

***IN THE MATTER OF AN OPPOSITION by Hasbro Canada Inc.  
to application No. 694,282 for the trade-mark CASE OF COLORS  
filed by Rose Art Industries, Inc.***

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On November 18, 1991, the applicant, Rose Art Industries, Inc., filed an application to register the trade-mark CASE OF COLORS based on proposed use of the trade-mark in Canada in association with “an art set containing art supplies, activity sets which include modelling compounds, molds for modelling compound, and implements and tools for sculpting modelling compound”. The applicant disclaimed the right to the exclusive use of the words CASE and COLORS apart from its trade-mark. Moreover, the applicant claimed a priority filing date of September 3, 1991 based on its application for registration of the same or substantially the same trade-mark filed in the United States of America under No. 200,096.

The present application was advertised for opposition purposes in the *Trade-marks Journal* of October 6, 1993 and the opponent, Hasbro Canada Inc., filed a statement of opposition on March 7, 1994 in which it alleged that the applicant's trade-mark is not distinctive as it does not distinguish and is not adapted to distinguish the wares of the applicant from the wares of others, including the modelling compounds of the opponent sold in Canada in association with its CASE OF COLORS mark.

The applicant served and filed a counter statement in which it asserted that it is the person entitled to registration of the trade-mark CASE OF COLORS. Moreover, it put the opponent to the strict proof of the opponent's allegation that the applicant's trade-mark is not distinctive.

The opponent filed as its evidence the affidavit of Susan Seelig-Mense while the applicant elected not to file any evidence. The opponent alone filed a written argument and neither party requested an oral hearing.

The opponent's only ground of opposition relates to the alleged non-distinctiveness of the applicant's trade-mark in view of the opponent's use of its mark CASE OF COLORS in Canada. The

material date for considering the issue of non-distinctiveness is as of the date of opposition [see *Andres Wines Ltd. v. E. & J. Gallo Winery*, 25 C.P.R. (2d) 126] and the legal burden is upon the applicant to establish that its trade-mark is distinctive. Nevertheless, there is an evidentiary burden on the opponent to adduce evidence which would substantiate the facts relating to the alleged non-distinctiveness of the applicant's trade-mark.

In her affidavit, Ms. Seelig-Mense, Marketing Director of the Playskool Division of the opponent, states that the opponent is the owner of the trade-mark PLAY-DOH which it uses in association with a range of modelling compounds and accessory products marketed in Canada by her company. According to the affiant, the opponent introduced its CASE OF COLORS/JEU DE COULEURS product in Canada in March of 1992, the product consisting of twelve reusable tubs of PLAY-DOH compound in a range of colours. Ms. Seelig-Mense states that at the time of its introduction, the opponent had no knowledge of the proposed use application filed by the applicant on November 18, 1991 or of the opponent's priority application filed in the United States on September 3, 1991. Rather, according to Ms. Seelig-Mense, her company was merely introducing a product which had been introduced by its related company in the United States in 1991. The affiant further points out that the opponent's CASE OF COLORS product has been advertised in Canada since at least as early as March of 1992 when the opponent's 1992 catalogue was first circulated in Canada and has appeared in the catalogue ever since and that approximately 1500 catalogues are distributed in Canada each year, excerpts from which are annexed to her affidavit. Finally, Ms. Seelig-Mense points out that the opponent has sold approximately 160,000 units of 12-pack CASE OF COLORS product in Canada from March of 1992 to the date of her affidavit [December 20, 1994], the sales being to large variety retail outlets such as Eaton's and The Bay, to discount chains such as Walmart, K Mart, and the Price Club, to specialty toy stores, such as Toys "R" Us, and to numerous variety stores.

I have no reason to doubt the assertion by Ms. Seelig-Mense that the opponent, when it introduced its CASE OF COLORS product in Canada in March of 1992, had no knowledge of the present application which was filed in November of 1991. However, Ms. Seelig-Mense is silent as to when her company first became aware of the applicant's application although the opponent's

opposition in this case points to its awareness of the present application shortly after its advertisement for opposition purposes in the *Trade-marks Journal* of October 6, 1993. Furthermore, Ms. Seelig-Mense states that the opponent has never received any complaint from the applicant concerning its CASE OF COLORS product. As a result, I have no reason to conclude that the opponent acted other than in a *bona fide* manner in using its CASE OF COLORS mark in Canada.

Even though the opponent may not have been aware of the present application prior to the prescribed opposition period, the issue arises as to whether the opponent ought to be deemed to have had constructive notice of the applicant's application prior to that date and, if so, whether the opponent should be precluded from relying upon its use of its CASE OF COLORS mark in challenging the distinctiveness of the applicant's trade-mark. Closely associated with this issue is the question of whether the opponent ought to have conducted a trade-mark search prior to commencing its use of its CASE OF COLORS mark in Canada and, had it done so, it would have become aware of the existence of the present application. In this regard, there is no evidence of record as to whether or not the opponent conducted a trade-mark search in Canada at any time with the view to filing an application for registration of its trade-mark in Canada although the photocopies of the opponent's catalogues reveal that the opponent took the step of identifying its mark CASE OF COLORS with a "TM" designation in its catalogues.

Apart from the above, I am mindful of the fact that the determination of an opposition is as much a matter of the public interest as it is a matter involving the private interests of the applicant and the opponent. Moreover, I would note that applicant has not filed any evidence or written argument in this opposition, nor did it seek to challenge Ms. Seelig-Mense's evidence by way of cross-examination. I have concluded, therefore, that the issue of constructive notice of the existence of the applicant's application is not a relevant consideration in assessing the distinctiveness ground of opposition in this proceeding. However, I am not prepared to have regard to the opponent's evidence of use and promotion relating to its CASE OF COLORS mark subsequent to the prescribed opposition period. Nevertheless, as of October of 1993, the opponent had advertised and distributed its CASE OF COLORS product in Canada, with sales in 1992 and 1993 being in excess of 100,000

units and in 1992 alone being 45,000 units. I have therefore concluded that the opponent has met the evidentiary burden upon it in respect of the non-distinctiveness ground. Consequently, the legal burden is upon the applicant to establish that its trade-mark is distinctive in Canada and, as no evidence has been submitted by the applicant, I have concluded that it has failed to meet the legal burden upon it of establishing that its trade-mark CASE OF COLORS, which is identical to the opponent's mark and is applied to similar wares, was distinctive as of the date of opposition.

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

DATED AT HULL, QUEBEC THIS 20<sup>th</sup> DAY OF DECEMBER 1996.

G.W.Partington,  
Chairman,  
Trade Marks Opposition Board.