

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

> Citation: 2012 TMOB 63 Date of Decision: 2012-03-30

# IN THE MATTER OF AN OPPOSITION by Sealy Canada Ltd./Ltée to application No. 1,353,965 for the trade-mark BEAUTYREST BLACK in the name of Simmons Canada Inc.

[1] On June 29, 2007, Simmons Canada Inc. (the Applicant), filed an application for the trade-mark BEAUTYREST BLACK (the Mark) based upon proposed use of the Mark in Canada. The statement of wares currently reads: mattresses, box springs, mattress foundations, mattress pads, pillows, comforters, duvets and sheets.

[2] The application was advertised for opposition purposes in the *Trade-marks Journal* of January 30, 2008.

[3] On March 27, 2008, Sealy Canada Ltd./Ltée (the Opponent) filed a statement of opposition against the application. The grounds of opposition, as amended January 7, 2009, are that the Applicant's application does not conform to the requirements of s. 30(i) of the *Trade-marks Act*, R.S.C. 1985, c. T-13 (the Act), the Mark is not registrable pursuant to s. 12(1)(d), the Applicant is not the person entitled to registration of the Mark pursuant to s. 16(3)(a) and the Mark is not distinctive. Each of the grounds is based on confusion with the Opponent's use and registration of its BLACK LABEL and BLACK LABEL COLLECTION trade-marks (registration Nos. TMA730,631 and TMA633,679).

[4] The Applicant filed and served a counter statement, in which it denied the Opponent's allegations.

[5] The Opponent's evidence consists of the affidavits of Simon Jervis, Vice-President of Marketing of Sealy Canada Ltd./Ltée and Sarah Kilkpatrick, an articling student with the Opponent's agent. The Opponent was also granted leave to file a certified copy of its registration No. TMA730,631 for the trade-mark BLACK LABEL as additional evidence. The Applicant filed the affidavit of Tony Lamantia, Director National Accounts of Simmons Canada Inc. Mr. Lamantia was cross-examined on his affidavit and his cross-examination transcript and replies to undertakings form part of the record.

[6] Both the Applicant and the Opponent filed a written argument. An oral hearing was conducted at which both parties were represented.

# **Onus and Material Dates**

[7] The Applicant bears the legal onus of establishing, on a balance of probabilities, that its application complies with the requirements of the Act. There is however an initial 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.) at 298; *Dion Neckwear Ltd. v. Christian Dior, S.A.* (2002), 20 C.P.R. (4th) 155 (F.C.A.)].

- [8] The material dates that apply to the grounds of opposition are as follows:
  - 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.) at 475];
  - 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. 16(3) the filing date of the application [see s. 16(3)];
  - non-distinctiveness the date of filing of the opposition [see *Metro-Goldwyn-Mayer Inc. v. Stargate Connections Inc.* (2004), 34 C.P.R. (4th) 317 (F.C.)].

#### Section 16(3) Ground of Opposition

[9] The Opponent has pleaded that the Applicant is not the person entitled to registration pursuant to s. 16(3)(a) on the basis that the Mark is confusing with the marks BLACK LABEL and BLACK LABEL COLLECTION previously used in Canada by the Opponent in association with mattresses and box springs.

[10] With respect to this ground of opposition, there is an initial burden on the Opponent to evidence use of its trade-marks prior to the date of filing of the Applicant's application and non-abandonment of its mark as of the date of advertisement of the Applicant's application [s. 16(5)]. From the evidence furnished, as will be discussed in more detail below, I am satisfied that the Opponent has met its burden under this ground.

## test for confusion

[11] 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. 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 or trade-names and the extent to which they have become known; b) the length of time each has 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 or trade-names in appearance or sound or in the ideas suggested by them.

[12] This list of enumerated factors is not exhaustive and it is not necessary to give each one of them equal weight [see, in general, *Mattel, Inc. v. 3894207 Canada Inc.* (2006), 49 C.P.R. (4th) 321 (S.C.C.); *Veuve Clicquot Ponsardin v. Boutiques Cliquot Ltée* (2006), 49 C.P.R. (4th) 401]. Recently, in *Masterpiece Inc. v. Alavida Lifestyles Inc. et al.* (2011), 92 C.P.R. (4th) 361 (S.C.C.), the Supreme Court of Canada clearly indicated that the most important factor amongst those listed under s. 6(5) of the Act is often the degree of resemblance between the marks.

# s. 6(5)(a) - inherent distinctiveness of the trade-marks and the extent to which each trade-mark has become known

[13] Neither of the Opponent's marks is inherently strong. In this regard, both of the Opponent's marks, BLACK LABEL and BLACK LABEL COLLECTION, are comprised of ordinary dictionary words. However, in view that the ordinary dictionary meaning of the colour BLACK is not descriptive or suggestive of the Opponent's bedding products, I find that both marks do possess some measure of inherent distinctiveness.

[14] The Applicant's Mark possesses a higher degree of inherent distinctiveness than both of the Opponent's marks because it begins with the word BEAUTYREST which is a coined word.

[15] The strength of a trade-mark may be increased by means of it becoming known through promotion or use. At the oral hearing, the Opponent submitted that when considering the extent known of the parties' marks, I should not have regard to the extent known of the Applicant's house mark BEAUTYREST mark on its own because such use pre-dates the relevant date for the s. 16(3) ground. I agree. I would like to add that while the extensive use of this house mark by the Applicant since 1925 for similar wares may be a relevant surrounding circumstance to the confusion analysis, it is not relevant to the consideration of the acquired distinctiveness of the applied for mark BEAUTYREST BLACK.

- [16] The evidence of the Opponent's affiant, Mr. Jervis, provides the following information:
  - the Opponent has manufactured and sold mattresses and box springs in association with the Opponent's trade-marks since at least March 1, 2004;
  - examples of use of the Opponent's trade-marks on mattress labels, corner streamers, pillow cases, foot sashes, headboard covers and bed end cards displayed in retail outlets since at least February 9, 2005; and
  - gross revenue sales of mattresses and box springs sold in association with the Opponent's trade-marks of over \$1,815,000 for the period between 2004 and 2008.

[17] The Applicant's agent argued that the public would not perceive the Opponent's marks as they appear in the Opponent's evidence as two separate marks. In this regard, the Applicant submits that all of the words in the mark BLACK LABEL COLLECTION appear in the same colour and style of font in the examples provided at both Exhibit A and B to Mr. Jervis' affidavit. Further, there is no trade-mark indicia such as a TM or <sup>®</sup> symbol appearing after the words BLACK LABEL to indicate that it is a separate mark from the mark BLACK LABEL COLLECTION. The Applicant also submits that the Opponent has not provided a breakdown of sales for each of the Opponent's registered marks.

[18] The use of a trade-mark in combination with additional words or features constitutes use of the registered mark if the public as a matter of first impression, would perceive the trade-mark *per se* as being used. This is a question of fact which is dependent on whether the trade-mark stands out from the additional material and whether the trade-mark remains recognizable [*Nightingale Interloc Ltd. v. Prodesign Ltd.* (1984), 2 C.P.R. (3d) 535 (T.M.O.B.); *Promafil Canada Ltée v. Munsingwear Inc.* (1992), 44 C.P.R. (3d) 59 (F.C.A.)].

[19] I agree with the Applicant that it is arguable, from some of the evidence provided, that the Opponent has only shown use of its mark BLACK LABEL COLLECTION and has not shown use of both of its registered trade-marks BLACK LABEL and BLACK LABEL COLLECTION. However, I note that in Exhibit C to the Jervis affidavit the Opponent's BLACK LABEL mark appears on the headrests, foot sashes and pillow cases in a larger and more dominant font than the word COLLECTION. Further, the ® symbol appears after the words BLACK LABEL. I am therefore satisfied that the evidence as a whole shows illustrative examples of both of the Opponent's marks BLACK LABEL and BLACK LABEL COLLECTION. While the Opponent did not provide a breakdown of sales for each of its marks, I am satisfied from the evidence as a whole that both of the Opponent's marks had become known to some extent in Canada by the relevant date (i.e. June 29, 2007). As the Applicant's Mark is based on proposed use, this factor favours the Opponent.

s. 6(5)(b) - the length of time each trade-mark has been in use

[20] The length of time that each mark has been in use favours the Opponent.

s. 6(5)(c) and (d) - the nature of the wares, services or business; the nature of the trade

[21] It is the Applicant's statement of wares as defined in its application versus the Opponent's registered wares that govern my determination of this factor [see *Henkel Kommanditgesellschaft auf Aktien v. Super Dragon Import Export Inc.* (1986), 12 C.P.R. (3d) 110 (F.C.A.); *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.)]. The wares of the parties are identical (in the case of mattresses and box springs) and closely related in respect of the other wares which are all bedding products.

[22] The Applicant submitted in its oral argument that since the wares are expensive products, they would not be purchased impulsively or in a careless manner by the average consumer. However, I note that the Supreme Court of Canada in *Masterpiece* has recently held that first impression is still relevant in the analysis of confusion, even if purchases are expensive or require research and deliberation.

[23] With respect to the parties' channels of trade, the evidence shows that the Applicant and the Opponent are long time competitors and are both among the largest bedding manufacturers in the country (see Lamantia cross-examination, q. 32 ). In his affidavit, Mr. Lamantia states that his company distributes and sells its bedding products to over 1,400 authorized retailers in Canada. On cross-examination, he identified some of these retailers as being Sleep Country Canada, Sears Canada, The Bay, The Brick and Leon's, and confirmed that such retailers also sell mattresses, box springs and mattress foundations manufactured by the Opponent (Lamantia cross-examination, q. 36 - 39).

s. 6(5)(e) - the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them

[24] While the Supreme Court of Canada in *Masterpiece* observed that the first word of a trade-mark may be the most important for purposes of distinction [see also *Conde Nast Publications v. Union des Editions Modernes* (1979), 46 C.P.R. (2d) 183 (F.C.T.D.)], it opined that the preferable approach is to begin by determining whether there is an aspect of the trade-mark that is particularly striking or unique.

[25] In the present case, the only resemblance between the parties' marks is the word BLACK. While I agree with the Opponent that the word BLACK is arguably the most dominant and distinctive element of the Opponent's BLACK LABEL and BLACK LABEL COLLECTION marks, I do not consider the word BLACK to be the most dominant component of the Applicant's BEAUTYREST BLACK mark. BEAUTYREST is the most distinctive component of the Applicant's Mark because it is a coined word, and the first word of the Applicant's Mark. It is therefore the most important for purposes of distinction. As a result, there is only a low degree of resemblance between the marks in appearance and sound. There is some resemblance between the marks in ideas suggested because the evidence shows that the component BLACK, when used in association with bedding products, suggests high quality and luxury.

#### Additional surrounding circumstances

[26] As a further surrounding circumstance, I have considered the acquired distinctiveness of the Applicant's BEAUTYREST mark. The evidence of Mr. Lamantia shows that BEAUTYREST is a registered trade-mark that has been used by the Applicant or its predecessorin-titles since at least as early as 1925 in association with bedding products, namely mattresses. The BEAUTYREST mark appears on labels affixed to bedding products, as shown in the labels attached as Exhibit B to Mr. Lamantia's affidavit which are representative of how the BEAUTYREST mark has been used on such labels since at least as early as 1990. Sales in Canada of goods bearing the BEAUTYREST mark have been between \$55,000,000 and \$75,000,000 annually for the period 2004 to 2007. In my view, the established reputation for the first and dominant portion of the Mark would assist the consumer in distinguishing the source of the wares associated with the Mark, especially in a case such as this where the Opponent's marks are not inherently strong.

[27] As a further surrounding circumstance, the Applicant submits that the colour BLACK, as shown in the Lamantia affidavit, has been used by various bedding manufacturers as part of stitching designs on the cover and/or on display items and is used to designate quality and luxury. In view that the Applicant has not provided any evidence of other traders in the same area using the word BLACK as part of their trade-marks, I agree with the Opponent that this evidence is of little assistance to the Applicant's case.

## conclusion

[28] Having considered all of the surrounding circumstances, I find that the Applicant has established, on a balance of probabilities, that confusion is not likely between the Opponent's marks and the Mark as of the filing date of the application for the reasons that follow.

[29] The test to be applied is a matter of first impression in the mind of a casual consumer somewhat in a hurry who sees BEAUTYREST BLACK on the Applicant's mattresses and bedding products at a time when he or she has no more than an imperfect recollection of the Opponent's BLACK LABEL and BLACK LABEL COLLECTION trade-marks, and does not pause to give the matter any detailed consideration or scrutiny [see *Veuve Clicquot*]. It seems to me that such a consumer would not, as a matter of first impression, be likely to believe that the wares associated with the Opponent's BLACK LABEL and BLACK LABEL and BLACK LABEL COLLECTION marks and the Applicant's BEAUTYREST BLACK mark were manufactured, sold or performed by the same person.

[30] I reach this conclusion because of the inherent weakness of the Opponent's marks, the extensive reputation of the Applicant's BEAUTYREST mark, and the low degree of resemblance between the marks in appearance and sound. I have also considered it reasonable to assume that the Mark would be viewed by the average consumer as an extension of the Applicant's BEAUTYREST line of bedding products, another factor which decreases the likelihood of confusion between the marks. This ground of opposition is therefore unsuccessful.

# Section 12(1)(d) and Distinctiveness Grounds of Opposition

[31] The remaining grounds of opposition also turn on a determination of the issue of the likelihood of confusion between the Mark and the Opponent's marks. I note that the Opponent's initial burden with respect to the s. 12(1)(d) ground has been satisfied because registration Nos. TMA730,631 and TMA633,679 are in good standing. The Opponent has also met its initial burden with respect to the distinctiveness ground as it has shown sufficient use of both of its marks prior to the material date.

[32] My finding above that the trade-marks are likely to be confused applies to these grounds of opposition which also fail. In view that the material dates of both of these grounds are later than the material date under the s. 16(3) ground, there are two additional factors that support the Applicant's case under both of these grounds.

[33] Although the Opponent submits that the use that has been shown by the Applicant is use of two separate marks as opposed to the Mark at issue, I consider the Applicant's evidence of sales of over \$4,000,000 worth of goods (or over 7800 units) bearing the Mark BEAUTYREST BLACK during the year 2008 to be a further factor that supports the Applicant's case. While the component BEAUTYREST does appear in a different style of font than the word BLACK, and sometimes appears in the evidence with the ® symbol beside it, the words BEAUTYREST and BLACK are always beside each other on the same line and enclosed within a box. Further, in the representative samples attached as Exhibit C to the Lamantia affidavit, the mark BEAUTYREST BLACK appears with a TM symbol appearing after the word BLACK. I therefore agree with the Applicant that the Mark has been used as a unitary mark and would be perceived by the consumer as such.

[34] I also consider it relevant that there have been no instances of confusion, despite the coexistence of both parties' marks with identical wares in many of the same retail stores. Although the parties' marks have not co-existed for a long period of time, I consider this to be a factor favoring the Applicant in view of the extensive sales made by the Applicant in association with its BEAUTYREST BLACK Mark over such a short period of time.

## Section 30(i) Ground of Opposition

[35] The Opponent has also pleaded that the application does not conform to the requirements of s. 30(i) of the Act because the Applicant cannot be satisfied that it is entitled to use the Mark in view of the Opponent's use of its BLACK LABEL and BLACK LABEL COLLECTION marks. Where an applicant has provided the statement required by s. 30(i), a s. 30(i) ground should only succeed in exceptional cases such as where there is evidence of bad faith on the part of the applicant [*Sapodilla Co. Ltd. v. Bristol-Myers Co.* (1974), 15 C.P.R. (2d) 152 (T.M.O.B.) at 155]. As this is not such a case, I am dismissing this ground of opposition.

# **Disposition**

[36] Pursuant to the authority delegated to me under s. 63(3) of the Act, I reject the opposition pursuant to s. 38(8) of the Act.

Cindy R. Folz Member, Trade-marks Opposition Board Canadian Intellectual Property Office