

**IN THE MATTER OF AN OPPOSITION by
Victory Cycle Ltd. to
application No. 1,050,320
for the trade-mark VICTORY
filed by Polaris Industries Inc.**

On March 10, 2000, the applicant, Polaris Industries Inc., filed an application to register the trade-mark VICTORY based upon proposed of the trade-mark in association with toy vehicles and ride-on toys.

The application was advertised for opposition purposes in the Trade-marks Journal of November 28, 2001. The opponent, Victory Cycle Ltd., filed a statement of opposition on April 26, 2002. The applicant filed and served a counter statement in which it denied the opponent's allegations.

As rule 41 evidence, the opponent filed the affidavit of Dan Harrietha (the opponent's President) and a certified copy of trade-mark registration No. TMA557,789.

As rule 42 evidence, the applicant filed the affidavit of its Vice President and General Counsel, Mary P. McConnell.

As rule 43 evidence, the opponent filed certified copies of the file histories for Canadian trade-mark applications Nos. 876,811 and 836,594.

Only the applicant filed a written argument. An oral hearing was not requested.

In respect of each of the grounds of opposition, there is an initial evidential burden on the opponent. The opponent is required to adduce sufficient admissible evidence from which it could reasonably be concluded that the facts alleged to support its grounds of opposition exist. [see *John Labatt Limited v. The Molson Companies Limited*, 30 C.P.R. (3d) 293 at 298] However, the legal onus is on the applicant to establish that its application complies with the requirements of the *Trade-marks Act*.

The first ground of opposition is based on subsection 30(a) of the *Trade-marks Act*, the opponent pleading that the wares have not been described specifically or in ordinary commercial terms. However, the opponent has not adduced any evidence or submitted any argument explaining why it thinks that “toy vehicles and ride-on toys” do not satisfy subsection 30(a)’s requirements. Accordingly, the opponent has not met its initial burden and this ground therefore fails.

The second ground of opposition is based on subsection 30(i) of the Act, the opponent pleading that the applicant, having been aware of the opponent’s previously used trade-mark VICTORY CYCLE and trade-names VICTORY CYCLE and VICTORY CYCLE LTD., could not have been satisfied that it was entitled to use the applied for trade-mark in Canada. The opponent alleges that the applicant’s mark is confusing with the opponent’s trade-mark and trade-names.

The opponent has filed evidence that shows use of its VICTORY CYCLE trade-mark and VICTORY CYCLE LTD. trade-name before the material date of March 10, 2000. It has also evidenced that the applicant was aware of its activities by filing a copy of the statement of opposition that the opponent filed against the applicant’s application No. 836,594 for VICTORY.

That statement of opposition, which was served on the applicant on February 29, 2000, alleged prior use of the opponent's VICTORY CYCLE trade-mark and VICTORY CYCLE and VICTORY CYCLE LTD. trade-names. The opponent has therefore satisfied its initial burden with respect to its subsection 30(i) ground. Whether or not the subsection 30(i) ground succeeds depends on whether it was reasonable to conclude that the marks/names were not confusing as of March 10, 2000. The issues with respect to confusion will be addressed below pursuant to other grounds.

The third ground of opposition pleads that the applicant's trade-mark is not registrable in that it confusing with the opponent's registered trade-mark VICTORY CYCLE, which is the subject of registration No. TMA557,789 for use in association with retail sales and servicing of motorcycles, parts and accessories.

The material date with respect to paragraph 12(1)(d) is the date of my decision [see *Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd. and The Registrar of Trade Marks*, 37 C.P.R. (3d) 413 (F.C.A.)]. The test for confusion is one of first impression and imperfect recollection. In applying the test for confusion set forth in subsection 6(2) of the *Trade-marks Act*, the Registrar must have regard to all the surrounding circumstances, including those enumerated in subsection 6(5) of the Act. Those factors specifically set out in subsection 6(5) are: the inherent distinctiveness of the trade-marks or trade-names and the extent to which they have become known; the length of time each has been in use; the nature of the wares, services or business; the nature of the trade; and the degree of resemblance between the trade-marks or trade-names in appearance or sound or in the ideas suggested by them. The weight to be given to each relevant

factor may vary, depending on the circumstances [see *Clorox Co. v. Sears Canada Inc.* (1992), 41 C.P.R. (3d) 483 (F.C.T.D.); *Gainers Inc. v. Tammy L. Marchildon and The Registrar of Trade-marks* (1996), 66 C.P.R. (3d) 308 (F.C.T.D.)].

The word VICTORY is inherently distinctive with respect to both parties' wares and services since it does not relate in any way to the nature of those wares/services. The word CYCLE is of course not inherently distinctive with respect to the opponent's motorcycle related services but that does not prevent the opponent's mark from being inherently distinctive as a whole.

Although Ms. McConnell attests that the applicant has used its mark in Canada and promoted it via the Internet, there is no evidence of the extent of sales or any evidence that Canadians have viewed the Internet advertisements. On the other hand, Mr. Harrietha has provided the opponent's annual Canadian sales figures and advertising expenditures for the years 1995 through 2001. He has also provided copies of ads and materials circulated in Canada that feature its trade-mark. Although the opponent's sales and advertising are not extensive, based on the evidence, I conclude that the opponent's trade-mark has become more known in Canada than has the applicant's trade-mark. A consideration of the factor listed in subsection 6(5)(b) therefore favours the opponent.

The opponent's mark has been used in Canada since 1995 whereas the applicant's evidence claims use since "on or about June 2001". Therefore, subsection 6(5)(c) favours the opponent.

The applicant's wares are not the same as those to which the opponent's services relate. However,

the description of the applicant's wares is broad enough to include toy motorcycles, with the result that there is a connection between the applicant's wares and the opponent's motorcycle related services. The applicant's affiant does in fact provide a "representative photograph" of its VICTORY wares. The photograph shows a model motorcycle. In addition, we have been provided with pages from the applicant's website which shows a model motorcycle, truck bank and hot rod. These are limited edition replicas, with prices of \$59.99 to \$74.99 (presumably U.S.). Although Ms. McConnell states that use has commenced in respect of both toy vehicles and ride-on toys, I see no evidence in the exhibits of any ride-on toys.

One would expect that toy vehicles and ride-on toys would be sold through toy stores and the like and Ms. McConnell attests that the applicant's VICTORY toys are sold in Canada through Walmart and toy and hobby retailers. The opponent appears to have one business location, in Brampton, Ontario, but its trade-mark has appeared on posters displayed and sold at BB Stunt Shows held in Ontario and Quebec. In 1999, the opponent became a sponsor of BB Stunt Shows, which typically involve motorcycle stunts.

There is a high degree of resemblance between the trade-marks in appearance, sound and the ideas suggested by them.

As a further surrounding circumstance, I note that the applicant stated in trade-mark application No. 836,594 (filed on February 14, 1997) that it intends to use the trade-mark VICTORY in Canada in association with motor cycles.

An additional surrounding circumstance is Mr. Harrietha's sworn statement concerning customers being confused. This appears at paragraph 12 of his affidavit, as follows:

The Opponent has been receiving enquiries from confused customers. Some customers start their conversations as to requirements and it is only during the conversation that we find that they actually wanted the Polaris version of Victory cycle. Many phone calls come to the Opponent asking if we are Polaris. Customers request prices on products that we do not sell. We are even receiving the odd complaint which has been misdirected at the Opponent.

In its written argument, the applicant submits that "the alleged evidence of confusion" should be disregarded as inadmissible hearsay because the "only reference made as to the source of the information is the 'Opponent' (a corporation) as opposed to the affiant's personal knowledge." I am however prepared to give the evidence some weight for the following reasons: 1) the applicant did not cross-examine Mr. Harrietha; 2) Mr. Harrietha is both the President and owner of the opponent; 3) Mr. Harrietha has sworn that "unless stated otherwise, I have personal knowledge of the matters discussed"; and 4) Mr. Harrietha has not used the first person in his affidavit after the sentence quoted above, using instead the noun "the Opponent".

The issue to be decided is whether a consumer who has a general and not precise recollection of the opponent's mark, will, upon seeing the applicant's mark, be likely to think that the parties' wares/services share a common source. I find that a consideration of all the surrounding circumstances leads me to conclude that, on a balance of probabilities, there is a reasonable likelihood of confusion between the marks as of today's date. Although Ms. McConnell attests that she believes that there is no possibility of confusion between the parties' marks because the

applicant sells its wares “in dissimilar avenues than the opponent”, I am of course not bound by her opinion. Moreover, I do not find that any differences in the channels of trade would necessarily make confusion unlikely given that someone buying a collector version of a motorcycle presumably believes that it is a replica of the “real thing”. As shown in Mr. Harrietha’s exhibits, the opponent’s mark appears on motorcycles in races and/or stunt shows and there is no evidence that a consumer who is familiar with the opponent’s business would conclude, on first impression, that a VICTORY toy motorcycle is not a replica of the motorcycles associated with the opponent’s business.

The fourth and fifth grounds of opposition plead that the applicant is not the party entitled to register the trade-mark due to confusion with the opponent’s trade-mark VICTORY CYCLE and trade-name VICTORY CYCLE LTD. previously and continuously used in association with retail sales and servicing of motorcycles, parts and accessories. The material date with respect to these grounds of opposition is the filing date of the application. The opponent has met its initial burden with respect to the entitlement grounds of opposition by evidencing use of its trade-mark and trade-name prior to the filing of the applicant’s application and non-abandonment as of the advertisement of the applicant’s application. As I do not consider the evidence as of the material date of March 10, 2000 to be significantly different from the evidence as of today’s date, I reach the same conclusion regarding the likelihood of confusion under these grounds as I did with respect to the registrability ground. The entitlement grounds of opposition accordingly also succeed.

As the opponent has already succeeded on more than one ground of opposition, I will not discuss the remaining ground of opposition.

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

DATED AT TORONTO, ONTARIO, THIS 25th DAY OF JULY 2005.

**Jill W. Bradbury
Member
Trade-marks Opposition Board**