

IN THE MATTER OF AN OPPOSITION by Créations Méandres Inc. to Application
No. 780,431 for the trade-mark CIRQUE D'ETOILES in the name of Xentel DM
Incorporated

On April 11, 1995, GWE Group Inc. filed an application to register the trade-mark CIRQUE D'ETOILES based on use in Canada since at least as early as May 19, 1989 in association with the following wares:

“clothing, namely, sweaters, sweatshirts, hats, caps, sun visors, jackets, shorts, t-shirts, sweat pants, track suits, sun glasses, wrist bands, head bands, pajamas, jerseys, neck ties, tank tops, child ensembles (namely coordinated tops and bottoms), shoes, socks and shoe laces; novelty and souvenir items, namely popcorn bags, mugs, glasses, cups, beers steins, shooters, tumblers, water bottles, pens, pencils, bumper stickers, pennants, banners, lapel pins, stick pins, magnets, buttons, key chains, key rings, decals, beverage and bottle openers, lighters, matches, ashtrays, corkscrews, spoons, party favours, team mascots, jewelry, bibs, blankets, towels, face cloths, pillows, seat cushions, telephones, clocks and watches, blankets, toothbrushes, license plates, aprons, oven gloves and sport bags; printed publications, namely posters and calendars; toys and games, namely board games, card games, trading cards, plush toys, stuffed toys, dolls, circus cards and beach balls; audio-visual materials, namely video, video games, films strips and sound records in tape or disc form”

and on use in Canada since at least as early as November 1988 in association with the following services:

“organizing, producing, staging, and presenting a circus; supplying entertainment events, amusement parks including rides and games, and exhibitions to the general public; operating food service locations”.

The right to the exclusive use of CIRQUE has been disclaimed apart from the trade-mark in respect of the following services: “organizing, producing, staging and presenting a circus”.

The application was advertised in the Trade-marks Journal of September 4, 1996. Créations Méandres Inc. (the “Opponent”) filed a statement of opposition on September 30, 1996.

The Canadian Intellectual Property Office recorded Xentel DM Incorporated (the “Applicant”) as owner of the application on April 12, 1999 following the amalgamation of GWE Group Inc. and Xentel Interactive Inc. which took place on September 21, 1998.

On November 8, 1999, the Opponent requested leave to file an amended statement of opposition, which was granted on January 7, 2000. The current grounds of opposition are as follows:

1. The application does not comply with the requirements of Section 30 of the Trade-marks Act (“the Act”) and more particularly because:

- a. The applicant could not have been satisfied that it was entitled to use the trade-mark in Canada in association with the wares and services specified in the application since it could not have ignored the Opponent's prior rights.
 - b. The applicant could not have been satisfied that it was entitled to use the trade-mark in Canada in association with the wares and services specified in the application since it was a different entity, the Tarzan Zerbini Circus, that was going to offer these wares and services.
 - c. The dates of first use specified in the application are incorrect because (i) the trade-mark was never used in Canada in association with the wares specified in the application and the services described as "supplying entertainment events, amusement parks including rides and games, and exhibitions to the general public; operating food service locations" and (ii) the applicant did not use the trade-mark in Canada in association with the remaining services described in the application, namely "organizing, producing, staging, and presenting a circus", since those services were offered by Tarzan Zerbini Circus and not the applicant.
2. The trade-mark is not registrable pursuant to Section 12(1)(d) because it is confusing with the Opponent's trade-marks CIRQUE DU SOLEIL & Design of Registration No. TMA410,234 and CIRQUE DU SOLEIL & Design of Registration No. TMA418,918.
 3. The trade-mark is not registrable pursuant to section 12(1)(b) since it deceptively misdescribes the character or quality of the services in association with which the trade-mark was apparently used, or the conditions of their production or the persons who produced them.
 4. The applicant is not the person entitled to registration of the trade-mark pursuant to Section 16(1)(a) because at the alleged dates of first use the trade-mark was confusing with the trade-marks which had been previously used in Canada by the Opponent.
 5. The applicant's trade-mark is not distinctive because it does not actually distinguish, nor is it adapted to distinguish, the wares and services of the applicant from the wares and services of others, including in particular the wares and services of the Opponent and the services of organizing, producing, staging and presenting a circus offered by the Tarzan Zerbini Circus.

The Applicant filed an amended counter statement essentially denying all grounds of opposition.

The Opponent's evidence consists of an affidavit of Daniel Gauthier filed on July 25, 1997. The Applicant's evidence consists of an affidavit of Avi Sarkar filed on February 25, 1998. Mr. Sarkar was

cross-examined on his affidavit. A transcript of the cross-examination and the responses to undertakings were filed with the Opposition Board on July 6, 1999.

On November 10, 2000, the Applicant requested leave to file an affidavit of Peter Fetting as additional evidence. After considering both parties' submissions, leave was refused on April 2, 2001 and the affidavit was returned to the Applicant.

Both parties filed a written argument. No oral hearing was conducted.

Opponent's evidence

Mr. Gauthier has been President of the Opponent since 1990. He was the Opponent's Vice-President Finances from 1986 to 1990 and its Administrative Director from 1984 to 1986. Mr. Gauthier sets out the history of the activities of the Opponent and of its predecessor in title, Les Productions du Cirque du Soleil Inc. (hereafter referred to as "PCDS"), in Canada and abroad. I am not prepared to give any significant degree of weight to the evidence relating to the international reputation associated with the Opponent's trade-marks in the absence of evidence that such reputation has had an impact on the extent to which the trade-marks have become known in Canada. Accordingly, I will review the material portion of the evidence with respect to Canada.

Mr. Gauthier provides the following corporate information:

- The Opponent's predecessor in title started its activities in Baie-St-Paul, Quebec, in 1981 under the name Le Club des Talons Hauts Inc. It changed its name to Les Productions du Cirque du Soleil Inc. on December 23, 1987.
- The Opponent is a continuation of Les Musiques Méandres Inc. incorporated on September 25, 1978. It continued the activities of Les Musiques Méandres Inc. on January 14, 1988 under the name Les Productions Méandres Inc.. The change of name from Les Productions Méandres Inc. to Créations Méandres Inc. took place on December 18, 1989.

According to Mr. Gauthier, the Opponent's predecessor in title began producing a show CIRQUE DU SOLEIL in 1984, which was presented in Gaspé and in ten cities of the province of Quebec. The shows CIRQUE DU SOLEIL and CIRQUE DU SOLEIL "La magie continue" were presented in Ontario and in Vancouver in 1985 and 1986. Mr. Gauthier states that during that period, Entreprises Tous Azimuts Inc. owned a license from PCDS for commercializing merchandising products, such as clothing, novelties and souvenirs, sound recording or sound reproducing media, and toys and games. I note that

Mr. Gauthier does not specify the years during which the license was in place nor does he provide any information regarding the provisions of the license.

The world premiere of the show CIRQUE DU SOLEIL “Nouvelle Experience” took place in Montreal in 1990.

Mr. Gauthier states that during that period PCDS owned a license for presenting in Canada the shows CIRQUE DU SOLEIL, shows which were directly or indirectly created and conceived by the Opponent and for which PCDS owned the trade-mark CIRQUE DU SOLEIL. His statement, at paragraph 11 of his affidavit, reads as follows:

“À cette époque, PCDS détient une licence pour présenter au Canada les spectacles CIRQUE DU SOLEIL, spectacles qui étaient directement ou indirectement créés et conçus par CM et pour lesquels PCDS était titulaire de la marque de commerce CIRQUE DU SOLEIL.”

[The reference to “CM” in the affidavit is a reference to the Opponent].

Mr. Gauthier does not specifically identify the licensor, the years during which the license was in force or the provisions of the license and there are no other statements in the affidavit from which we could derive this information. The allegation that PCDS owned the trade-mark is of no assistance in clarifying the provisions of the license, and is seemingly more confusing. Did PCDS cross license the right to use the trade-mark? We do not have the answer to such question.

In 1992, the Opponent created and conceived the show CIRQUE DU SOLEIL “Saltimbanco”, which was presented in Montreal and Ste-Foy, Quebec, by PCDS. The North American tour of the show was completed in 1993.

According to Mr. Gauthier, on January 1, 1994, PCDS transferred its trade-marks and all its other rights to the Opponent which then became the owner of all rights surrounding the trade-mark CIRQUE DU SOLEIL and as such replaced PCDS as party to an agreement of September 1993 between PCDS and Cirque du Soleil Inc. (to be referred to by Mr. Gauthier as “CDS”) for the presentation of the shows CIRQUE DU SOLEIL. Mr. Gauthier does not provide a copy of the September 1993 agreement or any information regarding its provisions.

Mr. Gauthier declares that since January 1994, the Opponent directly or through its licensees organizes and presents the shows CIRQUE DU SOLEIL and also commercializes the CIRQUE DU SOLEIL

wares. I note that Mr. Gauthier neither specifies the identity of the licensees, the duration of the licenses nor does he provide any information regarding the provisions for the licensed use.

Mr. Gauthier states that in 1994, at the occasion of the tenth anniversary of the CIRQUE DU SOLEIL shows, the Opponent created the show “Alégria” which was presented by CSI [*sic*] and started its North American tour in Montreal. During that time, the show “Saltimbanco” returned to Montreal. In 1995, the show “Alégria” continued its North American tour and the show “Cirque Réinventé” was presented at Halifax during a G7 summit (the show “Cirque Réinventé” was first presented in the United States in 1987). The Opponent created the show “Quidam” in 1996.

Mr. Gauthier states that the Opponent controls the character and quality of the CIRQUE DU SOLEIL shows and wares because, amongst others, it retains the services of Mr. Guy Laliberté, founder of the CIRQUE DU SOLEIL shows, and of Mr. Gilles Ste-Croix, artistic director, who both head a group of persons known as “le Comité de l’image”, which exercises total control over the character and quality of everything associated with the trade-mark CIRQUE DU SOLEIL. Mr. Gauthier adds that in view of the corporate relationship between PCDS and its licensees, and since 1994 between the Opponent and its licensees, all these companies being directed by Mr. Guy Laliberté and himself, it is obvious that the owner of the trade-mark CIRQUE DU SOLEIL has always exercised a control over all the services and wares associated therewith.

Mr. Gauthier provides a Certificate of Authenticity of Registration No. TMA410,234 for the trade-mark CIRQUE DU SOLEIL & Design, shown hereafter:

CIRQUE DU SOLEIL

and a Certificate of Authenticity of Registration No. TMA418,918 for the trade-mark CIRQUE DU SOLEIL & Design, shown hereafter:

CIRQUE DU SOLEIL



These certificates evidence that both registrations are owned by the Opponent and that each trade-mark has been registered on the basis of use in Canada since at least as early as March 1984 in association with the following wares:

“articles of wearing apparel and accessories, namely sweatshirts, t-shirts, hats, caps, shorts, boxer shorts, jackets, jeans, raincoats, umbrellas, swimsuits, ties, coats, vests, sweaters, shirts and jerseys; novelty and souvenir items, namely balloons, playing cards, calendars, note cards, postcards, lithographs, posters, laminated posters, souvenir programs, beach towels, sport bags, tote bags, pennants, key chains, mugs, masks, buttons, hand bags, cups, decals, flags, pins, masquerade costumes, pen and pencil sets and cases, bumper stickers, jig-saw puzzles, banners, tie pins and watches; sound recording or reproducing media, namely records, tapes, compact discs and cassettes; toys and games, namely coloring books, painting and coloring sets, comic books, diaries, calendars and scrap books”

and the following services:

“operation of a business dealing in presentation, production, management, licensing and sponsoring of entertaining shows”.

The right to the exclusive use of CIRQUE has been disclaimed apart from each trade-mark as a whole.

I note a discrepancy between the name of the Opponent’s predecessor in title as identified in each registration, i.e. Les Productions Cirque du Soleil Inc., and as identified by Mr. Gauthier, i.e. Les Productions du Cirque du Soleil Inc. (my underline). In addition, from the footnotes of both registrations, I note a discrepancy between the date of the assignment as recorded by the Canadian Intellectual Property Office and as specified by Mr. Gauthier. The entries in the footnotes indicate May 3, 1994 as the date of the change whereas Mr. Gauthier states that PCDS transferred its trade-marks to the Opponent on January 1, 1994. Nonetheless, the Opponent benefits from the presumption that its registrations are valid [see *Mr. P’s Mastertune Ignition Services Ltd. v. Tune Masters* (1984), 82 C.P.R. (2d) 128 (F.C.T.D.)].

Mr. Gauthier provides a list of specific locations in Canada where the shows have been performed. He declares that the shows’ designers, producers, creators, artists, composers, musicians, comedians and acrobats have received over 100 awards and distinctions and a list of some of them is provided.

Mr. Gauthier provides approximate yearly breakdown of ticket sale revenues for the shows. According to these figures, ticket sale revenues in Canada from 1985 to 1996 were in excess of 33 million Canadian dollars. Mr. Gauthier provides copies of official programs for North American shows from 1985 to 1995 and copies of shows’ posters from 1986 to 1995. The trade-mark CIRQUE DU SOLEIL is displayed on the cover page of each official program as well as on each poster.

In reviewing the credit pages of the official programs, I have noted the following:

- The programs for the shows “Cirque Réinventé” (DG-40) and “Nouvelle Expérience” (DG-41) identify LE GROUPE DU SOLEIL and LES PRODUCTIONS CIRQUE DU SOLEIL INC., listing individuals and their official positions under each name. Guy Laliberté is listed as “President and Founder” of LE GROUPE DU SOLEIL. They also identify Concept Électronique Microflex Inc., Productions Télémagik Inc., Les Entreprises Naga Inc. and Les Créations Méandres Inc. under the credits for the 1990 North American Tour of the show “Nouvelle Expérience”, listing individuals and their official positions underneath each name.
- The 1991 program for the North American Tour of the show “Nouvelle Expérience” (DG-42) identifies LE GROUPE DU SOLEIL, LES PRODUCTIONS CIRQUE DU SOLEIL INC., Concept Électronique Microflex Inc., Productions Télémagik Inc. and Les Créations Méandres Inc. with individuals and their official positions listed under each name. Daniel Gauthier is listed as “President, Groupe Du Soleil” under LE GROUPE DU SOLEIL.
- The 1992 and 1993 programs for the North American Tour of the show “Saltimbanco” (DG-43, DG-44) both identify Daniel Gauthier as President under “President’s Office” rather than under the name of a specific entity. Productions Télémagik Inc. and Les Créations Méandres Inc. are also identified in the credits, listing individuals and their official positions under each name.

PCDS was the owner of the trade-marks during the aforementioned years, although I am uncertain whether the program for the show “Cirque Réinventé” was used in 1995 at the time the show was presented in Halifax. While I acknowledge that programs do not constitute evidence of Le Groupe du Soleil being a legal entity, the references to a president is at least suggestive of a distinct entity. Since there is no reference to Le Groupe du Soleil in Mr Gauthier’s affidavit, we have no information as to the relationship between Le Groupe du Soleil and PCDS. In addition, Mr. Gauthier has not specifically identified Concept Électronique Microflex Inc., Productions Télémagik Inc. and Les Entreprises Naga Inc. as licensees of PCDS or as companies directed by himself and Guy Laliberté. I also note reference to Les Productions Cirque du Soleil Inc., as in the registrations, rather than Les Productions du Cirque du Soleil Inc. (my underline).

According to Mr. Gauthier, close to 2.4 million Canadian dollars was spent on publicity in Canada from 1988 to 1996. Advertisements appearing in Canadian daily newspapers from 1985 to 1995 have been provided. I am prepared to take judicial notice of some circulation in Canada of major Canadian daily newspapers such as *The Globe and Mail*, *La Presse*, *The Toronto Star* and *The Gazette* in which advertisements have appeared [see *Northern Telecom Ltd. v. Nortel Communications Inc.* (1988) 14 C.I.P.R. (14) 104 (T.M.O.B.)].

Mr. Gauthier provides approximate yearly breakdown of revenues relating to the sale of wares in association with the trade-mark CIRQUE DU SOLEIL but does not specifically identify the wares covered by these figures. According to these figures, revenues relating to the sale of wares in Canada from 1985 to 1996 were in excess of 5 million Canadian dollars. Copies of 1992 to 1997 catalogues for the wares have been provided. While the appearance of the trade-marks in catalogues does not in itself constitute use in association with wares [see *Clairol International Corp. v. Thomas Supply & Equipment Co. Ltd* (1968), 55 C.P.R. 176], the catalogues do illustrate products bearing the trade-marks.

In reviewing the catalogues, I have noted instances where the identification of some products suggests a relationship with third parties. The 1995 catalogue shows (i) trapeze ornaments, tins, gift bags, and trapeze pole structure by Department 56, (ii) t-shirts and calendars by Graphique de France, (iii) acrobat dolls by Determined Productions, (iv) silk ties by Balancine and (v) silk chiffon scarf by Silk Club. The 1996 catalogue shows (i) note cards and fun house by Paper House Production, (ii) hats by Pony Express Creations and (iii) silk ties by Balancine. The 1997 catalogue shows (i) children's clothing by Louis Garneau Sports, (ii) hats by Pony Express Creations, (iii) pewter bottle stoppers by Wine Things Unlimited, (iv) note cards and cards by Paper House Productions, (v) teapot and plates by Square One, (vi) cotton night shirt and satin night shirts by Hunkemöller, (vii) cotton throws by Crown Craft, (viii) 3D puzzle by Wreabbit and (ix) 3-D viewer by 3-D Vision Internationale. I note that none of these third parties has been specifically identify by Mr. Gauthier as a licensee or a company directed by himself and Guy Laliberté.

There is no information in Mr. Gauthier's affidavit with respect to the channels of trade associated with the wares. However, it appears from the catalogues that Canadians may order the wares illustrated therein by telephone, mail or facsimile. In addition, some of the official programs indicate that promotional items are on sale at the shows.

Mr. Gauthier states that (a) because of the notoriety of the Opponent's trade-mark CIRQUE DU SOLEIL it is likely that the average Canadian would be lead to believe that the wares and services associated with the trade-mark CIRQUE D'ETOILES emanate from the same source as the wares and services associated with the trade-mark CIRQUE DU SOLEIL; and (b) since the mark CIRQUE DU SOLEIL is well known in Canada and worldwide and has been extensively used since 1984, it is difficult to believe that on April 11, 1995, GWE Group Inc. could have been satisfied that it was entitled to use the trade-mark CIRQUE D'ETOILES. In addition to these statements being self-serving, I find that they are conclusions in law to be determined by the Registrar and therefore inadmissible.

Mr. Gauthier is also stating that he considers himself to be well informed of events associated with circus shows and of their main actors, but prior to the opposition he had not heard of GWE or of the trade-mark CIRQUE D'ETOILES. I am not prepared to give any significant degree of weight to such statement.

Applicant's evidence

Avi Sarkar, Director of Operations of GWE Group Inc. (hereafter referred to as "GWE") states that one of GWE's main specializations is providing fund raising assistance to charitable, recreational and other organizations, which are primarily Canadian organizations. GWE designs and develops programs and entertainment events, ranging from circuses to sporting events to contests, and makes these programs and events available to charitable, recreational and other organizations which in turn raise funds through these events. In providing its circus events, GWE typically lends its expertise to the customer for a circus event by organizing, promoting and advertising it as a benefit or fundraiser; printing and selling tickets and discount coupons to the event; producing programs and other printed materials; obtaining and selling related souvenirs and novelty items such as hats, caps, t-shirts, drinking glasses, mugs, pens, pencils, pennants and so on; recruiting and/or hiring actors, animals, athletes, acrobats, clowns, trapeze artists, unicyclists, performers and other participants for the event; arranging for event sponsors; and conducting the event including sending personnel to attend and supervise the event itself.

According to Mr. Sarkar, once GWE develops and names a circus, sporting event or other program, it typically files a trade-mark application. He further states that, over the years, GWE has developed a number of programs containing the word STARS or its French equivalent ÉTOILES. He provides as an example of such programs the trade-marks LAW ENFORCEMENT ALLSTARS (Registration No. TMA435,130) and ÉTOILES DE L'APPLICATION DE LA LOI (Registration No. TMA439,917) with Certificates of Authenticity of both registrations. He states that for this program, GWE recruits and organizes teams from local police detachments to play against a touring team of retired professional hockey players. A portion of the proceeds from the hockey games is devoted to local charity.

Mr. Sarkar provides as another example of a program containing the word STARS a benefit tour of baseball games called ALLSTARS BASEBALL. He provides a Certificate of Authenticity of Application No. 710,958 for the trade-mark ALLSTARS BASEBALL & Design.

Mr. Sarkar provides Certificates of Authenticity of Application No. 780,431 for the trade-mark CIRQUE D'ETOILES and of Application No. 780,430 for the trade-mark CIRQUE D'ETOILES & Design.

Mr. Sarkar states that GWE has used the trade-mark CIRQUE D'ETOILES since at least as early as 1989. He provides documents relating to the 1989 CIRQUE D'ETOILES circus season, namely a photograph of the May 1989 tour display at Southcentre in Calgary, Alberta; a ticket voucher for the 1989 Calgary Southcentre performance on May 19, 1989 and a discount coupon in respect of the 1989 touring season; two types of tickets for the Calgary Southcentre performance of May 19, 1989; a copy of a CIRQUE D'ETOILES advertisement appearing in the Calgary Herald newspaper of Sunday May 14, 1989; Monday, May 15, 1989; Tuesday, May 16, 1989; and Wednesday, May 17, 1989.

Mr. Sarkar further states that the CIRQUE D'ETOILES production has been performed in Calgary, Alberta and Gatineau, Quebec and that it was to be performed in Chicoutimi, Quebec in August of 1998. He provides a flyer used during the 1989 season, stating that this flyer is typical of the type of all productions presented under the CIRQUE D'ETOILES trade-mark.

Mr. Sarkar also makes reference to the design trade-mark, which is the subject of co-pending Application No. 780,430, stating that GWE has used the trade-mark CIRQUE D'ETOILES & Design since at least as early as 1995. He provides documents relating to the 1995 CIRQUE D'ÉTOILES benefit season, without distinguishing between the trade-marks CIRQUE D'ETOILES and CIRQUE D'ETOILES & Design, namely copies of tickets to the Gatineau, Quebec production on Monday, August 14, 1995 and a copy of the 1995 circus program.

Mr. Sarkar states that the CIRQUE D'ETOILES production follows a traditional circus format and presents acrobats, trapeze artists, clowns, ring masters and, most notably, trained animals such as bears and elephants. He further states that GWE uses the double concept of "stars" as an advertising tool; its performers are "stars" and the "star" shaped motif and images appear in its advertising. According to Mr. Sarkar, this double meaning of "star" is reinforced in the advertising of all GWE's programs containing the word STARS or ETOILES.

Finally, Mr. Sarkar states that GWE has never at any time become aware of instances of confusion between the circus advertised in association with the CIRQUE D'ETOILES and CIRQUE D'ETOILES & Design trade-marks, and the circus organized by the Opponent, which do not follow a traditional circus format and do not use animals as performers. He adds that at no time has GWE become aware of any person who attended a CIRQUE D'ETOILES production and who has mistakenly believed it was or would be a CIRQUE DU SOLEIL production.

According to the exchange of correspondence of record between the parties' agents regarding the reply to Mr. Sarkar's undertakings, it appears that I should refer to the Applicant's agents' letter of June 9, 1999 for the responses to undertakings 5, 6 and 10 because the responses in their first letter, which is undated, did not reply to them. Although the program for the 1998 performance is not a proper reply to undertaking 6, I am considering it as part of the record since it is referred to in the reply to undertaking 9. In reply to the undertakings, GWE indicated that (a) there was no CIRQUE D'ETOILES circus from 1992 to 1994, in 1996 and in 1997; (b) there was only one CIRQUE D'ETOILES performance in 1995, i.e. the performance of August 14, 1995; (c) there was a performance in Jonquiere, Quebec in 1998. GWE provided a program of the 1998 performance and the proposed itinerary of a tour planned to run in eleven cities in the province of Quebec from July 9 to August 15, 1999. GWE states that in 1998, it derived \$17,829 from CIRQUE D'ETOILES activities in Canada. GWE states that programs, caps, t-shirts and crests were sold at the Jonquiere performance but that it cannot determine what products were sold in association with the trade-mark CIRQUE D'ETOILES & Design at the 1995 performance.

I shall now deal with the grounds of opposition.

Section 12(1)(b)

The Opponent has essentially alleged that the trade-mark is not registrable pursuant to Section 12(1)(b) because it is deceptively misdescriptive of the character or quality of the services or the conditions of their production or the persons who produced them. The Opponent did not explain why or how it considered the trade-mark to be deceptively misdescriptive. In order to have done so, the Opponent was required under the Act to provide some allegations of facts, which were later to be supported by evidence [see *AstraZeneca AB v. Novopharm Ltd.* (2001), 15 C.P.R. (4th) 327 (F.C.A.); *Governor and Co. of Adventurers of England trading into Hudson's Bay v. Sears Canada Inc.* 26 C.P.R. (4th) 457 (T.M.O.B.)]. Accordingly, I dismiss the Section 12(1)(b) ground of opposition because it has been insufficiently pleaded.

Section 30

I shall deal with the ground of opposition based upon non-compliance with Section 30 of the Act, disposing of each portion of this ground in their reverse order of description in the statement of opposition.

The material date for considering the circumstances with respect to this ground of opposition is the filing date of the application [see *Georgia-Pacific Corp. v. Scott Paper Ltd.* (1984), 3 C.P.R. (3d) 469 (T.M.O.B.)].

While the legal burden is on the Applicant to show that its application complies with Section 30, there is an initial evidential burden on the Opponent to establish the facts relied upon by it in support of its Section 30 grounds. Once this initial onus is satisfied, the Applicant has the burden to prove that the particular grounds of opposition should not prevent registration of the trade-mark [see *Joseph E. Seagram & Sons Limited v. Seagram Real Estate Ltd.* (1984) 3 C.P.R. (3d) 325 (T.M.O.B.); *John Labatt Ltd. v. Molson Companies Ltd.* (1990) 30 C.P.R. (3d) 293 (F.C.T.D.)]. To the extent that the relevant facts are more readily available to the Applicant, the evidentiary burden on the Opponent with respect to the ground of opposition based upon non compliance with Section 30(b) is lower [see *Tune Masters v. Mr. P's Mastertune Ignition Services Ltd.* (1986), 10 C.P.R. (3d) 84 (T.M.O.B.)]. Also, the Opponent may rely upon the Applicant's evidence to meet its initial burden, but the Opponent must show that the Applicant's evidence is clearly inconsistent with the Applicant's claim [see *York Barbell Holdings Ltd. v. ICON Health & Fitness, Inc.* (2001), 13 C.P.R. (4th) 156 (T.M.O.B.)].

The Opponent did not file any evidence in support of its ground of opposition based upon non-compliance with 30(b). However, in its written argument, the Opponent argues that the cross-examination of Mr. Sarkar evidences the allegations in support of such ground of opposition. More particularly, the Opponent argues that Mr. Sarkar has admitted that the wares were not sold in Canada in 1989. The following excerpt of the cross-examination (pages 19 and 20) has been reproduced in the Opponent's written argument:

Q. So when these events took place in May, 89, was the company selling t-shirts and novelty items at that occasion with the trademark "Cirque d'Etoiles"?

A. No, no, no. We no sold anything this name but we print material as a program, posters, newspaper ad meant when we advertise the event we use that name.

Q. Anything else?

A. As for my knowledge, I don't think so anything else. All the printing material, yes, we did, we used this name yes.

The Opponent also argues that Mr. Sarkar has admitted that Tarzan Zerbini Circus and not GWE was using the trade-mark in association with "organizing, producing, staging and presenting a circus" and that the other services have never been offered in Canada. The following excerpt of the cross-examination (pages 17, 19 and 20) has been reproduced in the Opponent's written argument:

Q. Could you describe to us in a few words what is this group called Tarzan Zerbini Circus and what they do?

A. Tarzan Zerbini is the producer of the show, he bring the circus, he create the circus, he create the crew and we hire the company to do the circus for us in Canada.

Q. Is this a professional circus group?

A. That's right.

Q. Do they hire the actors of the circus?

*A. That's right, they hire the actors, all the entertainer everything
[...]*

Q. Do they own the animals?

A. Animals, yew.

Q. As a matter of fact, it is their own performance?

A. That's right.

Q. They determine the sequence of events, the way each number is presented, the content of the show. As a matter of fact, they decide everything about the circus, do they not?

A. They decide – they create the show, they do everything, they put the tent up, their manpower, we just hire their service, that's all we do.

[...]

Q. In paragraph 4 of the same application, 780,431, we see a list of services, again three groups, the first is organizing, producing, staging and presenting a circus, the next is supplying entertainment services et cetera, and the third is operating service locations.

A. Umm-hmm

Q. Are these somehow related?

A. Organizing, producing, staging, presenting a circus yes, we use that name as a promote event.

Q. Those are the events that we discussed before and I gather they took place between May 19th and May 21st, 1989, right?

A. May 19th through May 21, 1989.

Q. Yes okay. What about the other two series of things, did they ever take place?

A. No.

In its written argument, the Applicant argues that the evidence of the Applicant's deponent is that GWE used the trade-mark and that there is no evidence that Tarzan Zerbini Circus used the trade-mark other than pursuant to its contractual relations with GWE. I cannot accept the Applicant's argument since there is no evidence that GWE directly or indirectly had control over the character or quality of the

services performed by Tarzan Zerbini Circus and thus could benefit from any use of the trade-mark by Tarzan Zerbini Circus in association with “organizing, producing, staging and presenting a circus”.

In view of the cross-examination of Mr. Sarkar, I find that the Opponent has satisfied its initial onus to evidence that the trade-mark was not used in Canada in association with the wares specified in the application and the services described as “supplying entertainment events, amusement parks including rides and games, and exhibitions to the general public; operating food service locations” at the alleged dates of first. I also find that GWE cannot benefit from the use of the trade-mark by Tarzan Zerbini Circus in association with “organizing, producing, staging, and presenting a circus”. The Opponent having discharged its initial onus, I am not satisfied that the Applicant has discharged its burden to prove that the ground of opposition based upon non-compliance with Section 30(b) should not prevent registration of the trade-mark.

Turning now to the ground of opposition based upon non-compliance with Section 30(i), the Opponent did not file any evidence in support of its allegations that the applicant could not have been satisfied that it was entitled to use the trade-mark in Canada in association with the wares and services specified in the application since it was a different entity, the Tarzan Zerbini Circus, that was going to offer these wares and services.

I do not consider that the information provided by Mr. Sarkar in his affidavit and during his cross-examination is inconsistent with GWE’s claim that it was entitled to use the trade-mark in Canada in association with the wares and services identified in the application. My interpretation of Mr. Sarkar’s cross-examination is that at the date of the application, GWE was convinced that by hiring the Tarzan Zerbini Circus for the show CIRQUE D’ETOILES it was entitled to use the trade-mark in Canada in association with the wares and services set out in the application. There is no evidence of bad faith on the part of GWE [see *Sapodilla Co. Ltd. v. Bristol-Myer Co.* (1974), 15 C.P.R. (2d) 152 (T.M.O.B.)].

As for the ground of opposition that the applicant could not have been satisfied that it was entitled to use the trade-mark in Canada in association with the wares and services set out in the application since the applicant could not have ignored the Opponent’s prior rights, I find that it has been insufficiently pleaded. While the Opponent refers to prior rights, it did not plead that the trade-mark was confusing with its trade-marks. Should I be wrong on my conclusion, I find that the evidence of record does not allow me to conclude that GWE was aware of the Opponent’s trade-marks at the time of filing the application. Moreover, even if it had been established that GWE was aware of the Opponent’s trade-marks prior to filing the application, there is no evidence showing that GWE could not have been satisfied of its entitlement to use the trade-mark in Canada on the basis, *inter alia*, that its trade-mark

was confusing with the Opponent's trade-marks. In its written argument, the Opponent goes into a lengthy submission as to GWE's reasons for choosing the trade-mark CIRQUE D'ETOILES, but I find that the Opponent's submission is purely speculative.

In view of the above, I maintain the ground of opposition based on non-compliance with Section 30(b), as pleaded by the Opponent, but dismiss the ground of opposition based upon non-compliance with Section 30(i).

Section 12(1)(d)

The Opponent alleges that the Applicant's mark is not registrable pursuant to Section 12(1)(d) because it is confusing with the registered trade-marks identified in its statement of opposition. I note that statement of opposition identifies the trade-mark of Registration No. TMA410,234 as CIRQUE DU SOLEIL & Design. However, the trade-mark as registered is a word mark. Since it has no impact on my decision, all further reference to the trade-mark CIRQUE DU SOLEIL should be considered as a reference to the trade-mark of Registration No. TMA410,234, unless indicated otherwise.

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 its trade-mark and the Opponent's registered trade-marks [see *Dion Neckwear Ltd. v. Christian Dior, S.A.* 2002 FCA 29]. In its written argument, the Applicant argues that the evidence shows that there has been no instance of confusion as to the source of the respective wares and services. However, Mr. Sarkar's statement that GWE was unaware of instances of confusion between the parties' trade-marks is not by itself determinative since what has to be considered is the likelihood of confusion [see *Oshawa Holdings Ltd. v. Fjord Pacific Marine Industries Ltd.* (1981), 55 C.P.R. (2d) 39 (F.C.A.)]. I have noted the Opponent's argument that Mr. Sarkar himself has confused the trade-marks during the cross-examination but I find that it is not in itself determinative. In fact, it seems to me that Mr. Sarkar was confused by the sequence of questions rather than by the trade-marks.

The material date for considering the issue of confusion with the Opponent's registered trade-marks pursuant to Section 12(1)(d) is the date of the my decision [see *Park Avenue Furniture Corp v. Wickers/Simmons Bedding Ltd.* (1991), 37 C.P.R. (3d) 413 (F.C.A.)].

The Opponent's evidence, as detailed above, does not distinguish between the trade-mark CIRQUE DU SOLEIL and the trade-mark CIRQUE DU SOLEIL & Design. Throughout his affidavit, Mr. Gauthier refers to the show CIRQUE DU SOLEIL or the CIRQUE DU SOLEIL products. The only reference to

the trade-mark CIRQUE DU SOLEIL & Design is found at paragraph 27 of the affidavit where he states that the Opponent owns Registration No. TMA418,918. Nonetheless, if the Applicant's trade-mark is not confusing with the trade-mark CIRQUE DU SOLEIL, then it will not be confusing with the trade-mark CIRQUE DU SOLEIL & Design. I shall therefore focus my discussion on the likelihood of confusion between the trade-mark CIRQUE D'ETOILES and the trade-mark CIRQUE DU SOLEIL.

From the evidence of record, I conclude that the trade-mark CIRQUE DU SOLEIL has been used in Canada in association with merchandising products, including most of the wares identified in Registration No. TMA410,234 and in association with the services identified in said registration. Since the Opponent is relying upon use by licensees and related companies I feel compelled to address the issue as to whether said use meets the requirements of Section 50(1) of the Act.

In addition to my prior comments regarding the ambiguity of the statement at paragraph 11 of his affidavit, I note that Mr. Gauthier failed to provide:

- a copy of the alleged license between PCDS and Entreprises Tous Azimuts Inc., as well as information regarding the provisions and duration of the license;
- a copy of the alleged agreement of September 1993 between PCDS and Cirque du Soleil Inc., information regarding the provisions and duration of the agreement as well as documentary evidence showing that the Opponent replaced PCDS as party to the September 1993 agreement;
- information on Le Groupe du Soleil and an explanation of its relationship with PCDS. We do not have the answer to the question whether or not Le Groupe du Soleil is a legal entity;
- An explanation of the relationship between PCDS and third parties whose names appear in official programs or these third parties' role in the shows;
- an explanation of the relationship between the Opponent and third parties whose names appear in the catalogues (licensees? related companies?);
- documents or other information properly evidencing the allegation that Messrs. Laliberté and Gauthier direct all the companies that use the trade-mark CIRQUE DU SOLEIL.

Corporate structure alone is insufficient to establish the existence of a license within the meaning of Section 50. There must also be evidence that the owner controls the use of its trade-mark by subsidiaries and take steps to ensure the character and quality of the wares and services provided [see *MCI Multinet Communications Corp. v. MCI Multinet Communications Inc.* (1995), 61 C.P.R. (3d) 245

(T.M.O.B.); *Loblaws Inc. v. Tritap Food Broker* (1999), 3 C.P.R. (4th) 108 (T.M.O.B.)). On the other hand, Section 50 of the Act does not require a written agreement. Evidence of control by an owner of a registered trade-mark can support the existence of an implied license agreement [see *Well's Dairy Inc. v. UL Canada Inc.* (2000), 7 C.P.R. (4th) 77 (F.C.T.D.)]. I am therefore left with the following statement of Mr. Gauthier in order to determine whether the owner controls the licensed use of the trade-mark:

*"Il faut noter que CM contrôle les caractéristiques et la qualité des spectacles **CIRQUE DU SOLEIL** et des produits **CIRQUE DU SOLEIL** puisqu'elle retient, entre autres, les services de M. Guy Laliberté, fondateur des spectacles **CIRQUE DU SOLEIL**, et de M. Gilles Ste-Croix, directeur artistique, qui dirigent un groupe de personnes formant ce qu'il est convenu d'appeler le Comité de l'image lequel exerce un total contrôle sur les caractéristiques et la qualité de tout ce qui est associé à la marque de commerce **CIRQUE DU SOLEIL**."*

Again, I have to note that lack of information provided by Mr. Gauthier. Since when does the committee exist? What does it do exactly? It may be that members of the committee are involved in the symbolic conception of the Opponent's orientation, i.e. its corporate image. In my view this alone does not allow me to conclude that the Opponent has *de facto control* over the activities of the licensees or related companies, which are using the trade-mark. In any event, I cannot reasonably infer from the aforementioned statement that the Opponent has control over the character and quality of the wares and services.

Having regard to the foregoing, I cannot agree with Mr. Gauthier's statement that *"..il est bien évident que depuis le premier jour de la marque de commerce **CIRQUE DU SOLEIL**, son titulaire a toujours exercé un contrôle absolu sur tous les services et produits qui y ont été associés."* If control is obvious, then why not be specific and precise with respect to the licensees, their activities and the trade-mark owner's control, particularly in an instance such as this where the whole interrelationship is unclear, not to say confusing. I find that the ambiguity of the affidavit must be resolved against the Opponent [see *Conde Nast Publications Inc. v. Union des Editions Modernes* (1979), 46 C.P.R. (2d) 183 (F.C.T.D.)] and I conclude that the Opponent has not shown that it is entitled to the benefit of Section 50. It should be noted that this conclusion is based on the evidence filed in the present record, or lack thereof, and is not a finding with respect to the validity of the Opponent's registered trade-marks [see *Petro-Canada v. Air Miles International Holdings N.V.* (1998), 83 C.P.R. (3d) 111].

It has been held repeatedly that in determining whether trade-marks are confusing, it is not a proper approach to place them side by side to compare their components. The test is one of first impression and imperfect recollection. More particularly, it is a question of probabilities, based on the surrounding circumstances and the particular facts of the case, as to whether an ordinary consumer having an imperfect recollection of the Opponent's trade-mark, would be likely to be confused as to the source of

the wares and services when encountering the Applicant's trade-mark. Section 6(5) of the Act sets out factors to be considered in assessing whether the trade-marks are confusing: the inherent distinctiveness of the trade-marks and the extent to which they have become known; the length of time each has been in use; the nature of the wares, services or business; the nature of the trade; and the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them. Each of these factors does not necessarily have equal weight as the significance of one may far outweigh that of the others [see *Classic Door & Millwork Ltd. v. Oakwood Lumber & Millwork Co.* (1995), 63 C.P.R. (3d) 337 (F.C.T.D.)]. In addition, all the factors listed at Section 6(5) are not exhaustive since all the surrounding circumstances have to be considered.

When considering the inherent distinctiveness of the trade-marks at issue, I note that both are comprised of words found in the common vocabulary and it is apparent that the word CIRQUE has a descriptive connotation. The expression DU SOLEIL in the Opponent's trade-mark does not have any suggestive or descriptive connotation. While the trade-mark CIRQUE DU SOLEIL may have become widely known, the Opponent has failed to evidence that the use enures to its benefit and that the trade-mark has become widely known as the Opponent's trade-mark. According to *Le Petit Robert*, one of the meanings attaching to the word "étoile" is "*personne dont la réputation, le talent brillent (comédien, danseur, sportif)*". It therefore appears that D'ETOILES may be suggestive, if not descriptive, of circus' performers resulting in the Applicant's trade-mark being inherently weak. Since the evidence of use of the trade-mark CIRQUE D'ETOILES does not benefit the Applicant, the extent to which it has become known does not enhanced its distinctiveness.

For the same reasons, I cannot ascribe any date of first use to the Applicant's trade-mark. The Opponent's trade-mark has been registered on the basis of use since at least as early as March 1984. Although there is evidence of use of the trade-mark, because of the Opponent's failure to evidence licensed use that enures to its benefit or to the benefit of its predecessor in title, the length of time the trade-mark has been in use becomes of little significance.

There appears to be no differences between the wares listed in the application and those identified in the Opponent's registration. By comparing the description of the services, I find that "operation of a business dealing in presentation, production, management, licensing and sponsoring of entertaining shows" encompasses "organizing, producing, staging, and presenting a circus; supplying entertainment events, amusement parks including rides and games, and exhibitions to the general public" but not "operating food services locations".

I am mindful of Mr. Sarkar's statement that the Applicant's events are available to charitable, recreational and other organizations which in turn raised funds through these events but I have to consider the wares and services as described in the application and the registration. I am not satisfied from the evidence of record that there are differences between the channels of trade associated with the trade-marks.

The remaining criterion is the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested. In most instances, it is the dominant factor and other factors play a subservient role 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].

In its written argument, the Applicant submits that there is no likelihood of confusion between the trade-marks because (a) the word CIRQUE is descriptive and DU SOLEIL is very different from D'ETOILES; (b) each trade-mark as a whole looks very different from the other; and (c) each trade-mark as a whole sounds significantly different from the other. The Applicant adds that "circus of the sun" means something quite different from "circus of stars" or "circus of the stars". The sun may technically be a special "star" that is near us, but it is not typically called a star and is significantly different from the "stars", plural, which are way, way beyond and appears as mere points of light in the sky. Amongst its arguments, the Applicant submits that the definitions of ETOILE in the Larousse French/English English/French dictionary make it clear that the stars appear as the objects of the night sky other than the sun and the moon and have a spiked, asterisk shape. The Applicant also notes the lower sense of the word "stars" as celebrity or performers. The Applicant did not provide evidence of these definitions but I may refer myself to dictionaries [see *Insurance Co. of Prince Edward Island v. Prince Edward Island Insurance Co.* (1999), 2 C.P.R. (4th) 103 (T.M.O.B.)].

The Opponent's submission in its written argument with respect to the degree of resemblance between the trade-marks in appearance, sound or in the ideas suggested by them is rather succinct. The Opponent argues that by applying the general principle that the first portion of the trade-mark is the most relevant, since both marks begin with the word CIRQUE, the word D'ETOILES is not sufficient to distinguish the Applicant's trade-mark. My concern with respect to the Opponent's argument, as presented, is that any trade-marks starting with the word CIRQUE in combination with another word would be confusing with its trade-mark if associated with similar wares or services. While marks must be assessed in their entirety, it is still possible to focus on particular features that may be a determinative influence on the public's perception [see *Nature Path Foods Inc. v. Quaker Oats Co. of Canada* (2001), 12 C.P.R. (4th) 190 (F.C.T.D.)]. Although the first component of a mark is often considered more important for the purpose of distinction, when a word is a common, descriptive or

suggestive word, the significance of the first component decreases [see *Conde Nast Publications Inc. v. Union des Editions Modernes* (1979), 46 C.P.R. (2d) 183 (F.C.T.D.); *Park Avenue Furniture Corp. v. Wickes/Simmons Bedding Ltd.* (1991), 37 C.P.R. (3d) 413 (F.C.A.); *Phantom Industries Inc. v. Sara Lee Corp.* (2000), 8 C.P.R. (4th) 109 (T.M.O.B.)].

I find that the presence of the word D'ETOILES and DU SOLEIL results in differences between the trade-marks when viewed and sounded and between the ideas suggested. Given the particulars of this case, I do not believe that one must conclude that there are similarities between the ideas suggested because “étoiles” and “soleil” are celestial bodies. When considering entertainment services, the word “étoiles” is as likely, if not more likely, to convey the idea of outstandingly talented performers whereas the word SOLEIL does not convey such an idea.

Finally, the Opponent’s argument with respect to the notoriety of its trade-mark becomes of no significance as a surrounding circumstances since it has failed to evidence licensed use that enures to its benefit or to the benefit of its predecessor in title pursuant to Section 50.

Having regard to the foregoing, notwithstanding the resemblance between the nature of the wares and services and the nature of the trade, I am satisfied on a balance of probabilities that the Applicant’s trade-mark is not confusing with the Opponent’s registered trade-mark CIRQUE DU SOLEIL. I therefore dismiss the ground of opposition that the trade-mark is not registrable pursuant to Section 12(1)(d).

Section 16

The material date for considering the circumstances respecting the issue of non-entitlement pursuant to Section 16(1)(a) should be the dates of first use alleged in the application. However since the Opponent has successfully challenged the alleged dates of first use, the material date for considering the circumstances respecting this ground of opposition becomes the filing date of the application [see *American Cyanamid Co. v. Record Chemical Co. Inc.* (1972), 6 C.P.R. (2d) 278 (T.M.O.B.), 7 C.P.R. (2d) 1 (F.C.); *Everything for a Dollar Store (Canada) Inc. v. Dollar Plus Bargain Centre Ltd.* (1998), 86 C.P.R. (3d) 269 (T.M.O.B.)]. The Opponent has the initial burden to evidence the prior use of its trade-mark at the material date (April 11, 1995) and its non-abandonment at the date of advertisement of the application (September 4, 1996) [Section 16(5) of the Act].

My comments with respect to the Section 12(1)(d) ground of opposition are applicable to this ground as well even though the material date is different. As discussed, while there is evidence of use of the trade-

mark CIRQUE DU SOLEIL, said use does not seem to benefit the Opponent. Thus, the Opponent has failed to meet its initial evidential burden respecting the ground of opposition based upon Section 16, which is therefore unsuccessful.

Distinctiveness

The legal onus is on the Applicant to show that its trade-mark is adapted to distinguish or actually distinguishes its wares and services from those of others throughout Canada [see *Muffin Houses Incorporated v. The Muffin House Bakery Ltd.* (1985), 4 C.P.R. (3d) 272 (T.M.O.B.)]. Furthermore, there is an initial evidential burden on the Opponent to establish the facts relied upon in support of its ground of non-distinctiveness. Finally, the material date for considering the issue of distinctiveness of the Applicant's trade-mark is generally accepted to be the date of filing of the opposition [see *Metro-Goldwyn-Mayer Inc. v. Stargate Connections Inc.* (2004), 34 C.P.R. (4th) (F.C.T.D.)]. In the present case, whether the filing date of the statement of opposition or the filing date of the amended statement of opposition is considered as the material date will not have an impact on the disposition of the matter since the evidence is not materially different.

As I came to the conclusion that the Applicant's trade-mark is not confusing with the Opponent's trade-mark CIRQUE DU SOLEIL, I conclude that the trade-mark is apt to distinguish the Applicant's wares and services from the Opponent's wares and services. However, the evidence of record shows that Tarzan Zerbini Circus is the entity that has been using the trade-mark CIRQUE D'ETOILES in Canada in association with "organizing, producing, staging, and presenting a circus" in 1989, 1995 and 1998. Having come to the conclusion that use of the trade-mark by Tarzan Zerbini Circus does not benefit to the Applicant, I maintain the ground of opposition based on distinctiveness in respect of the aforementioned services.

Accordingly, having been delegated authority by the Registrar of Trade-marks by virtue of s. 63(3) of the *Trade-marks Act*, I refuse the application to register the trade-mark pursuant to s. 38(8) of the Act.

DATED AT MONTREAL, QUEBEC, THIS 3rd DAY OF FEBRUARY 2005.

Céline Tremblay
Member,
Trade-marks Opposition Board