

**IN THE MATTER OF AN OPPOSITION
by Lifestyle Brands Limited to application
No. 1,090,614 for the trade-mark NO
RAGE filed by 9013-0501 Québec Inc.**

[1] On February 1, 2001, 9013-0501 Québec Inc. (the “Applicant”) filed an application to register the trade-mark NO RAGE (the “Mark”) in association with the following wares as amended on January 6, 2004:

Vêtements et accessoires de toutes sortes, nommément pantalons de ski, chandails, combinaisons de ski, sous-vêtements, pantalons, chemises, shorts, jupes, blouses, costumes, manteaux, anoraks, tee-shirts, blousons, maillots de bains, bas, chapeaux, ceintures, tuques, foulards, gants et mitaines, bandeaux, masques de ski, lunettes de soleil, cordons de lunettes, étuis de lunettes et pochettes de lunettes, sacs fourre-tout, sac de voyage; chaussures, nommément souliers, pantoufles, bottes, bottes de skis; skis, bâtons de ski et sacs pour le transport des skis

based upon proposed use of the Mark in Canada. The application was advertised for opposition purposes in the *Trade-marks Journal* of February 18, 2004.

[2] On April 18, 2005, Lifestyle Brands Limited (the “Opponent”) filed a statement of opposition against the application. The Applicant filed and served a counter statement generally denying the allegations against it.

[3] The Opponent filed as its evidence the affidavit of Kenny Finkelstein, Chief Financial Officer and Secretary of Lifestyle Brands Limited, sworn March 10, 2006, together with Exhibits A to H.

[4] As its evidence the Applicant filed the affidavit of Véronique Wattiez Larose, associate at the Applicant’s Law firm and counsel for the Applicant together with Exhibits A and B. The Opponent did not file reply evidence. Neither affiant was cross-examined. Only the Opponent filed a written argument and originally requested to be present at a hearing, but subsequently withdrew its request.

Material Dates

[5] The material dates that apply to the grounds of opposition are as follows:

- s. 30 - the filing date of the application (February 1, 2001) [see *Georgia-Pacific Corp. v. Scott Paper Ltd.* (1984), 3 C.P.R. (3d) 469 (T.M.O.B.) at 475];
- s. 16(3) - the filing date of the application (February 1, 2001) [see s. 16(3)];
- non-distinctiveness - the date of filing of the opposition (April 18, 2005) [see *Metro-Goldwyn-Mayer Inc. v. Stargate Connections Inc.* (2004), 34 C.P.R. (4th) 317 (F.C.T.D.)].

Grounds of Opposition

[6] The Opponent bases its opposition on the grounds set out in s. 38(2)(a), (c) and (d) of the *Trade-Marks Act*, 1985, R.S.C., c.T-13 (the “Act”), as reproduced hereafter:

Section 38(2)(a)

The subject application contravenes the provisions of s. 30(i) of the Act. At the date of filing of the opposed application on February 1, 2001, the applicant was fully aware of the opponent’s prior rights in and to the RAGE trade-mark previously and extensively used in Canada in association with sports equipment and related clothing. At the date of filing of the opposed application on February 1, 2001, the applicant and the opponent’s predecessor-in-title were embroiled in a trade-mark conflict involving the respective brands of the parties. This dispute led to the filing of the subject application which now incorporated the RAGE trade-mark of the opponent. The applicant’s attempt to register the confusingly similar combination NO RAGE in conjunction with the identified sports products and clothing is a flagrant attempt to take advantage of the reputation developed by the opponent in its trade-mark and to intentionally disparage, deceive, confuse, suggest or infer that the goods offered under its trade-mark are in some way related to, associated with, or endorsed by the opponent. The statement of entitlement required by s. 30(i) of the Act was not and is not properly made by the applicant as it could not have been satisfied, at the time of filing of this application, that it was entitled to use the applied-for trade-mark in face of these existing rights.

Section 38(2)(c)

The subject application contravenes the provisions of s. 16(3) of the Act. The applicant is not the party entitled to registration of the trade-mark NO RAGE as described in application Serial No. 1,090,614 since at the filing date of the subject application on February 1, 2001, the applied for trade-mark is and was confusing

with the following RAGE application of the opponent previously filed and used extensively in association with sports equipment:

Trade-mark
RAGE

Serial No.
897,394

The opponent submits that the NO RAGE trade-mark, in respect of the goods identified, is confusingly similar within the meaning of s. 6 of the Act, with its RAGE trade-mark as described above and the applicant was not and is not entitled to registration of the trade-mark as described in the subject application, and such application should not have been approved for publication in the Trade-Marks Journal.

Section 38(2)(d)

The applied for trade-mark is not and cannot be distinctive within the meaning of s. 2 of the Act. The Opponent's prior use of its RAGE trade-mark in Canada in association with its associated sports equipment renders the applied for trade-mark incapable of distinguishing the applicant's wares from the wares of the opponent.

[7] I will analyze the grounds of opposition in regard to the evidence filed in the record, without necessarily respecting the order in which they were raised in the statement of opposition.

Ground of opposition based on s. 16(3) of the Act.

[8] The Opponent alleges that the Applicant is not entitled to registration of the trade-mark NO RAGE as described in application No. 1,090,614, since at the filing date of the subject application on February 1, 2001, the Mark is and was confusing with the Opponent's trade-mark which was previously filed in association with sports equipment. I note that the Opponent has not pleaded a specific paragraph under s. 16(3), however the wording of the statement of opposition together with the evidence and written argument lead me to conclude that the Opponent is referring to both s. 16(3)(a) and s. 16(3)(b) of the Act.

Section 16(3)(b)

[9] The legal burden is upon the Applicant to show that its application complies with the provisions of the Act, however there is 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. et al.* (2002), 20 C.P.R. (4th) 155 (F.C.A.)].

[10] In this regard the Opponent has the initial onus of proving that the application for the registration of the trade-mark RAGE, had been filed prior to the material date (February 1, 2001) and was pending at the date of advertisement of the application (February 18, 2004).

[11] The Opponent has failed to adduce any evidence in this regard; however having exercised my discretion to check records in the Registrar's care, I note that application No. 897,394 for the trade-mark RAGE, covering the following wares:

skateboards, and accessories therefore, namely, roller shoes, helmets, wrist guards, elbow pads and knee pads

was filed prior to the Applicant's application and was pending at the date of advertisement [*Royal Appliance Mfg. Co. v. Iona Appliances Inc.* (1990), 32 C.P.R. (3d) 525 (T.M.O.B.)].

[12] The Opponent has therefore met its burden with respect to this ground. The legal onus is on the Applicant to show that there would be no reasonable likelihood of confusion, within the meaning of s. 6(2) of the Act, between the marks at issue. The presence of an onus on the Applicant means that if a determinate conclusion cannot be reached once all the evidence is in, then the issue must be decided against the Applicant [*John Labatt Ltd. v. Molson Cos.* (1990), 30 C.P.R. (3d) 293 [F.C.T.D.], at 297-298].

the test for confusion

[13] 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 associated with those trade-marks are manufactured, sold, leased, hired or performed by the same person, whether or not the wares 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 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, 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. These enumerated factors need not be attributed equal weight.

[14] The Supreme Court of Canada has discussed the appropriate process for assessing all the surrounding circumstances to be considered in determining whether two trade-marks are confusing in its decisions in *Mattel, Inc. v. 3894207 Canada Inc.* (2006), 49 C.P.R. (4th) 321 and *Veuve Clicquot Ponsardin v. Boutiques Cliquot Ltée et al.* (2006), 49 C.P.R. (4th) 401. It is with these general principles in mind that I shall now assess all of the surrounding circumstances.

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

[15] Considering initially the inherent distinctiveness of the trade-marks at issue, I am of the view that both marks possess a fair degree of inherent distinctiveness as they are neither suggestive nor descriptive of the applied-for wares.

[16] The strength of a trade-mark may increase by means of it becoming known through promotion or use. The application for registration of the Mark is based on proposed use and no evidence has been furnished by the Applicant to show that the Mark has been used since the filing date. I therefore conclude that the Mark has not become known to any extent in Canada.

[17] On the other hand, the Opponent filed the affidavit of Mr. Kenny Finkelstein. Mr. Finkelstein is Lifestyle Brands Limited's Chief Financial Officer and Secretary. He explains that Lifestyle Brands Limited is a diversified global brand licensing and marketing company which licenses a variety of brand names including RAGE. Mr. Finkelstein attests to the fact that the RAGE branded products were originally developed, manufactured and distributed by Gen-X Sports Inc. and related companies until it was acquired by Huffy Corporation in September 2003. Lifestyle Brands Limited acquired from Huffy Corporation the RAGE trade-mark and associated goodwill in January 2005. He explains that Lifestyle Brands Limited now licenses the RAGE trade-mark for use on sports equipment manufactured and distributed by its licensees. He states that RAGE brand has been extensively sold throughout Canada over the last several years. In

support of this statement, he provides approximate sales figures by the predecessor-in-title Gen-X Sports of RAGE branded snowboards, skateboards and related equipment. These figures represent \$630,414 (USD\$) for the years 1998/1999 and \$365,890 (USD\$) for the years 1999/2000. Exhibits A and B appended to Mr. Finkelstein's affidavit clearly show use of the trade-mark RAGE on the Opponent's wares.

[18] Based on the foregoing evidence, I conclude that the Opponent's mark has become known to a certain extent in Canada.

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

[19] 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 or business; the nature of the trade

[20] When considering the wares and trades of the parties, it is the statement of wares in the parties' trade-mark applications that govern [*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.)].

[21] I consider that there exists a close connection between the Opponent's wares and the Applicant's wares in that they are sports related clothing and equipment. In terms of channels of trade, the Opponent's evidence establishes that its products are sold in specialized sports shops and general retail stores. In the absence of evidence to the contrary, I presume that both parties' wares could potentially share the same channels of trade.

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

[22] It has often been said that the degree of resemblance is the most important factor when assessing the likelihood of confusion between two trade-marks. Mr. Justice Cattanach in *Beverley Bedding & Upholstery Co. v. Regal Bedding & Upholstering Ltd.* (1980), 47 C.P.R. (2d) 145 (F.C.T.D.) defined the issue in the following terms:

Realistically appraised it is the degree of resemblance between the trade-marks in appearance, sound or in ideas suggested by them that is the most crucial factor, in most instances, and is the dominant factor and other factors play a subservient role in the over-all surrounding circumstances.

[23] When assessing the resemblance between the marks, I find particularly noteworthy the fact that the Applicant has appropriated the entirety of the Opponent's trade-mark. I consider the word RAGE to be the dominant and distinctive feature of the respective marks and in my view, the average consumer might not be particularly alerted to the distinction between them. In this regard, I find the marks share significant similarities in appearance, sound and ideas suggested by them.

conclusion re likelihood of confusion

[24] The test to be applied is a matter of first impression in the mind of a casual consumer somewhat in a hurry who sees NO RAGE on the Applicant's wares, at a time when he or she has no more than an imperfect recollection of the Opponent's trade-mark RAGE for similar wares, and does not pause to give the matter any detailed consideration or scrutiny [*Veuve Clicquot Ponsardin c. Boutiques Cliquot Ltée* (2006), 49 C.P.R. (4th) 401 (S.C.C.)]. In view of my findings above, and in particular by the fact that the dominant feature of each mark is identical and the fact that the parties' wares are related and overlap to some degree, it seems to me that such a consumer would, as a matter of first impression, believe that the wares are manufactured and sold by the same person.

[25] As stated by Mr. Justice Cattanach in *Conde Nast Publications Inc. v. Union des éditions modernes* (1979), 46 C.P.R. (2d) 183 (F.C.T.D.), in a case where a party had appropriated another's mark in its entirety and added a suffix thereto: "If there is doubt whether the

registration of a trade-mark would cause confusion with a prior mark the doubt must be resolved against the newcomer." This is merely a natural consequence of the legal onus being on the Applicant to establish, on a balance of probabilities, that confusion is unlikely.

[26] My findings above with respect to confusion are, for the most part, applicable to the remaining grounds of opposition.

[27] In view of the above, as the Opponent is successful on the bases of the s. 16(3)(b) ground of opposition, it is unnecessary to consider the remaining grounds of opposition.

Disposition

[28] Having been delegated authority by the Registrar of Trade-marks by virtue of s. 63(3) of the Act, I refuse the application pursuant to s. 38(8) of the Act.

DATED AT GATINEAU, QUÉBEC THIS 31 DAY OF MAY 2009.

Lynne Pelletier
Member
Trade-marks Opposition Board