IN THE MATTER OF AN OPPOSITION by LATITUDE COMMUNICATIONS INC. to application No. 746,774 for the trade-mark LATITUDE filed by DELL COMPUTER CORPORATION

On February 2, 1994, the applicant, DELL COMPUTER CORPORATION, filed an application to register the trade-mark LATITUDE based on proposed use of the trade-mark in Canada in association with:

> "Computers and computer peripherals, namely monitors, keyboards, printers, mouses, co-processors, modems, hard and floppy disk drives, tape drives, cards, memory boards and chips, cables and connectors, operating software and instruction manuals sold together as a unit".

The present application was advertised for opposition purposes in the ***Trade-marks Journal*** of March 27, 1996 and the opponent, LATITUDE COMMUNICATIONS INC., filed a statement of opposition on August 27, 1996, a copy of which was forwarded to the applicant on September 17, 1996. The applicant served and filed a counter statement in response to the statement of opposition on September 24, 1996. The opponent filed as its evidence the affidavits of Linda Soriano and Emil Wang while the applicant submitted as its evidence the affidavit of Andrew D. Ross. The applicant alone filed a written argument and neither party requested an oral hearing.

The following are the grounds of opposition asserted by the opponent in its statement of opposition:

> **a)** The present application does not conform to the requirements of section 30 of the ***Trade-marks Act*** in that the application does not contain a statement in ordinary commercial terms of the specific wares in association with which the applied for trade-mark is proposed to be used.

b) The present application does not conform to the requirements of section 30 of the ***Trade-marks Act*** in that the application does not contain a statement that the applicant, by itself or through a licensee, or by itself and through a licensee, intends to use the trade-mark in Canada.

c) The present application does not conform to the requirements of section 30 of the ***Trade-marks Act*** in that the applicant could not have been satisfied that it was entitled to use the trade-mark in Canada in association with the wares described in the application in view of the prior use and registration of the trade-mark LATITUDE, registered under registration No. 407,637.

d) The applicant's trade-mark LATITUDE is not registrable in view of the provisions of paragraph 12(1)(d) of the ***Trade-marks Act*** in that the applied for trade-mark is confusing with a registered trade-mark, namely, registration No. 407,637.

e) The applicant is not the person entitled to registration of the trade-mark LATITUDE in view of the provisions of paragraph 16(3)(a) of the ***Trade-marks Act*** in that the applied for trade-mark was confusing with a trade-mark that had been previously used in Canada by any other person, namely, the trade-mark LATITUDE that had been used in Canada by Next Wood Inc.

The first three grounds of opposition are based on section 30 of the ***Trade-marks Act***. While the legal burden is on the applicant to show that its application complies with section 30 of the ***Trade-marks Act***, there is an initial evidential burden on the opponent to establish the facts relied on by it in support of its section 30 grounds [see ***Joseph E. Seagram & Sons Ltd. et al v. Seagram Real Estate Ltd.***, 3 C.P.R. (3d) 325, at pp.329-330; and ***John Labatt Ltd. v. Molson Companies Ltd.***, 30 C.P.R.(3d) 293]. The material time for considering the circumstances respecting the issues of non-compliance with section 30 of the ***Act*** is the filing date of the application [see ***Georgia-Pacific Corp. v. Scott Paper Ltd.***, 3 C.P.R.(3d) 469, at p.475].

The first ground of opposition is based on subsection 30(a) of the ***Trade-marks Act***, the opponent alleging that the present application does not contain a statement in ordinary commercial

terms of the specific wares in association with which the applied for trade-mark is proposed to be used. Subsection 30(a) of the ***Trade-marks Act*** provides as follows:

30. An applicant for the registration of a trade-mark shall file with the Registrar an application containing (a) a statement in ordinary commercial terms of the specific wares or services in association with which the mark has been or is proposed to be used;	**30.** Quiconque sollicite l'enregistrement d'une marque de commerce produit au bureau du registraire une demande renfermant : a) un état, dressé dans les termes ordinaires du commerce, des marchandises ou services spécifiques en liaison avec lesquels la marque a été employée ou sera employée;

As the opponent has not identified which of the applicant's wares are not in compliance with subsection 30(a) of the ***Act***, the first ground is arguably contrary to paragraph 38(3)(a) of the ***Trade-marks Act***. However, the applicant has not pleaded that the subsection 30(a) ground is contrary to paragraph 38(3)(a) of the ***Act*** in its counter statement. Further, the applicant appears to have addressed the first ground in paragraph 23 of the Ross affidavit where the affiant states that the applicant customizes its LATITUDE Notebook Computer Systems to suit the particular requirements of each customer who may choose to purchase some or all of the peripherals which are offered as part of the Notebook Computer System. Further, Mr. Ross notes that the notebook computer itself and some of those peripherals such as monitors, printers or operating software may come with instruction manuals, in which case the particular computer or peripheral is sold together with its instructional manual as a unit. While the inclusion of the words "sold together as a unit" renders the applicant's statement of wares somewhat ambiguous, the applicant's wares are otherwise identified specifically and in ordinary commercial terms, as required by subsection 30(a) of the ***Act***. In view of the foregoing, I have rejected the first ground of opposition.

The second ground is based on subsection 30(e) of the ***Act***, the opponent alleging that the present application does not contain a statement that the applicant, by itself or through a licensee, or by itself and through a licensee, intends to use the trade-mark in Canada. However, the present application includes the statement that the applicant itself intends to use the trade-mark in Canada and that is sufficient to meet the requirements of subsection 30(e). Thus, this ground of opposition is unsuccessful.

As its third ground, the opponent has alleged that the applicant could not have been satisfied that it was entitled to use the trade-mark LATITUDE in Canada in association with the wares described in the present application in view of the prior use and registration of the trade-mark LATITUDE, registration No. 407,637. The opponent has not furnished any evidence to show that the applicant was not satisfied that it was entitled to use its trade-mark LATITUDE in Canada. In any event, to the extent that the subsection 30(i) ground is founded upon allegations set forth in the remaining grounds of opposition, the success of this ground is contingent upon a finding that the applicant's trade-mark LATITUDE is not registrable or that the applicant is not the person entitled to its registration, as alleged in those grounds [see ***Consumer Distributing Co. Ltd. v. Toy World Ltd.***, 30 C.P.R. (3d) 191, at p.195; and ***Sapodilla Co. Ltd. v. Bristol-Myers Co.***, 15 C.P.R.(2d) 152, at p.155]. I will therefore consider the remaining grounds of opposition.

The opponent has also alleged that the applicant is not the person entitled to registration of the trade-mark LATITUDE in that the applied for trade-mark is confusing with the trade-mark LATITUDE that had been previously used in Canada by Next Wood Inc. With respect to this

ground, there is a burden on the opponent to comply with subsection 17(1) of the ***Trade-marks Act*** which provides as follows:

17. (1) No application for registration of a trade-mark that has been advertised in accordance with section 37 shall be refused and no registration of a trade-mark shall be expunged or amended or held invalid on the ground of any previous use or making known of a confusing trade-mark or trade-name by a person other than the applicant for that registration or his predecessor in title, except at the instance of that other person or his successor in title, and the burden lies on that other person or his successor to establish that he had not abandoned the confusing trade-mark or trade-name at the date of advertisement of the applicant's application.

17. (1) Aucune demande d'enregistrement d'une marque de commerce qui a été annoncée selon l'article 37 ne peut être refusée, et aucun enregistrement d'une marque de commerce ne peut être radié, modifié ou tenu pour invalide, du fait qu'une personne autre que l'auteur de la demande d'enregistrement ou son prédécesseur en titre a antérieurement employé ou révélé une marque de commerce ou un nom commercial créant de la confusion, sauf à la demande de cette autre personne ou de son successeur en titre, et il incombe à cette autre personne ou à son successeur d'établir qu'il n'avait pas abandonné cette marque de commerce ou ce nom commercial créant de la confusion, à la date de l'annonce de la demande du requérant.

In addition to failing to identify the wares or services associated with the trade-mark LATITUDE, the opponent has not shown that it or its predecessor-in-title is the person that had previously used the trade-mark LATITUDE in Canada. Moreover, there is no evidence to show that Next Wood Inc. is a predecessor-in-title of the opponent. As a result, the opponent has not met the burden on it under subsection 17(1) of the ***Trade-marks Act***. Accordingly, this ground of opposition is also unsuccessful.

As its final ground, the opponent alleged that the applicant's trade-mark LATITUDE is not registrable in view of paragraph 12(1)(d) of the ***Trade-marks Act*** in that the applicant's trade-mark is confusing with the third party registered trade-mark LATITUDE, registration No. 407,637, standing in the name of Next Wood Inc. and covering the following wares:

> "Furniture namely modular office furniture, components for office work surfaces, office filing and desk cabinets, tables, storage cupboards, components designed as channels, raceways, hangers, notches or holes for electrical and communication wires running along, through or beneath furniture, computer workstations, mobile computer furniture, and keyboard platforms".

In determining whether there would be a reasonable likelihood of confusion between the applicant's trade-mark LATITUDE and the registered trade-mark LATITUDE, the Registrar must have regard to all the surrounding circumstances, including those specifically enumerated in subsection 6(5) of the ***Trade-marks Act***. Further, the Registrar must bear in mind that the legal burden is on the applicant to establish that there would be no reasonable likelihood of confusion between its trade-mark LATITUDE and the registered trade-mark LATITUDE as of the date of my decision, the material date for assessing a paragraph 12(1)(d) ground [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.)].

Considering initially the inherent distinctiveness of the trade-marks at issue [para.6(5)(a)], both the applicant's trade-mark LATITUDE as applied to the wares covered in the present application and the registered trade-mark LATITUDE as applied to the wares covered in registration No. 407,637 are inherently distinctive.

With respect to the extent to which the trade-marks at issue have become known [para.6(5)(a)] and the length of time the marks have been in use [para.6(5)(b)], the Ross affidavit establishes that the applicant has sold computers and computer peripherals in Canada in association with its trade-mark LATITUDE since March 1994 and that the applicant's total sales of LATITUDE

notebook computer systems in Canada in the applicant's fiscal years 1996 and 1997 exceeded $92,000,000 while total sales in the first three quarters of fiscal year 1998 exceeded $66,000,000. In paragraphs 10 and 11 of his affidavit, Emil Wang expresses his belief that Next Wood Inc. sells various computer workstations, mobile computer furniture and keyboard platforms in Canada in association with the name LATITUDE and that numerous Canadian retail stores and outlets have in the past and continue to offer for sale to the consuming public both office furniture and computer workstations, and computers and computer peripherals. However, it would appear that Mr. Wang does not have first-hand knowledge of the matters referred to in paragraphs 10 and 11 of his affidavit and the affiant has not identified the bases for his beliefs or how the information contained in these paragraphs was brought to his attention. I have therefore accorded little weight to the contents of these paragraphs of his affidavit. As a result, I find that the extent to which the trade-marks at issue have become known and the length of time the marks have been in use both weigh in the applicant's favour.

As the trade-marks at issue are identical in appearance, sounding and in the ideas suggested [para.6(5)(e)], the only remaining criterion of those which are specifically enumerated in subsection 6(5) of the ***Act*** are the nature of the wares covered in the present application and in registration No. 406,637 [para.6(5)(c)] and the nature of the trade associated with those wares [para.6(5)(d)]. In this regard, it is the applicant's statement of wares and the statement of wares covered in registration No. 406,637 which must be considered in assessing the likelihood of confusion in relation to the paragraph 12(1)(d) ground [see ***Mr. Submarine Ltd. v. Amandista Investments Ltd.***, 19 C.P.R.(3d) 3 at pp.10-11 (F.C.A.); ***Henkel Kommanditgesellschaft v. Super Dragon***, 12 C.P.R.(3d) 110 at

p.112 (F.C.A.); and ***Miss Universe, Inc. v. Dale Bohna***, 58 C.P.R.(3d) 381 at pp.390-392 (F.C.A.)]. However, those statements must be read with a view to determining the probable type of business or trade intended rather than all possible trades that might be encompassed by the wording. Furthermore, in assessing the likelihood of confusion between trade-marks in respect of a paragraph 12(1)(d) ground, the Registrar must have regard to the channels of trade which would normally be considered as being associated with the wares set forth in the applicant's application and in registration No. 406,637.

Registration No. 406,637 covers *inter alia* computer workstations, mobile computer furniture and keyboard platforms which, while differing from the computers and computer peripherals covered in the present application, are at least related in use to those wares. As for the respective channels of trade associated with the wares covered in the present application and in registration No. 406,637, the applicant's evidence establishes that it sells its computers and computer peripherals directly to customers rather than through retail computer dealers. However, there is no restriction in the applicant's statement of wares which limits the channels of trade associated with its wares in any manner whatsoever. As noted above, the Registrar must have regard to the channels of trade which the average consumer would normally consider as being associated with the wares set forth in the applicant's application and in registration No. 406,637. Having regard to exhibits "D", "E", "F" and "G" to the Wang affidavit, I would expect that the average consumer might well conclude that computer workstations, mobile computer furniture and keyboard platforms could potentially be sold through the same retail outlets as those selling computers and computer peripherals. I find therefore that there is a potential overlap in the nature of the trade associated with the applicant's computers

and computer peripherals and the computer workstations, mobile computer furniture and keyboard platforms covered in registration No. 406,637.

As a further surrounding circumstance in assessing the likelihood of confusion between the trade-marks at issue, I am mindful of the fact that the opponent has relied upon a third party registration in alleging that the applicant's trade-mark is not registrable under paragraph 12(1)(d) of the ***Act*** and that the third party, Next Wood Inc., has not opposed the present application. In this regard, I would certainly expect that, had Next Wood Inc. considered there to be a reasonable likelihood of confusion between the trade-marks at issue, it would have opposed the present application. Moreover, I would note that the opponent has not presented a written argument and did not request an oral hearing to make submissions in support of its opposition to registration of the trade-mark LATITUDE.

As yet a further surrounding circumstance in assessing the likelihood of confusion between the trade-marks at issue, Mr. Ross in his affidavit has noted that, despite the applicant's extensive advertising and sales of its LATITUDE Notebook Computer Systems in Canada, there has been no actual confusion between the applicant's mark and the registered trade-mark of Next Wood Inc. However, this may in part be explained by the fact that the applicant sells its computers and computer peripherals directly to customers rather than through retail outlets. As well, little evidence has been adduced relating to use of the registered trade-mark LATITUDE in Canada. I am therefore not prepared to accord much weight to this surrounding circumstance.

Having regard to the foregoing and, in particular, to the fact that the trade-marks at issue are identical and are associated with wares which are related in use and could travel though the same channels of trade, and even bearing in mind that Next Wood Inc. has not opposed the present application, I have concluded that the applicant has failed to meet the legal burden on it in respect of the issue of confusion in relation to the paragraph 12(1)(d) ground. As a result, this ground of opposition is successful.

In view of the above, and having been delegated by the Registrar of Trade-marks by virtue of subsection 63(3) of the ***Trade-marks Act***, I refuse the applicant's application pursuant to subsection 38(8) of the ***Trade-marks Act.***

DATED AT HULL, QUEBEC, THIS DAY 20th OF DECEMBER, 2001.

G.W.Partington,
Hearing Officer.