

IN THE MATTER OF AN OPPOSITION
by Part I Knitting Ltd. to
application No. 584,680 for the
trade-mark CAUTION & Design
filed by Tetra Music Ltd.

On May 25, 1987, the applicant, Tetra Music Ltd., filed an application to register the trade-mark CAUTION & Design (illustrated below). The application is based on use of the trade-mark in Canada since May 9, 1987 for "T-shirts" and on proposed use for the following wares:

clothing, namely, sweat shirts and jogging pants; novelties, namely, bumper stickers, licence plates, coffee mugs, beer mugs, tumblers, patches or crests, caps, post cards, iron on transfers, mirror prints, towels and tote bags.

The application was advertised for opposition purposes on June 15, 1988.

The opponent, Part I Knitting Ltd., filed a statement of opposition on October 17, 1988, a copy of which was forwarded to the applicant on January 13, 1989. The first ground of opposition is that the application does not comply with the provisions of Section 30(b) of the Trade-marks Act because the applicant did not use the applied for trade-mark with T-shirts since May 9, 1987, as claimed.

The second ground of opposition is that the applicant is not the person entitled to registration pursuant to the provisions of Section 16 of the Act because, as of the applicant's claimed date of first use and as of its filing date, the applied for mark was confusing with "...the trade mark of the Opponent involving design features very similar to the design features of the Applicant's trade mark..." previously used in Canada with "wearing apparel." The third ground is that the applied for trade-mark is not distinctive in view of the foregoing.

The applicant filed and served a counter statement generally denying the allegations of fact and grounds of opposition set forth in the statement of opposition. Paragraph 2 of the counter statement contains the following statement:

The applicant states that paragraphs (a) to (c) of the Statement of Opposition disclose no proper grounds for opposition, and particularly paragraph (b), which alleges confusion with a completely unidentified trade mark of the Opponent.

As its evidence, the opponent filed the statutory declaration of Bernie Silcoff.

As its evidence, the applicant filed the affidavit of Bruce Clark Boswell. Both parties filed a written argument and an oral hearing was conducted at which only the applicant was represented.

As for the opponent's first ground of opposition, the onus or legal burden is on the applicant to show its compliance with the provisions of Section 30(b) of the Act: see the opposition decision in Joseph Seagram & Sons v. Seagram Real Estate (1984), 3 C.P.R.(3d) 325 at 329-330 and the decision in John Labatt Ltd. v. Molson Companies Ltd. (1990), 30 C.P.R.(3d) 293 (F.C.T.D.). There is, however, an evidential burden on the opponent respecting its allegations of fact in support of that ground. That burden is lighter respecting the issue of non-compliance with Section 30(b) of the Act: see the opposition decision in Tune Masters v. Mr. P's Mastertune (1986), 10 C.P.R.(3d) 84 at 89. Furthermore, if pleaded and if the opponent has met its evidential burden, a ground of non-compliance with Section 30(b) of the Act may require a showing of non-abandonment by the applicant for any periods of non-use: see the opposition decisions in Georgia-Pacific Corp. v. Scott Paper Ltd. (1984), 3 C.P.R.(3d) 469 at 473 and Bedesse Imports Ltd. v. D.A. Macrae Ltd. (1988), 23 C.P.R.(3d) 387 at 388. Finally, the material time for considering the circumstances respecting the issue of non-compliance with the provisions of Section 30(b) of the Act is the filing date of the application: see page 475 of the Georgia-Pacific decision.

As noted, the applicant's evidence consists of the affidavit of Bruce Clark Boswell, the President of the applicant. In its written argument, the opponent submitted that the various materials appended to the Boswell affidavit do not support the applicant's claimed date of first use in that they relate primarily to transactions between the applicant and its suppliers. That fact alone, however, is insufficient to meet the evidential burden on the opponent.

In his affidavit, Mr. Boswell also describes how his company's trade-mark is actually used. In discussing his company's trade-marked products in paragraph 6 of his affidavit, Mr. Boswell states as follows:

All of those products bore the subject trade mark together with the legend indicated.

The legend Mr. Boswell is referring to is a designation such as "musician", "fisherman" or the like which appears in the central space below the two parallel striped bars in the applied for trade-mark. Exhibit 15 includes photographs showing a number of T-shirts bearing different variations of the trade-mark. Exhibit 23 is a sample flyer which includes a representation of three such T-shirts which is reproduced below.

From the foregoing, it would appear that the applicant has never used the applied for trade-mark 'per se' on T-shirts but has used it in combination with different so-called legends. In my view, use of any one of these combinations does not constitute use of the applied for trade-mark: see Nightingale Interloc Ltd. v. Prodesign Ltd. (1984), 2 C.P.R. (3d) 535 at 538 (T.M.O.B.). Thus, I find that the applicant has failed to satisfy the onus on it to show that it has used the applied for trade-mark with T-shirts as of the date claimed. The first ground of opposition is therefore successful.

Although not argued by the opponent, I consider that there is another aspect of its first ground, namely, that the use of the applied for design on the front of a T-shirt would not be use of that design as a trade-mark. In my view, the applicant's design employed in such a fashion would be ornamental and would therefore not function to distinguish the wares of the applicant from those of others. Thus, the opponent's first ground of opposition would also have been successful on this second basis.

As for the second ground of opposition, the applicant stated in its counter statement that it was insufficiently pleaded because the opponent failed to adequately identify the trade-mark it was relying on. I agree and if the applicant had consistently maintained that position throughout the opposition, I might have been prepared to dismiss the second ground on that basis alone. However, the opponent's evidence identifies the mark it is relying on (as shown below) and the record shows that the applicant then proceeded on the basis that the opponent's mark was adequately identified. From that point on, the applicant did not pursue its initial position as to the adequacy of the opponent's pleading.

The opponent has satisfied the initial onus on it to evidence use of its trade-mark PART I & Design prior to the applicant's filing date and its claimed date of first use. Furthermore, the opponent has evidenced its non-abandonment of its mark as of the applicant's advertisement date. The second ground therefore remains to be decided on the issue of confusion between the marks of the parties, the onus or legal burden being on the applicant to show that the marks are not confusing. The material times for considering that issue are the applicant's filing date and its claimed date of first use. 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.

The applicant's mark is inherently distinctive. As noted, the applicant's evidence does not establish any use of the applied for mark 'per se.' Thus, I must conclude that the applicant's mark had not become known as of the material times.

The opponent's mark, too, is inherently distinctive. The Silcoff affidavit establishes that the opponent has effected fairly substantial sales of sweaters in association with its mark for a number of years. Thus, I can conclude that the opponent's mark has become known to some extent.

The length of time the marks have been in use clearly favors the opponent. Insofar as the applicant's application includes T-shirts and other clothing items, the wares of the parties are similar the opponent sells sweaters. Presumably the trades of the parties respecting such wares could be overlapping. The applicant submitted that its products are found in music stores. However, the applicant's statement of wares is not restricted to that particular channel of trade and the statement of wares is what governs: see the decisions in Mr. Submarine Ltd. v. Amandista Investments Ltd. (1987), 19 C.P.R. (3d) 3 at 10-11 (F.C.A.) and Henkel Kommanditgesellschaft v. Super Dragon (1986), 12 C.P.R. (3d) 110 at 112 (F.C.A.).

Insofar as the applicant's application includes various novelty items, there would appear to be no similarity between such wares and the opponent's sweaters. The corresponding trades respecting such wares would presumably also be different.

The final circumstance to be considered is the degree of resemblance between the marks in appearance or sound or ideas suggested. The marks do not bear any resemblance when sounded. The applicant's mark would be phonetically identified as "caution" and the opponent's mark would be sounded as "part one." Visually, however, the marks bear a fair degree of resemblance by virtue of their common employment of a design of clapper boards commonly used in the motion picture industry. For the same reason, there is a degree of resemblance between the marks in the ideas suggested.

In applying the test for confusion, I have considered that it is a matter of first impression and imperfect recollection. In view of the resemblance between the clothing wares, the related trades and the marks of the parties and in view of the reputation associated with the opponent's mark, I find that I am left in doubt as to the issue of confusion respecting the clothing wares listed in the application. Since the onus is on

the applicant, I must resolve that doubt against it. As for the remaining wares in the applicant's application, I consider that the wares and trades of the parties are different enough to lead to a finding of no confusion between the marks at issue. Consequently, the second ground of opposition is successful in respect of the clothing items but is otherwise unsuccessful.

The third ground of opposition turns essentially on the issue of confusion between the marks of the parties although the material time is later (i.e. - the filing of the opposition). My findings above respecting the second ground are equally applicable respecting this ground. In fact, as of the filing of the opposition, the reputation associated with the opponent's mark had increased. Thus, I find that the third ground of opposition is successful in relation to the clothing items listed in the applicant's application and is otherwise unsuccessful.

In view of the above, I refuse the applicant's application in respect of the wares "T-shirts" and "clothing, namely, sweat shirts and jogging pants" and I otherwise reject the opposition.

DATED AT HULL, QUEBEC, THIS 30th DAY OF April, 1991.

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