposition that the Registrar has authority to review a recorded assignment.] I confirm that the assignment occurred between Marker International and Marker Völkl on March 5, 2007.

[44] That being said, based on my reading of the Nussbaum affidavit, it is unclear to me which company or companies used the Mark in Canada during the 2003-2004 and 2004-2005 ski seasons for the following reasons:

- Mr. Nussbaum states that the Mark has been used in Canada since the 2003-2004 ski season, but does not identify the company or companies having first used the Mark or having used it for that season onwards;
- Mr. Nussbaum states that Exhibits “A-1” to “A-8” are representative of the use of the Mark in association with ski bindings and related accessories since the 2003-2004 ski season, but does not state that they are representative of use by either Marker Völkl or another company. It is the same for his statement as to Exhibits “C-1” to “C-3”;
- even though Exhibits “B-1” to “B-6” are said to be representative of signage and other materials distributed since the 2003-2004 ski season, I am not prepared to infer that those were distributed by Marker Völkl starting in the 2003-2004 ski season since Mr. Nussbaum states that signage and other materials *are* distributed by Marker;
- Mr. Nussbaum’s statements that Exhibits “F-1” to “F-3”, “G” and “H” are representative of advertising and promotional materials distributed by Marker Völkl since the 2003-2004 ski season do not shed light on the company or companies having used the Mark during the 2003-2004 and 2004-2005 ski seasons because, in general, use of a trade-mark in advertisement does not amount to use in association with wares pursuant to s. 4(1) of the Act [see *BMW Canada Inc. v. Nissan Canada Inc.* (2007), 60 C.P.R. (4th) 181 at para. 25 (F.C.A.)]; and
- besides not explaining the unavailability of the sales figures for the 2003-2004 and 2004-2005 ski seasons, Mr. Nussbaum does not indicate which company sold the products that would have generated revenues between \$1.2 and \$1.5 million during those two ski seasons, nor for that matter does he indicate which company generated the sales figures provided for the 2005-2006 to the 2009-2010 ski seasons.

[45] Having regard to the foregoing, based on my reading of the Nussbaum affidavit as a whole, I am prepared to accept that it establishes use of the Mark since the 2003-2004 ski season. Still, given the ambiguities resulting from the lack of specificity as to the user(s) of the Mark during the 2003-2004 and 2004-2005 ski seasons, I find it is not possible to satisfactorily conclude that the Mark was used either by Marker International itself or through a licensee during those ski seasons.

[46] All in all, insofar as the users of the Mark are concerned, I am prepared to accept that the Nussbaum affidavit satisfactorily establishes use of the Mark by Marker Völkl from the 2005-2006 ski season onwards. The question becomes whether the use of the Mark by Marker Völkl from the 2005-2006 ski season up to March 5, 2007, namely under the ownership of Marker International, meets the requirement of s. 50(1) of the Act.

[47] Section 50(1) of the Act requires the owner to have direct or indirect control of the character or quality of the wares or services in order for the use of a trade-mark by a licensee to be deemed to be use by the owner. The fact that we do not know whether Marker International and Marker Völkl were both members of the Marker Völkl group of companies during the material time is of no significance since corporate structure alone is insufficient to establish the existence of a license within the meaning of s. 50(1) of the Act [see *MCI Multinet Communications Corp. v. MCI Multinet Communications Inc.* (1995), 61 C.P.R. (3d) 245 (T.M.O.B.); *Loblaws Inc. v. Tritap Food Broker* (1999), 3 C.P.R. (4th) 108 (T.M.O.B.)]. What needs to be considered is whether the statements at paragraph 5 of the Nussbaum affidavit are sufficient for establishing that Marker International benefited from the use of the Mark by Marker Völkl.

[48] In my opinion, Mr. Nussbaum's reference to "necessary arrangements" at paragraph 5 of his affidavit is not incompatible with licensing arrangements. In any event, s. 50(1) of the Act does not require a written agreement. Evidence of control by an owner of a trade-mark can support the existence of an implied license agreement [see *Well's Dairy Inc. v. UL Canada Inc.* (2000), 7 C.P.R. (4th) 77 (F.C.T.D)]. Although details as to the steps taken by Marker International to ensure control of the character or quality of the wares sold or services performed by Marker Völkl would likely have been elicited through cross-examination, the Opponent elected to forego cross-examination. Mr. Nussbaum expressly attests to control of the character and quality of the wares and services associated with the Mark by its owner. In the absence of cross-examination and of any objection by the Opponent concerning the competency of Mr. Nussbaum to give evidence on behalf of the Applicant, I find it reasonable to give full weight to Mr. Nussbaum's statements at paragraph 5 of his affidavit. In other words, in the circumstances of this case, I accept the Nussbaum affidavit as sufficient to establish that the use of the Mark by Marker Völkl starting in the 2005-2006 ski season up to March 5, 2007 had

enured to the benefit of Marker International. I will discuss later on if the evidence establishes use of the Mark in association with all of the applied-for wares and the applied-for services

Analysis of the Grounds of Opposition

[49] I dismiss from the outset the ground of opposition based upon non-conformity to the requirements of s. 30(b) of the Act. The Mark has been applied for registration on the dual basis of registration and use in Germany and proposed use in Canada. Accordingly, the allegation that the application does not include the date from which the Applicant or its named predecessor in title has used the Mark does not raise a proper ground of opposition.

[50] I also dismiss from the outset the ground of opposition based upon non-conformity to the requirements of s. 30(i) of the Act. The allegation that the Applicant could not have been satisfied that it was entitled to use the Mark in view of the prior use of the Opponent's alleged trade-marks does not raise a proper ground of opposition. Section 30(i) of the Act only requires that an applicant declares itself satisfied that it is entitled to use the applied-for mark. Such statement is included in the application for the Mark. Section 30(i) of the Act can sometimes be the basis of a ground of opposition in specific cases, such as where bad faith on the part of the applicant is alleged and established or if specific statutory provisions prevent the registration of the applied-for mark [see *Sapodilla Co. Ltd. v. Bristol-Myers Co.* (1974), 15 C.P.R. (2d) 152 (T.M.O.B.) and *Canada Post Corporation v. Registrar of Trade-marks* (1991), 40 C.P.R. (3d) 221 (F.C.T.D.)]. This is not such a case.

[51] I shall now turn to the analysis of the remaining grounds of opposition, although not necessarily in their order of pleading.

Registrability pursuant to s. 12(1)(d) of the Act

[52] The pleaded ground of opposition alleges that the Mark is not registrable pursuant to s. 12(1)(d) of the Act as it is confusing with the Opponent's registered trade-marks M & Design (Nos. TMA573,705 and TMA588,407) and M MERRELL & Design (Nos. TMA645,008 and TMA644,915).

[53] Having exercised the Registrar's discretion, I confirm that each alleged registration is extant as of today's date and so the Opponent's initial burden under s. 12(1)(d) of the Act has been met. The question becomes whether the Applicant has met its legal onus to establish, on a balance of probabilities, that there is no reasonable likelihood of confusion between the Mark and the Opponent's registered trade-marks.

[54] The test for confusion is one of first impression and imperfect recollection. Section 6(2) of the Act indicates that 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 wares or services associated with those trade-marks are manufactured, sold, leased, hired or performed by the same person, whether or not the wares or services are of the same general class.

[55] In applying the test for confusion, the Registrar must have regard to all the surrounding circumstances, including those specifically enumerated in s. 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 wares, 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. These enumerated factors need not be attributed equal weight. [See, in general, *Mattel, Inc. v. 3894207 Canada Inc.* (2006), 49 C.P.R. (4th) 321 (S.C.C.) and *Masterpiece Inc. v. Alavida Lifestyles Inc.* (2011), 92 C.P.R. (4th) 361 (S.C.C.).]

[56] In my view, the trade-mark M & Design of registration Nos. TMA573,705 and TMA588,407 (the Opponent's Mark) presents the Opponent's strongest case since the marks of registration Nos. TMA649,915 and TMA645,008 include the word MERRELL. In other words, if confusion is not likely between the Mark and the Opponent's Mark, then it would not be likely between the Mark and either of the trade-marks M MERRELL & Design. By the same token, if the ground of opposition based upon registration Nos. TMA573,705 and TMA588,407 is successful, it will be unnecessary to address the ground of opposition based upon registration Nos. TMA649,915 and TMA645,008.

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

[57] The Mark consists of the letters “M” within an oval shape whereas the Opponent’s Mark consists of the letter “M” within a circle shape. In general, marks comprised of letters of the alphabet with little additional distinctive indicia are considered to be inherently weak [see *GSW Ltd. v. Great West Steel Industries Ltd. et al.* (1975), 22 C.P.R. (2d) 154 (F.C.T.D.)]. Thus, even though each mark possesses some degree of inherent distinctiveness, neither is inherently strong. However, their strength may be increased by means of them becoming known through promotion or use.

[58] I recognize that the introduction of the evidence by collective reference to the M & Design Marks certainly opens the Triquet affidavit to criticism. For instance, Mr. Triquet provides a yearly breakdown of the sales and advertising figures, but does not provide separate amounts for each of the M & Design Marks. Nonetheless, based a fair reading of the Triquet affidavit as a whole, I am satisfied that it establishes use of the Opponent’s Mark in Canada since December 1999. I would add that in so finding, I accept that the use of the mark shown below qualifies as use of the Opponent’s Mark [see *Nightingale Interloc v. Prodesign Ltd.* (1984), 2 C.P.R. (3d) 535 (T.M.O.B.) under Principle 2]:



[59] The evidence directed to the promotion and advertising of the Opponent’s Mark is also open to criticism. For instance, there is no evidence establishing the number of Canadians that would have accessed the Opponent’s websites, or any other websites mentioned in the Triquet affidavit, at any time whatsoever. Still, the Triquet affidavit provides, among others, examples of typical advertisements in printed publications since at least as early as 2000. I can take judicial notice that such magazines as *People*, *Newsweek* and *National Geographic* do circulate in Canada [see in general *Danjaq Inc. v. Zervas* (1997), 75 C.P.R. (3d) 295 (F.C.T.D.) and *Timberland Co. v. Wrangler Apparel Corp.* (2004), 38 C.P.R. (4th) 178, aff’d (2005), 41 C.P.R. (4th) 223 (F.C.T.D.)]. Likewise, I can take judicial notice of a national newspaper such as *The National Post* having a substantial circulation in Canada [see *Northern Telecom Ltd. v. Nortel*

Communications Inc. (1987), 15 C.P.R. (3d) 540 (T.M.O.B.)). Thus, it appears that Canadians have been exposed to various publications featuring advertisements for the Opponent's Mark since 2000.

[60] In the end, I am satisfied that both marks have become known in Canada, although I conclude that the Opponent's Mark has become known to a larger extent than the Mark.

The length of time each trade-mark has been in use

[61] The application filed on April 30, 2003 is based upon registration and use of the Mark in Germany and proposed use in Canada.

[62] Although the Applicant has provided evidence of use of the Mark, I agree with the Opponent that the evidence does not establish use of the Mark in association with all of the applied-for wares. In that regard, it is noteworthy that, except for paragraph 9, Mr. Nussbaum throughout his affidavit generally refers to the "wares" or the "products" associated with the Mark without specifying the wares or products in question. Insofar as paragraph 9 is concerned, Mr. Nussbaum states that Exhibits "A-1" to "A-8" show the Mark "used in association with *ski bindings and related accessories, namely ski helmets and ski goggles*" and are representative of the manner in which the Mark "has been used with *such wares*" (my emphasis). At the oral hearing, the Applicant took the position that the term "related accessories" at paragraph 9 should not be read as restricted to "ski helmets and ski goggles". I disagree. Besides the fact that the Applicant did not expand on its position, in my view it is reasonable to conclude that the word "namely" has a restrictive connotation.

[63] I have some difficulty reaching the conclusion that the Nussbaum affidavit evidences use of the Mark in association with the applied-for services since the 2003-2004 ski season. Again, Mr. Nussbaum mostly refers to "related services" offered or performed in association with the Mark in his affidavit. When referring to "ski and snowboard events" at paragraph 12 of his affidavit, he states that they *are* organised or otherwise sponsored by Marker Völkl and files supporting exhibits for events held during the 2006-2007 and 2007-2008 ski seasons. He also refers to "events" at paragraph 17 when providing advertising expenses since 2005.

[64] In the end, insofar as the applied-for wares are concerned, based on a fair reading of the Nussbaum affidavit as a whole, I conclude that it establishes use of the Mark in Canada since the 2003-2004 ski season in association only with ski bindings, helmets and goggles. Yet, because I have found that the evidence does not establish use of the Mark by the Applicant itself or through a license prior to the 2005-2006 ski season, the use in association with the aforementioned wares during the 2003-2004 and 2005-2006 ski seasons is of no significance. Likewise, assuming one accepts the Nussbaum affidavit as establishing use of the Mark in association with the applied-for services since the 2003-2004 ski season, the use prior to the 2005-2006 ski season is of no significance.

[65] The Opponent's Mark has proceeded to registration No. TMA588,407 in association with footwear on the basis of its use and registration in the United States, and to registration No. TMA573,705 in association with clothing, accessories and bags further to the filing of a declaration of use on January 6, 2003. The sales figures provided in the Triquet affidavit are not broken down either by items or by category of wares. While a more complete picture of the sales figures could likely have been elicited by the cross-examination of Mr. Triquet, the Applicant elected to forego cross-examination. In any event, based on a fair reading of the Triquet affidavit as a whole and in the absence of internal inconsistencies therein, I am satisfied that it establishes use of the Opponent's Mark in Canada in association with clothing, outerwear, outerwear accessories and footwear since 1999.

[66] I wish to add that even if I am wrong in considering that the Nussbaum affidavit does not establish that the Mark was used either by the Applicant itself or through a licensee during the 2003-2004 and 2004-2005 ski seasons, the length of time each mark has been in use would still favour the Opponent.

The nature of the wares, services or business; and the nature of the trade

[67] It is the statement of wares in the application and the statement of wares in the registration that must be taken into consideration when assessing the factors set forth at s. 6(5)(c) and (d) of the Act [see *Mr. Submarine Ltd. v. Amandista Investments Ltd.* (1987), 19 C.P.R. (3d) 3 (F.C.A.); *Miss Universe, Inc. v. Bohna* (1994), 58 C.P.R. (3d) 381 (F.C.A.)].

[68] I conclude to overlap, similarity or relationship between the Opponent's registered wares and the wares described in the application as: "[...] bags namely bags for sports apparatus, garment bags, rucksacks; clothing, namely athletic clothing, casual clothing, outdoor winter clothing, ski wear and protective clothing, caps, gloves, sports gloves [...] ski and snowboard gloves, [...] ski bags".

[69] The registered wares and the Applicant's remaining wares described in the application as "helmets for sportsmen/women, goggles for sportsmen/women; [...] sports articles and apparatus, namely skis, ski bindings, snowboards, snowboard bindings, sports articles namely shinbone, knee and/or elbow protectors [...]" are different. However, the remaining applied-for wares and the Opponent's registered wares "footwear namely hiking, multi-sport, trail running, running" (TMA588,407) are used to perform sport activities, albeit different ones. Therefore, there is some similarity in the nature of these wares [see *Bauer International Ltd. v. Brooks Sports, Inc.* (2011), 98 C.P.R. (4th) 368 at para.45 (T.M.O.B.)].

[70] The Applicant contends that the fact that its wares are technical and expensive reduces the likelihood of confusion. I disagree. The fact that consumers may seek assistance of specialized personnel to obtain information on how to use a product does not reduce the likelihood of confusion [see *Henkel Kommanditgesellschaft Auf Aktien v. Super Dragon Import Export Inc.* (1986), 12 C.P.R. (3d) 110 at 112 (F.C.A.), affirming 2 C.P.R. (3d) 361 (F.C.T.D.)]. Moreover, the Supreme Court of Canada confirmed in *Masterpiece* that the first impression of consumers is the focus of the confusion analysis, even when wares are expensive.

[71] The Opponent's registrations do not cover services. Nonetheless, I find it reasonable to conclude to a potential for overlap between the services described in the application and the Opponent's registered wares. Indeed, the fact that the Applicant itself is seeking registration of the Mark in association with "organisation of sporting events, also as joint organiser or sponsor of sporting events", arguably establishes a relationship between those services and the wares associated with the Mark, which in turn establishes a relationship between the Applicant's services and the Opponent's registered wares. The evidence of sponsorship of sporting events as part of the Opponent's promotional and advertising activities lends support to this finding.

[72] Insofar as the nature of the trade is concerned, I conclude that the parties' channels of trade are not distinguishable. In fact, the evidence establishes that the wares are sold in the same general sporting goods stores, such as Sport Experts. The Applicant's submissions that its wares will not be sold alongside those of the Opponent because they are sold in ski/snowboard section of general sporting goods is of no assistance to its case. Section 6(2) of the Act makes it clear that the wares do not have to be sold side by side.

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

[73] In *Masterpiece*, the Supreme Court stated that the degree of resemblance between the marks is often likely to have the greatest effect on the confusion analysis [see also *Beverley Bedding & Upholstery Co. v. Regal Bedding & Upholstery Ltd.* (1980), 47 C.P.R. (2d) 145 at 149 (F.C.T.D.), affirmed 60 C.P.R. (2d) 70].

[74] Obviously, there are no differences between the parties' marks in sound and in the ideas suggested. The Applicant did not convince me that the font and styling of the letter "M" result in significant differences between the marks in appearance. Rather, I am of the view that there is a fairly high degree of resemblance in appearance between the marks.

Additional surrounding circumstances

[75] The Applicant's submissions as to the evidence of record advance the absence of actual confusion and the manner of use of the parties' marks as additional surrounding circumstances.

Absence of actual confusion

[76] An opponent is under no obligation to submit evidence of instances of actual confusion. The absence of such evidence is not determinative of the issue of confusion. The burden is on an applicant to demonstrate the absence of a likelihood of confusion. That said, if there is evidence of extensive concurrent use, an absence of evidence of actual confusion over a relevant period of time may entitle one to draw a negative inference about the likelihood of confusion [see *Christian Dior, supra*].

[77] I have accepted that there is evidence of use of the Mark since the 2003-2004 ski season, albeit not necessarily to the benefit of the Applicant. Thus, the evidence arguably establishes concurrent use of the marks since the 2003-2004 ski season. However, as discussed above, there is no clear evidence of use of the Mark in association with wares other than ski bindings, helmets and goggles. Accordingly, the fact that no instance of actual confusion has been evidenced is a factor that raises a negative inference about the likelihood of confusion, but only insofar as the wares ski bindings, helmets and goggles are concerned.

Use of the parties' house marks

[78] The Applicant submits that the use of the parties' marks in combination with their respective house marks, namely MARKER for the Applicant and MERRELL for the Opponent, supports a finding of no likelihood of confusion. In that regard, the Applicant cited the decision *United Artists Pictures Inc. v. Pink Panther Beauty Corp.* (1998), 80 C.P.R. (3d) 247 at 264 (F.C.A.) where, in the context of an appeal from opposition proceeding, the Court stated: "The 'get-up', or the way that a product is packaged, and as a consequence the way the mark is presented to the public, is an important factor in determining whether confusion is likely."

[79] The Applicant did not persuade me on this point. First, the present case can be distinguished from the *Pink Panther* case if only because the wares associated with the parties' marks are much more closely related than motion picture films, etc. and beauty supplies. Second, contrary to the Applicant's submissions, several exhibits to the Triquet affidavit show wares bearing the Opponent's Mark by itself. Also, the exhibits show that when displayed in combination, the Opponent's Mark is not necessarily displayed in *close* combination to the house mark MERRELL. Third, even if I am to accept the Applicant's position as to the evidence showing the Mark "consistently used in close combination with the house mark MARKER", I once again note that the Applicant did not show use of the Mark in association with all of the applied-for wares. Finally, with due respect, I believe it is the form in which the applied-for mark would be registered that should be considered since the actual use of a mark could change at any time. For instance, the Applicant could decide to cease using its house mark in close combination to the Mark.

Conclusion

[80] The legal onus is on the Applicant to show that, as of today's date, the Mark is not reasonably likely to cause confusion with the Opponent's Mark. This means that the Applicant must prove that the absence of confusion is more probable than its existence.

[81] In applying the test for confusion, I have considered it as a matter of first impression and imperfect recollection. Having considered all of the surrounding circumstances, I conclude that the Applicant did not discharge the legal onus resting upon it. In reaching this conclusion, I have had regard to: the high degree of resemblance between the Mark and the Opponent's Mark; the extent to which the Opponent's Mark has become known and the length of time it has been in use; the overlap, similarity, or relationship between the registered wares and the wares and services described in the application; and the similarity or identity in the parties' channels of trade. When all these circumstances are factored in, the absence of evidence of instances of actual confusion is not sufficient to shift the balance of probabilities in favour of the Applicant. In my opinion, at the utmost it would evenly balance the probabilities of confusion between the Mark for ski bindings, helmets and goggles and the Opponent's Mark.

[82] Having regard to the foregoing, the ground of opposition is successful to the extent that it is based on registration Nos. TMA573,705 and TMA588,407 for the trade-mark M & Design.

Non-Distinctiveness

[83] The pleaded ground of opposition also revolves around the likelihood of confusion between the Mark and the trade-marks alleged by the Opponent in the statement of opposition. In order to meet its initial burden, the Opponent has to show that one or more of its alleged trade-marks had become known sufficiently as of August 16, 2007 to negate the distinctiveness of the Mark [see *Motel 6, Inc. v. No. 6 Motel Ltd.* (1981), 56 C.P.R. (2d) 44 (F.C.T.D.); *Bojangles' International, LLC and Bojangles Restaurants, Inc. v. Bojangles Café Ltd.* (2006), 48 C.P.R. (4th) 427 (F.C.)].

[84] I am satisfied that the evidence establishes that the Opponent's Mark had become sufficiently known as of August 16, 2007 to negate the distinctiveness of the Mark. Further in

view of the evidence or record, assessing each of the s. 6(5) factors as of the filing date of the statement of opposition rather than as of today's date does not significantly impact my previous analysis of the surrounding circumstances of this case.

[85] To the extent that the non-distinctiveness ground of opposition is based upon the likelihood of confusion between the Mark and the Opponent's Mark, I find it is successful for reasons similar to those expressed in regards to the s. 12(1)(d) ground of opposition.

Remaining grounds of opposition

[86] As I have already accepted the opposition under two grounds, I will not address the non-entitlement ground of opposition based solely upon s. 16(3)(a) of the Act and the s. 30(e) ground of opposition. As an aside, I remark that in view of the dual basis of the application, if the s. 30(e) ground of opposition would have been the only successful ground, the application could still have proceeded to registration on the basis of registration and use in Germany since the application was not opposed on the ground of non-conformity to s. 30(d) of the Act.

Disposition

[87] Having regard to the foregoing, pursuant to the authority delegated to me under s. 63(3) of the Act, I refuse the application pursuant to s. 38(8) of the Act.

Céline Tremblay
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office