

**IN THE MATTER OF AN OPPOSITION
by Bygone Daze Concepts Inc. to application No.
555,454 for the trade-mark STUDEBAKER'S
filed by Studebaker's of America, Inc.**

On February 4, 1986, the applicant, Studebaker's of America, Inc., filed an application to register the trade-mark STUDEBAKER'S for (1) restaurant and bar services and (2) nightclub services. The application is based on making known of the mark in Canada since December 1983 in association with the services marked (1) and on use and registration (No. 1,234,014) in the United States for the services marked (2). The application was advertised for opposition purposes on December 17, 1986.

The opponent, Bygone Daze Concepts Inc., filed a statement of opposition on February 9, 1987, a copy of which was forwarded to the applicant on February 24, 1987. The first ground of opposition is that the application does not comply with the provisions of Section 30(c) of the Trade-marks Act because the applicant did not make its trade-mark known in Canada as of December 1983, as claimed. The second ground of opposition is that the applicant is not the person entitled to registration pursuant to Section 16(2) of the Act because, as of the applicant's filing date, the applied for mark was confusing with the trade-mark STUDEBAKER'S for which an application (No. 541,610) had previously been filed in Canada by the opponent for restaurant and bar services. The third ground is that the applicant's trade-mark is not distinctive in view of the opponent's use of its trade-mark.

The applicant filed and served a counter statement. As its evidence, the opponent filed an affidavit of Douglas N. Deeth. As its evidence, the applicant filed the affidavits of Lorraine King and Jeffrey S. Wallace. On June 4, 1990, the applicant was granted leave pursuant to Rule 46(1) of the Trade-marks Regulations to replace the King affidavit with an affidavit of Griffin Thompson. Messrs. Wallace and Thompson were cross-examined on their affidavits and the transcripts of those cross-examinations form part of the record of this proceeding.

As evidence in reply, the opponent filed an affidavit of its President, Philip Passy. The applicant was subsequently granted leave pursuant to Rule 46(1) on June 11, 1991 to file an affidavit of Maurice Dantin. Mr. Dantin was cross-examined on his affidavit and the transcript of that cross-examination forms part of the record of this opposition. Both parties filed a written argument and an oral hearing was conducted at which only the opponent was represented.

During the Dantin and Wallace cross-examinations, certain undertakings were given. The applicant failed to satisfy those undertakings and, by letter dated January 22, 1993, the Chairman of the Opposition Board indicated that the failure to fulfill undertakings could result in the affidavits being ignored at the decision stage of this proceeding. Paragraph eight of the opponent's written argument erroneously suggests that the Chairman stated that the affidavits would be ignored. In fact, a review of the undertakings reveals that they are not particularly material to the issues at hand. Thus, the applicant's failure to fulfill them is of little consequence in this case.

As for the first ground of opposition, the material date for determining whether or not the applicant has complied with Section 30(c) of the Act is as of the filing date of the applicant's application. Further, while the legal burden is upon the applicant to show that its application complies with Section 30(c), there is an initial evidential burden on the opponent in respect of this ground: see the opposition decision in Joseph E. Seagram & Sons Ltd. v. Seagram Real Estate Ltd. (1984), 3 C.P.R. (3d) 325, at pages 329-330. To meet this evidential burden, the opponent must adduce sufficient admissible evidence from which it could reasonably be concluded that the facts alleged to support that issue exist: see John Labatt Limited v. The Molson Companies Limited (1990), 30 C.P.R. (3d) 293 at 298 (F.C.T.D.). The evidential burden on the opponent, in this case, is a very light one: see the opposition decisions in Burns Philip Canada Inc. v. Geo. A. Hormel & Co. (1993), 51 C.P.R.(3d) 524 at 528 and Shyba v. Kinder-Care Learning Centers, Inc. (1983), 76 C.P.R.(2d) 204 at 209-210.

The applicant claims that it has made its trade-mark known in Canada as of December

1983 which must be taken to be December 31, 1983. Section 5 of the Act dictates what is required to show that a trade-mark has been made known. Section 5 reads as follows:

A trademark is deemed to be made known in Canada by a person only if it is used by that person in a country of the Union, other than Canada, in association with wares or services, and

- (a) the wares are distributed in association with it in Canada, or
- (b) the wares or services are advertised in association with it in
 - (i) any printed publication circulated in Canada in the ordinary course of commerce among potential dealers in or users of the wares or services, or
 - (ii) radio broadcasts ordinarily received in Canada by potential dealers in or users of the wares or services,

and it has become well known in Canada by reason of the distribution or advertising.

The Deeth affidavit refers to an action commenced in the Supreme Court of Ontario in June of 1986 by the applicant, its licensees and its parent company as plaintiffs against the opponent Bygone Daze Concepts Inc. and others as defendants respecting the trade-mark STUDEBAKER'S. The plaintiffs sought an interlocutory injunction against the defendants and filed supporting affidavits. Mr. Deeth cross-examined those affiants including Mr. Wallace, the President of the applicant's licensee Studebaker's Resource Development Ltd. According to Mr. Deeth, on cross-examination, Mr. Wallace was unable to identify any television or radio advertising for the applicant's mark STUDEBAKER'S that would have been seen or heard in Canada prior to December of 1983.

The motion for an interlocutory injunction was dismissed. Mr. Deeth subsequently conducted examinations for discovery of the applicant's President, Stuart Sargent, and of Eugene Lewis, the President of the applicant's licensee Studebaker's Resource Development (U.S.) Inc. According to Mr. Deeth, neither of these individuals was able to identify any radio, television or magazine advertising featuring the applicant's trade-mark which would have been seen or heard in Canada prior to December 1983.

Although the Deeth affidavit may suffer from hearsay deficiencies, the applicant's own

affiants and the transcripts of the cross-examinations of those affiants confirm Mr. Deeth's statements. None of the applicant's affiants was able to evidence any radio or television advertising featuring the applicant's mark that was received in Canada on or before the end of 1983. Furthermore, they were unable to evidence any advertising in printed publications that would have circulated in Canada at or before that time.

In paragraph eight of his affidavit, Mr. Wallace states that the applicant's mark was advertised in publications having Canadian circulation and he appended a number of exhibits to support that statement. However, none of those exhibits reveals an advertisement featuring the applicant's mark; all of the references to STUDEBAKER'S appear in articles. Furthermore, all but two of the publications referred to are dated subsequent to December 31, 1983. Exhibits D-1 and D-2 comprise photocopied excerpts from the November, 1983 and December, 1983 issues of the magazine Esquire which refer to the STUDEBAKER'S club in Dallas, Texas. Since those references were not advertisements, they do not qualify as activities tending to show that the applicant's mark had been made known within the meaning of Section 5 of the Act. Even if they had qualified, and given that Esquire has some circulation in Canada (see the Thompson affidavit), they would have been far from sufficient to show that the applicant's mark had become "well known" in Canada as of the end of 1983.

In view of the above, I find that the evidence of record is more than sufficient to meet the opponent's evidential burden. It was therefore incumbent on the applicant to evidence its claim to making known of its mark in Canada as of December 1983. The applicant's evidence is woefully inadequate to meet the standard set by Section 5 of the Act. The first ground of opposition is therefore successful and the first basis for registration in the applicant's application cannot be maintained.

As for the second ground of opposition, since the applicant's first basis for registration no longer exists, the material time for considering the issue of prior entitlement is the applicant's filing date in view of the provisions of Section 16(2) of the Act. It was incumbent on the opponent to establish that its application No. 541,610 was filed prior to the applicant's

filing date (February 4, 1986) and that it was pending as of the applicant's advertisement date (December 17, 1986).

Appended as Exhibit A to the Deeth affidavit is a photocopy of the opponent's application filed on May 8, 1985. Mr. Deeth states that the application was pending as of December 17, 1986. Given the potential hearsay deficiencies in the Deeth affidavit, and in view of the opposition decision in Royal Appliance Mf. Co. v. Iona Appliances Inc. (1990), 32 C.P.R.(3d) 525 at 529, I have exercised my discretion and I have examined the Trade-marks Office file respecting application No. 541,610 for the trade-mark STUDEBAKER'S. The application was filed on May 8, 1985 by Passico Investments Inc. which subsequently changed its name to Bygone Daze Concepts Inc. The application was pending as of December 17, 1986, is still pending and was recently assigned to 968684 Ontario Inc. The application covers the following wares:

clothing, namely T-shirts, jackets and hats; giftware and souvenir items, namely matches, pens, buttons and glasses

and the following services:

the operation of a restaurant and bar, and advising and assisting others in the operation of restaurants and bars.

In view of the above, the second ground of opposition remains to be decided on the issue of confusion. The onus or legal burden is on the applicant to show no reasonable likelihood of confusion between the marks of the parties. Furthermore, the material time for considering the circumstances is as of the applicant's filing date. Finally, in applying the test for confusion set forth in Section 6(2) of the Act, consideration is to be given to all of the surrounding circumstances including those specifically set forth in Section 6(5) of the Act.

Neither mark is inherently strong since STUDEBAKER'S appears to be the possessive form of a surname. Based on the evidence of record, I must conclude that neither mark had become known at all in Canada as of the material time. The length of time the marks have been in use does not favor either party. The applicant's nightclub services are similar to the services of operating a restaurant and bar appearing in the opponent's application.

Presumably the trades of the parties would also be similar. The marks at issue are identical in all respects.

In applying the test for confusion, I have considered that it is a matter of first impression and imperfect recollection. In view of my conclusions above, and particularly in view of the resemblance between the services, trades and marks of the parties, I find that the marks are confusing. The second ground of opposition is therefore successful and the second basis for registration in the applicant's application must also fail. It is therefore unnecessary to consider the third ground.

In view of the above, I refuse the applicant's application.

DATED AT HULL, QUEBEC, THIS 31st DAY OF MAY, 1995.

**David J. Martin
Member
Trade Marks Opposition Board.**