



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

Citation: 2010 TMOB 89
Date of Decision: 2010-06-23

**IN THE MATTER OF AN OPPOSITION
by Laura Ashley Limited to application
No. 1,250,557 for the trade-mark
ASHLEY FURNITURE HOMESTORE
in the name of Ashley Furniture
Industries, Inc.**

[1] On March 14, 2005 Ashley Furniture Industries, Inc. [the Applicant] filed an application to register the trade-mark ASHLEY FURNITURE HOMESTORE [the Mark] based on use in Canada since at least as early as August 1999, in association with “retail store services in the field of furniture” [the Services]. The Applicant also relied on use and registration of the Mark in the United States of America pursuant to s.16 of the *Trade-marks Act* R.S.C. 1985, c. T-13 [the Act].

[2] The application was advertised for opposition purposes in the *Trade-marks Journal* of December 21, 2005.

[3] On May 23, 2006 Laura Ashley Limited [the Opponent] filed a statement of opposition. At the hearing the Opponent withdrew all grounds of opposition save for one, summarized as follows:

- (a) The Mark is not registrable pursuant to s. 12(1)(d) of the *Trade-marks Act* because it is confusing with the Opponent’s registered trade-marks [Opponent’s Marks] (i) LAURA ASHLEY registration No. TMA 230, 149 for “textile piece goods principally of cotton for use as household furnishings and for making up into articles of clothing; dresses, smocks, slacks, blouses, shirts, skirts, aprons

(for wear), sleeping garments, capes, jackets, coats and hats, all for women and girls, and shirts for men”, (ii) LAURA ASHLEY & Design registration No. TMA 451,829 (shown below) and (iii) LAURA ASHLEY registration No. TMA 451,828. Both registration No. TMA 451,829 and TMA 451,828 are registered in association with the wares as listed below:



Registration No. TMA 451,829

WARES: Adhesive for wallcoverings; paints; soaps; perfumery namely, bottled and spray perfumes; perfumed sachets; perfumed drawer liners; hair shampoo; body salts; bath oils; talcum powder; pomanders; pot pourri; candles; candle holders; keyrings; sunglasses and cases therefor; spectacle frames and lenses; spectacles and cases therefor; electric lamps; lampshades and lampbases; candle shades; light fittings; jewellery; jewellery boxes; clocks; stationery namely, writing paper, envelopes, notelets, notecards; photo albums; boxes and holders for writing instruments; calendars; recipe cards; diaries; address books; notebooks; blotters; paper drawer liners; folders; greeting cards; gift tags; paper bags; desk top organizers and pages therefor; writing pads; stands for writing instruments; stencils and stencil cases; wrapping paper; books dealing with design, furnishing and home decoration; catalogues dealing with fashion, design, furnishing and home decoration; pencils; pens; document files; art prints; table mats and coasters; travelling bags; umbrellas; handbags; hat boxes; holdalls; cosmetic and wash bags; changing bags for babies; wallets; purses; credit and calling card cases; school satchels; furniture for kitchens, bedrooms and living areas namely, chairs, curtains, rugs, armchairs, couches, sofas, sofa beds, mirrors, beds and bedsteads, headboards, blanket boxes, chaises longues, footstools; picture frames; photograph frames; china and porcelain ornaments; vases; plant pots; waste bins; pelmets; curtain tie backs; curtain rails and rods; curtain hooks and rings; beds; bedding; cushions; cushion covers; bolsters; clothes hangers; curtain holders; baskets for domestic use; hampers and boxes; moses baskets; drinking vessels; storage jars; bowls; butter dishes; cheese dishes; candlesticks; soap dishes and dispensers; tableware namely, glasses, jugs, pots and pans, cutlery, bowls, napkins, plates, beakers; tea services, namely tea pots, cups, saucers, sugar bowls, milk jugs; textile bags; natural and synthetic textile fabric sold in the piece and in bulk; plastic substitutes for textiles; textile bed covers; textile table covers; bath linen; bed clothes namely, pyjamas, nightgowns; bed linen; blankets; bed spreads; pillow cases; covers for quilts and eiderdowns; blinds of textile; coverlets; quilts; face towels of textile; cloth handkerchieves; cloth towels; cloth table mats; table linen; travelling rugs namely blankets; crib bumpers; sewing and sampler kits; sewing boxes; clothing namely dresses, pinafores, jumpers, blouses, skirts, trousers, shorts, dungarees, jackets, waistcoats, petticoats, nightdresses, coats, suits, raincoats, cardigans, sweaters, vests, socks, underwear; t-shirts; headwear namely, hats, shower caps; neckwear namely, jabots, ties, cravats; aprons; footwear namely, shoes, boots, sandals, slippers; baby pants; infant wear; cloth bibs; swimwear; gloves; scarves, shawls; layettes; belts; hair ornaments; lace ribbons and bows; rugs; wallpaper; ceiling paper; paper borders for ceilings and walls; wall tiles; stuffed toys; dolls; wooden toys; soft toys; rag dolls; mobiles; musical boxes; crackers; Christmas tree decorations; pull-apart party favours; wreaths; floral garlands

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

[5] In support of its opposition, the Opponent filed certified copies of its Canadian trade-mark registrations referred to above.

[6] In support of its application, the Applicant filed the affidavits of Paulette Rippley, sworn December 21, 2007, the affidavit of Robert White, sworn December 20, 2007, as well as certified copies of its registrations:

- (i) Canadian trade-mark registration No. TMA 380,917 for the trade-mark ASHLEY, registered in association with: (1)“furniture, namely dining room furniture, bedroom furniture, tables, shelving, bookcases, and cabinets, and (2) upholstered furniture namely couches, chairs and ottomans”, and
- (ii) Canadian trade-mark registration No. TMA 602,125 for the Trade-mark ASHLEY FURNITURE HOMESTORE & Design (shown below) registered in association with the services “retail store services in the field of furniture”.



TMA 602,125

[7] Only the Applicant filed a written argument; an oral hearing was held at which both parties were represented.

Applicant's Evidence: Paulette W. Rippley

[8] Ms. Rippley is the Assistant Secretary of the Applicant and has held that position for over twenty years. In paragraphs 1, 3, and 4 she describes the business of the Applicant, including the 18 retail stores locations operating under the Mark across seven provinces in Canada.

[9] Ms. Rippley claims that there are currently 353 retail stores throughout North America and internationally, with stores in the United States, Puerto Rico, Canada, Mexico and Japan.

She states that ASHLEY FURNITURE HOMESTORE has become the largest home furnishings retailer in the United States.

[10] In Canada, Ashley Homestores, Ltd. (“AHL”) is licensed to use the Mark, as well as Applicant’s other registrations ASHLEY, and ASHLEY FURNITURE HOMESTORE & Design, as noted above. In paragraphs 6, 7 and 8, Ms. Rippley provides that the license granted by the Opponent to AHL stipulates that the services rendered must meet certain standards, and that AHL shall cooperate and assist the Applicant in its efforts to control the nature and quality of the use of licensed trade-marks by operators of the ASHLEY FURNITURE HOMESTORE retail locations.

[11] Ms. Rippley further provides in paragraphs 10 and 11, that in Canada all retail store locations are independently owned and operated. AHL has entered into a separate Trademark Usage Agreement (“TUA”) with each operator, granting each a sub-license to use various trade-marks of the Applicant, including the subject Mark, in the operator’s respective geographic region of Canada. The sub-license granted by AHL provides that the sub-licensees will only use the licensed marks in association with the operations of a retail furniture business that conforms to the policies and standards as authorized or stipulated by AHL, that the sub-licensees will comply with trade-mark usage standards and other requirements as defined in the TUA, and that AHL has rights of inspection. A sample TUA is provided by Ms. Rippley at Exhibit B.

[12] I am satisfied, given the evidence of control of the character and quality of the services, that use by the said licensee and sub-licensees should be deemed use by the Applicant pursuant to the licensing provisions of s.50 of the Act.

[13] In paragraph 12, Ms. Rippley provides gross sales figures for sales of goods from the Applicant to the retail store operators across Canada, for the years 2004 to 2007. She states that these figures represent wholesale revenue and that subsequent value of the retail sales would be much higher. I note that the annual wholesale revenue rose from \$5,000,000 in 2004 to over \$25,000,000 in 2007. I accept the reasoning that these sales figures represent sales of wares in the field of furniture to retail store locations that would then be sold as part of the provision of retail stores services in the field of furniture.

[14] Ms. Rippley states that the services are offered in association with the Mark in print advertisements in Canada. She provides, in paragraphs 13 and 14, that such advertisements appear in the local newspapers of the area of each retail location, and that the Mark appears prominently in each advertisement.

[15] Exhibit C comprises a list of dates and newspapers in which the Applicant advertised its services. Advertisements have appeared in *The Ottawa Sun*, *Kelowna Daily Courier*, *Vancouver Province*, *The Vancouver Sun* and *The Weekend Sun*, *The Kamloops Daily News*, *Winnipeg Free Press*, *Times Free Press*, *The Winnipeg Sun*, *Calgary Herald*, *The Calgary Sun*, *Regina Leader-Post*, *Edmonton Journal*, *The Halifax Chronicle Herald* and *The Sunday Herald*, and *The Halifax Daily News*.

[16] The advertisement dates range from October 2003 (one ad in Kelowna BC) to September 2007 (multiple cities across Canada); the bulk of the advertising appears to have occurred in 2005, 2006 and 2007. Exhibits D to N are representative samples of said advertisements. I note that the advertisements have appeared in cities all across Canada, on average at least once a month in each city, and often twice or more. The Mark is clearly displayed on each of the advertisements.

[17] I would observe that the trade-mark as it appears in the advertisements includes the design features and is as shown above in TMA 602,125. Ms. Rippley also attaches copies of photographs of ASHLEY FURNITURE HOMESTORE retail stores, which display the Mark on the signage (Exhibits O and P). I note that the trade-mark as it appears in the photographs includes a design element, namely a stylized triangle rooftop design (perhaps a stylized “A”), inserted at the left of the trade-mark.

[18] However, since a registration for a word mark does not restrict an owner from using the mark with design features, I accept the evidence as reliable evidence of use of the subject Mark.

Applicant's Evidence: Robert W. White

[19] Robert White is a Senior Vice-President, Canada of the Audit Bureau of Circulations. His affidavit supports the information in Ms. Rippley's affidavit concerning the print advertisements by providing copies of Audit Reports evidencing actual circulation statistics for each newspaper.

These reports provide a detailed breakdown of the number of papers by manner of circulation, such as home delivery, third party sales, etc. It is clear that each of the papers referenced in Exhibit C to Ms. Rippley's affidavit has had substantial circulation in its respective geographic area. On average, it would appear that the major newspaper for each city has a weekday circulation of around 100,000 copies, and weekend circulation of around 200,000 papers. As one would expect, for smaller centers such as Halifax, the circulation figures per paper are lower.

Onus

[20] The Applicant bears the legal onus of establishing, on a balance of probabilities that its application complies with the requirements of the Act. However, there is an initial evidential 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 Limited v. The Molson Companies Limited* (1990), 30 C.P.R. (3d) 293 (F.C.T.D.) at 298].

Section 12(1)(d) Ground of Opposition

[21] The material date for assessing confusion between the Mark and the Opponent's Mark pursuant to s. 12(1)(d) of the Act is 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.)] [*Park Avenue*].

[22] I have exercised the Registrar's discretion to confirm that the registrations for the Opponent's Marks are in good standing as of today's date. Since the Opponent has discharged its initial burden with respect to this ground of opposition, the burden of proof lies on the Applicant to convince the Registrar, on a balance of probabilities, that there is no reasonable likelihood of confusion between the Mark and the Opponent's Marks.

[23] 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.

[24] 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 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 in appearance or sound or in the ideas suggested by them.

[25] The weighing of the factors will vary depending on the unique facts of each case; these enumerated factors need not be attributed equal weight; the list of factors set out is not exhaustive of matters that could be considered. [See, in general, *Mattel, Inc. v. 3894207 Canada Inc.* (2006), 49 C.P.R. (4th) 321 (S.C.C.); *United Artists Corp. v. Pink Panther Beauty Corp.* (1988), 80 C.P.R. (3d) 247 (Fed. C.A.) at 263-264; *Veuve Cliquot Ponsardin v. Boutiques Cliquot Ltée.* (2006), 49 C.P.R. (4th) 401 (S.C.C.) at para. 27.]

6(5)(a) – the inherent distinctiveness of the trade-marks and the extent to which they have become known

[26] Both marks at issue share the word “ASHLEY”. In the Opponent’s Marks ASHLEY is clearly a surname, in the Applicant’s Mark it could be considered a given name or a surname. The Opponent would have me find that ASHLEY is an uncommon surname and therefore distinctive; however in the absence of evidence in this regard I am unable to make a determination as to whether it is a common or uncommon surname. I do find however, that being names, as opposed to coined words, the name portion of the marks at issue do not have a great degree of inherent distinctiveness. Further, the Mark incorporates a highly suggestive, if not descriptive portion FURNITURE HOMESTORE. In my view neither mark has a great degree of inherent distinctiveness.

[27] As the strength of a trade-mark may be increased by means of it becoming known in Canada through promotion or use, I will now turn to the extent to which the trade-marks have become known in Canada.

[28] The Opponent has provided no evidence of use of its Marks; therefore I cannot gauge the extent to which it has become known to consumers. At the most, I may infer only a *di minimis* use of the Opponent’s Marks [see *Entre Computer Centers Inc. v. Global Upholstery Co.* (1991),

40 C.P.R. (3d) 427], which is insufficient to infer any acquired distinctiveness of the LAURA ASHLEY marks.

[29] In contrast, the Applicant has provided evidence of substantial sales and advertising across Canada (as set out above), and I am therefore able to conclude that the Mark has become known to some extent in Canada. As a result I am prepared to find that the Applicant's Mark has some acquired distinctiveness. Therefore this factor weighs in favour of the Applicant.

6(5)(b) – the length of time each has been in use

[30] The Mark was applied for on March 14, 2005 on the dual basis of use in Canada since August 1999 and registration in the United States of America.

[31] As previously noted, the Opponent has not filed any evidence which is directed to the use of its Marks.

[32] In contrast, the Applicant claims that the first Canadian ASHLEY FURNITURE HOMESTORE retail store opened in March 1999. Ms. Rippley provides substantial annual sales from 2004 to 2007, as well as evidence of frequent advertising across Canada over recent years. This factor therefore favours the Applicant.

6(5)(c) and (d) – the nature of the wares and trade

[33] With respect to the nature of the wares, I note that two of the Opponent's Marks include wares that can be considered furniture and home decorating items, as well as bathroom and bed linens.

[34] The Applicant has applied for registration of the subject Mark in association with retail store services in the field of furniture and has provided evidence as to the nature of its trade. Specifically, Ms. Rippley states that the Applicant licenses its Marks to AHL which sublicenses independent retailers across Canada who operate retail furniture stores under the Mark.

[35] The Opponent did not file any evidence of the nature of its trade; however, I find it nonetheless reasonable to conclude that the channels of trade could be overlapping, in that a review of the Opponent's lists of wares indicates that some might be sold through retail stores in the field of furniture. As such I find there is some degree of overlap in the trade.

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

[36] In most instances, the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested is the dominant factor in the overall surrounding circumstances [see *Beverly Bedding & Upholstery Co. v. Regal Bedding & Upholstery Ltd.* (1980), 47 C.P.R. (2d) 145, conf. 60 C.P.R. (2d) 70 (F.C.T.D.)].

[37] While the marks at issue must be assessed in their entirety (and not dissected for minute examination), it is still possible to focus on particular features of the mark that may have a determinative influence on the public’s perception of it. In this regard it is a well-accepted principle that the first portion of a trade-mark is the most relevant for the purposes of distinction [see *Conde Nast Publications Inc. v. Union des Editions Modernes* (1979), 46 C.P.R. (2d) 183 (F.C.T.D.) at 188].

[38] In the present case, the first portion of the marks at issue is not identical. The first portion of the Opponent’s Marks is LAURA and of the subject Mark is ASHLEY; however, when considering the marks in their entirety, I find that there is some similarity in appearance and sound by virtue of the inclusion of the common element ASHLEY in both marks.

[39] Despite this similarity, I do not find that the common element has a determinative influence on the public perception of the marks at issue, since clearly the ideas suggested by the marks as a whole are different. The Applicant’s Mark suggests a store selling home furnishing items owned by a proprietor named Ashley, the Opponent’s marks on the other hand suggests a female designer “Laura Ashley”.

[40] The Opponent would have me accept that the public would be aware that designers who move into the retail store business often leave off their first name and just use the last name for their store; however in the absence of evidence to this effect I am unable to take notice of any such “practice”.

[41] Accordingly, I find that on balance, this factor weighs in favour of the Applicant.

Additional circumstances:

[42] As an additional surrounding circumstance, the Applicant argued that a negative inference should be drawn about the likelihood of confusion as the Applicant has a long standing registration for ASHLEY as well as ASHLEY FURNITURE HOMESTORE & Design (as set out above). This argument is not relevant here for two reasons. Firstly, use by the Opponent has not been established and I am therefore I am unable to determine that there has been extensive concurrent use, in the face of which the absence of evidence of actual confusion would create a negative inference about the likelihood of confusion. [See *Christian Dior v. Dion Neckwear Ltd.* (2002), 20 C.P.R. (4th) 155 (F.C.A.)]. Secondly, I would point out that ownership of the registrations for the trade-mark ASHLEY as well as ASHLEY FURNITURE HOMESTORE & Design do not give the Applicant the automatic right to the registration of the Mark no matter how closely the trade-marks may be related [see *American Cyanamid Co. v. Stanley Pharmaceuticals Ltd.* (1996), 74 C.P.R. (3d) 571 (T.M.O.B.); *Ralston Purina Canada Inc. v. H.J. Heinz Co. of Canada* (2000), 6 C.P.R. (4th) 394 (T.M.O.B.)].

[43] In any event a determination on this issue in favour of the Applicant is unnecessary, as I find that the overall consideration of the factors in s. 6(5) favours the Applicant.

[44] As a final issue, the Opponent argued, in accordance with the *Park Avenue (supra)* case, that the failure to provide evidence of use is not fatal to a ground of opposition based on confusion. That is to say, such a ground can succeed, even in the absence of evidence of use. The Opponent relies on the words of Pratte J in *Salada Foods Ltd. v. General Alimentaire (G.A.S.A.)* (1980), 47 C.P.R. (2d) 169, cited in *Park Avenue* as follows:

The appellant's [opponent] main ground of opposition was that the mark applied for was confusing with the registered trade-mark SALADA. In order to succeed, the appellant did not have to prove that its mark has been used in association with salad dressings. The appellant was entitled to succeed if it appeared from a consideration of all the surrounding circumstances (including those mentioned in s-s. 6(5)) that the two marks were confusing with in the meaning of s.6 of the *Trade Marks Act...*(p.171).

[45] I do not disagree with the Opponent; however, I do not make the determination in this case based solely on its failure to provide evidence of use. Rather, the evidence of extensive use of the Applicant and the acquired distinctiveness that can be inferred from such use, and the fact

that the Marks at issue are considerably different, has persuaded me that on the balance of probabilities, there is no reasonable likelihood of confusion between the Mark and the Opponent's Marks.

Conclusion re s. 12(1)(d) of the Act

[46] Based on the foregoing, I find that that this ground of opposition based on s. 12(1)(d) of the Act fails. Since this is the only ground of opposition relied upon by the Opponent I find that this Opposition must be rejected in its entirety.

Disposition

[47] 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.

P. Heidi Sprung
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office