**IN THE MATTER OF AN OPPOSITION**
**by Compaq Computer Corporation to**
**application No. 676,855 for the trade-mark**
**COMPACT filed by S.F. Marketing Inc.**

**On February 28, 1991, the applicant, S.F. Marketing Inc., filed an application to register the trade-mark COMPACT based on proposed use in Canada with the following wares:**

> **microphones, speakers, amplifiers, audio processing equipment, lighting controllers, lighting dimmers, audio cables, record players, disc players, television, radios, video recorders and tape decks.**

**The application was advertised for opposition purposes on March 11, 1992.**

**The opponent, Compaq Computer Corporation, filed a statement of opposition on July 2, 1992, a copy of which was forwarded to the applicant on July 27, 1992. The first ground of opposition is that the applied for trade-mark is not registrable pursuant to Section 12(1)(d) of the Trade-marks Act because it is confusing with the opponent's trade-marks COMPAQ, COMPAQ & Design and COMPAQ & Design registered under Nos. 315,509; 311,784 and 312,772, respectively. The second ground is that the applicant is not the person entitled to registration pursuant to Section 16(3) of the Act because, as of the applicant's filing date, the applied for mark was confusing with the opponent's various trade-marks and trade-names previously used in Canada and with the opponent's trade-mark COMPAQ SLT for which an application had previously been filed. The third ground of opposition is that the applied for trade-mark is not distinctive in view of the foregoing.**

**The applicant filed and served a counter statement. As its evidence, the opponent filed an affidavit of Donald P. Woodley and certified copies of its three trade-mark registrations. The applicant filed an affidavit of Solomon Fleising. As evidence in reply, the opponent filed an affidavit of James E. Mills. Only the opponent filed a written argument and an oral hearing was conducted at which both parties were represented.**

**All three grounds of opposition turn on the issue of confusion, the applicant's strongest case being in respect of the ground based on Section 12(1)(d) of the Act. Furthermore, the most relevant of the opponent's trade-marks is COMPAQ registered under No. 315,509 for the following services:**

> **provision of technical and commercial information and advice, product demonstration and tests, and staff training courses**

**and for the following wares:**

> **personal computers and microcomputers, and parts thereof; accessories, options and peripherals for such computers, namely: printed circuit boards, keyboards, monitors, disk drives, back-up drives, speakers, ram modules, plastic and metal covers, access plates, guides and brackets, connecting cables, swivel and tilting supporting devices, desk savers and protectors, knobs, pilot lights, fuses, roms, standoffs and retainers for printed circuit boards, ground straps, cable wraps, carrying cases, service, maintenance and users' guides and manuals, diskettes and disks, CRT alignment templates, socket wrenches, service tools kit.**

**Thus, a consideration of the issue of confusion between that mark and the applicant's mark will effectively decide the outcome of this opposition.**

**The material time for considering the circumstances respecting the issue of confusion with a registered trade-mark is the date of my decision: see the decision in Conde Nast Publications Inc. v. Canadian Federation of Independent Grocers (1991), 37 C.P.R.(3d) 538 at 541-542 (T.M.O.B.). Furthermore, the onus or legal burden is on the applicant to show no reasonable likelihood of confusion between the marks at issue. 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.**

**As for Section 6(5)(a) of the Act, the applicant's mark COMPACT is inherently weak since it describes or misdescribes a character of the applied for wares, namely that they are compact or efficiently smaller. In his affidavit, Mr. Fleising states that the applicant has been using its mark since early 1991 but he fails to evidence the extent of that use. Thus, I must conclude that the applicant's mark has not become at all in Canada.**

**The opponent's registered mark COMPAQ is similar to the word "compact" (particularly when sounded) and is therefore somewhat suggestive when used in relation to the registered wares. Thus, although the opponent's mark is inherently distinctive, it is not inherently strong. The Woodley affidavit evidences extensive sales and advertising of COMPAQ computers and accessories throughout Canada for a number of years. Thus, I am able to conclude that the opponent's mark has become well known.**

**The length of time the marks have been in use favors the opponent. As for the wares, services and trades of the parties, it is the applicant's statement of wares and the opponent's statement of wares and services in registration No. 315,509 that govern: see Mr. Submarine Ltd. v. Amandista Investments Ltd. (1987), 19 C.P.R.(3d) 3 at 10-11 (F.C.A.), Henkel Kommanditgesellschaft v. Super Dragon (1986), 12 C.P.R.(3d) 110 at 112 (F.C.A.) and Miss Universe, Inc. v. Dale Bohna (1994), 58 C.P.R.(3d) 381 at 390-392 (F.C.A.). However, those statements must be read with a view to determining the probable type of business or trade intended by the applicant rather than all possible trades that might be encompassed by the wording. In this regard, evidence of the actual trades of the parties is useful: see page 3 of the unreported decision of the Federal Court of Appeal in McDonald's Corporation v. Coffee Hut Stores Ltd. (Court No. A-278-94; June 5, 1996).**

**The wares of the parties are not identical but they are related. The opponent's wares comprise personal computers, parts and accessories. The applicant's wares comprise, for the most part, standard audio and video equipment such as microphones, record players, disc players, record players, televisions, radios, etc. As noted by Mr. Woodley in paragraph seven of his affidavit, it is increasingly important to be able to use personal computers in conjunction with other audio and video devices. Exhibit C to his affidavit is a product brochure for the opponent's COMPAQ DESKPRO personal computer which includes the following statement:**

> **Four jacks - two input and two output - give you the flexibility to attach external-powered speakers, headphones, CD players, recorders, or other audio devices.**

**Thus, the wares of the parties could be used together.**

**The trades of the parties would also appear to overlap. As evidenced by the Woodley affidavit and the Mills affidavit, both personal computers, parts and accessories and audio and video devices such as those set out in the applicant's statement of wares are sold through the same types of outlets. Mr. Mills was able to locate both types of wares at stores operating under the trade-marks SEARS, MULTITECH, FUTURE SHOP, RADIO SHACK and MAJESTIC.**

**In his affidavit, Mr. Fleising states that the applicant is a wholesaler and distributor of sound and lighting equipment used by mobile disc jockeys and bands. He further states that the applicant's COMPACT wares are sophisticated items that are sold to sound and audio-visual contractors and to musical instrument specialty stores. However, the applicant did not include any such restrictions in its statement of wares. Thus, I must conclude that such descriptions as "television", "radios", "microphones", "speakers" and the like cover not only the sophisticated components of stage equipment but also encompass the ordinary electronic wares consumers associate with those words.**

**As for Section 6(5)(e) of the Act, the marks at issue bear a high degree of visual resemblance. The degree of phonetic resemblance is even higher. To the extent that the opponent's mark is sounded similar to the word "compact", there is also a degree of resemblance in the ideas suggested by the marks.**

**As noted by the opponent's agent at the oral hearing, the manner of actual use of the applicant's trade-mark is similar to the usual presentation of the opponent's trade-mark. In this regard, the style and orientation of the lettering used in the applicant's trade-mark as it appears in the applicant's brochures (Exhibit A to the Fleising affidavit) is similar to that commonly used by the opponent as shown in registration No. 311,784 for the design version of its mark.**

**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 extent to which the opponent's mark has become known, the connection between the wares of the parties, the potential overlap in the channels of trade and the high degree of resemblance between the marks, I find that the applicant has failed to satisfy the onus on it to show that its mark is not confusing with the opponent's registered mark COMPAQ. The first ground of opposition is therefore successful. Given that the opponent has evidenced prior and extensive use of its trade-mark COMPAQ, it also follows that the second and third grounds of opposition are successful.**

**In view of the above, and pursuant to the authority delegated to me under Section 63(3) of the Act, I refuse the applicant's application.**

**DATED AT HULL, QUEBEC, THIS 4th DAY OF SEPTEMBER, 1996.**

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