



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

**Citation: 2013 TMOB 82**  
**Date of Decision: 2013-04-30**

**IN THE MATTER OF AN OPPOSITION  
by American Pacific Industries, Inc. to  
application No. 1433293 for the trade-  
mark GLADIATOR in the name of  
Chrysler, LLC**

[1] On April 2, 2009, Chrysler LLC (the Applicant), filed an application for the trade-mark GLADIATOR (the Mark) based upon use and registration in the United States and proposed use of the Mark in Canada. The statement of wares currently reads:

(1) Motor vehicles, namely, concept motor vehicles, namely custom built sports utility vehicles embodying novel concepts, for example, in styling, technology, manufacturing, material and utility.

The application was advertised for opposition purposes in the *Trade-marks Journal* of June 9, 2010.

[2] On July 23, 2010, American Pacific Industries, Inc. (the Opponent) opposed the above noted application. As will be discussed in further detail, the Opponent primarily opposes the application on the basis that the Mark is confusing with the Opponent's trade-mark GLADIATOR (registration No. TMA18327) registered and previously used in Canada in association with tires.

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

[4] As its evidence, the Opponent filed the declaration of Jeffrey Kreitzman, Chief Executive Officer of American Pacific Industries, Inc. Mr. Kreitzman was cross-examined on his declaration and his cross-examination transcript and replies to undertakings form part of the record.

[5] The Applicant filed the affidavits of Jean Lee, a student-at-law employed by the agents for the Applicant, Lynda Palmer, a trade-mark searcher and Jacques Duval, an alleged expert on the Canadian automobile industry. None of these affiants were cross-examined.

[6] Both the Applicant and the Opponent filed a written argument. An oral hearing was not conducted.

### Preliminary Issues

#### ***Admissibility of Kreitzman Declaration***

[7] Relying on the decisions in *Bereskin & Parr v Teletronic* (1997), 78 CPR (3d) 406 (TMOB) and *88766 Canada Inc v 167407 Canada Inc* (2010), 89 CPR (4th) 293 (TMOB), the Applicant submits that the statutory declaration of Mr. Kreitzman is inadmissible because it does not comply with Section 41 of the *Canada Evidence Act*, RSC 1985, c C-5.

[8] Mr. Kreitzman's declaration was declared before a Notary Public in the State of California on December 16, 2010. Mr. Kreitzman did not specifically state that he was making the solemn declaration conscientiously believing it to be true.

[9] It has been previously held that where a foreign statutory declaration lacked the proper *Canada Evidence Act* wording, but the declarant had been cross-examined and had admitted under oath that everything contained in the declaration was true, the fundamental requirements of the *Canada Evidence Act*, had been met [see *Datascope of Canada Ltd. v. Datascope Corp* (1997), 81 CPR (3d) 409]. The Board Member in that case further found that since the declarant had been cross-examined, the other party should be prevented from contesting the validity of the declaration at the written argument stage in the proceedings. I find that the reasoning in this case is equally applicable to the present case. I would like to add that the cases cited by the Applicant can be distinguished on the basis that they do not involve foreign statutory declarations.

[10] I therefore find that the declaration of Mr. Kreitzman is admissible.

***Expert evidence of Mr. Duval***

[11] Mr. Duval, a former licensed race car driver and also a long time auto journalist, who is featured in newspaper, magazine, radio and television broadcasting, testified as an expert on the car industry in Canada and the nature of the trade for both parties' wares. In *Masterpiece Inc v Alavida Lifestyles Inc* (2011), 92 CPR (4th) 361 (SCC), the Court reminded us that the following four requirements [as set out in the decision *R v Mohan*, [1994], 2 SCR 9] must be met before expert evidence may be accepted:

- relevance;
- necessity in assisting the trier of fact (i.e. if it is likely to be outside the experience and knowledge of the judge);
- the absence of any exclusionary rule; and
- a properly qualified expert.

[12] In his affidavit, Mr. Duval describes his background and work experience in detail and also provides his opinion about the nature of the trade of both parties' wares. Based on a review of his affidavit as a whole, I am satisfied that Mr. Duval's evidence satisfies the test as set out in *R v Mohan* and that he is qualified as an expert on the automobile industry in Canada.

Onus and Material Dates

[13] The Applicant bears the legal onus of establishing, on a balance of probabilities, that its application complies with the requirements of the Act. There is however 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 CPR (3d) 293 (FCTD) at 298; *Dion Neckwear Ltd v Christian Dior, SA et al* (2002), 20 CPR (4th) 155 (FCA)].

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

- section 30 - the filing date of the application [see *Georgia-Pacific Corp v Scott Paper Ltd* (1984), 3 CPR (3d) 469 (TMOB) at 475];
- section 12(1)(d) - the date of my decision [see *Park Avenue Furniture Corporation v Wickes/Simmons Bedding Ltd and The Registrar of Trade Marks* (1991), 37 CPR (3d) 413 (FCA)];
- section 16(3) - the filing date of the application [see section 16(3)];
- non-distinctiveness - the date of filing of the opposition [see *Metro-Goldwyn-Mayer Inc v Stargate Connections Inc.* (2004), 34 CPR (4th) 317 (FC)].

#### Section 12(1)(d) Ground of Opposition

[15] The Opponent's strongest ground of opposition is based on section 12(1)(d) of the Act, the Opponent alleging that there would be a likelihood of confusion between its registered trade mark GLADIATOR, registration No.TMA718,327 and the Mark.

[16] I note that the Opponent's initial burden with respect to the section 12(1)(d) ground has been satisfied because registration No. TMA718,327 is in good standing.

#### ***test for confusion***

[17] The test for confusion is one of first impression and imperfect recollection. Section 6(2) of the Act indicates that use of a trade-mark causes confusion with another trade-mark if the use of both trade-marks in the same area would be likely to lead to the inference that the wares or services associated with those trade-marks are manufactured, sold, leased, hired or performed by the same person, whether or not the wares or services are of the same general class. The purchaser in mind is described as the casual consumer somewhat in a hurry [see *Mattel, Inc v 3894207 Canada Inc* (2006), 49 CPR (4th) 321 (SCC) at para. 58 (*Mattel*)].

[18] In applying the test for confusion, the Registrar must have regard to all the surrounding circumstances, including those specifically enumerated in section 6(5) of the Act, namely: (a) the inherent distinctiveness of the trade-marks and the extent to which they have become known; (b)

the length of time each has been in use; (c) the nature of the wares, services or business; (d) the nature of the trade; and (e) the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them.

[19] These factors need not be attributed equal weight; rather, the weight to be given to each relevant factor may vary, depending on the circumstances [see *Clorox Co v Sears Canada Inc* (1992), 41 CPR (3d) 483 (FCTD); *Gainers Inc v Marchildon* (1996), 66 CPR (3d) 308 (FCTD)]. Furthermore, the list of factors set out is not exhaustive of matters that could be considered [see in general *Mattel*, above; *United Artists Corp v Pink Panther Beauty Corp.* (1988), 80 CPR (3d) 247 (FCA) at 263-264; *Veuve Cliquot Ponsardin v Boutiques Cliquot Ltée* (2006), 49 CPR (4th) 401 (SCC)].

[20] In most instances, the dominant factor in determining the issue of confusion is the degree of resemblance between the trade-marks in their appearance or sound or in the ideas suggested by them, and other factors play a subservient role in the overall surrounding circumstances [see *Beverly Bedding & Upholstery Co v Regal Bedding & Upholstery Ltd* (1980), 47 CPR (2d) 145, conf. 60 CPR (2d) 70 (FCTD)]. Recently, in *Masterpiece*, above, the Supreme Court of Canada considered the importance of section 6(5)(e) in conducting an analysis of the likelihood of confusion (see para 49):

...the degree of resemblance, although the last factor listed in s. 6(5), is the statutory factor that is often likely to have the greatest effect on the confusion analysis ... if the marks or names do not resemble one another, it is unlikely that even a strong finding on the remaining factors would lead to a likelihood of confusion. The other factors become significant only once the marks are found to be identical or very similar... As a result, it has been suggested that a consideration of resemblance is where most confusion analyses should start.

[21] In this proceeding, it is self-evident with regard to section 6(5)(e), that the Opponent's GLADIATOR trade-mark and the Mark are identical in sound, appearance and in ideas suggested. Accordingly, as reasoned in *Masterpiece*, the remaining factors must be carefully considered since they take on added significance in these circumstances.

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

[22] Both parties' marks possess a fair degree of inherent distinctiveness.

[23] Annual sales of tires bearing the Opponent's mark to wholesale commercial tire dealers in Canada between 2007 and 2010 have ranged between \$441,304 and \$2,288,799 (U.S.) [Kreitzman, para. 7-10]. While Mr. Kreitzman states that the Opponent advertises its wares in Canada in a publication called Tire Business which is distributed in Canada, Mr. Kreitzman does not provide circulation figures for this publication. I can therefore only conclude that the Opponent's mark has become known to some extent in Canada.

[24] As there is no evidence that the Mark has been used or made known in Canada, this factor favours the Opponent.

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

[25] The length of time that each mark has been in use also favours the Opponent.

***section 6(5)(c) and (d) - the nature of the wares, services or business; the nature of the trade***

[26] It is the Applicant's statement of wares as defined in its application versus the Opponent's registered wares that govern my determination of this factor [see *Henkel Kommanditgesellschaft auf Aktien v Super Dragon Import Export Inc* (1986), 12 CPR (3d) 110 (FCA); *Mr Submarine Ltd v Amandista Investments Ltd* (1987), 19 CPR (3d) 3 (FCA); *Miss Universe Inc v Bohna* (1994), 58 CPR (3d) 381 (FCA)]. However, these statements must be read with a view to determining the probable type of business or trade intended by the parties rather than all possible trades that might be encompassed by the wording. The evidence of the parties' actual trades is useful in this respect [see *McDonald's Corp v Coffee Hut Stores Ltd* (1996), 68 CPR (3d) 168 (FCA) at 169; *Metro-Goldwyn-Mayer Inc v Stargate Connections Inc* (2004), 34 CPR (4<sup>th</sup>) 317 (FC)].

[27] In the present case, the Applicant's wares comprise: "Motor vehicles, namely, concept motor vehicles, namely custom built sports utility vehicles embodying novel concepts, for

example, in styling, technology, manufacturing, material and utility” and the Opponent’s registration covers tires. The evidence of the Opponent’s actual trade shows that the Opponent’s tires are designed primarily for light truck and utility vehicles, high speed trailers and commercial vehicles [Kreitzman cross-ex., q. 233 – 258].

[28] With respect to the nature of the parties’ wares, I consider tires to be related to the Applicant’s motor vehicles to the extent that tires are installed on motor vehicles. Otherwise, Mr. Duval testifies that consumers are aware of the fact that tire manufacturers do not ordinarily manufacture automobiles and that automobile manufacturers do not ordinarily manufacture tires [Duval, para. 47]. Further, consumers rarely ask about the tires installed on the new cars they are considering buying and generally keep the tires that come standard on the motor vehicle that they purchase [Duval, para 44]. Consumers are also aware that automobiles are distinct from interchangeable automotive supplies, such as tires, wheels and batteries [Duval, para. 48].

[29] With respect to the parties’ channels of trade, it is clear from the evidence that automobiles are sold primarily through authorized dealerships and tires are sold primarily by dealers who specialize in tires [Duval, para. 39]. Further, dealers specialize in motor vehicles or tires, but not both [Duval, para. 47]. Finally, while I note that automobile dealerships have service departments that sell parts such as tires, there is no evidence from the Opponent that it sells its tires to automobile dealerships. Therefore, while it is possible that the parties’ channels of trade could overlap, I do not consider it likely that they would do so.

### **Surrounding circumstances**

[30] The Applicant has also submitted that the following surrounding circumstances decrease the likelihood of confusion: the fact that brands are an important factor in purchase decisions, the high cost of the parties’ wares and the co-existence of identical marks on the register for automobiles and tires. I will deal with each circumstance sequentially.

### *Manufacturers' Brands Important Factor in Purchase Decisions*

[31] Mr. Duval attests that before choosing a motor vehicle, consumers decide on a manufacturer's brand (eg. HONDA) and then select a model (eg. CIVIC) that fits his or her needs and price range [Duval, para. 38]. The Applicant submits that the enhanced significance of the car manufacturer's brand acts to further reduce any likelihood of confusion to a specific model name. In this regard, the Applicant submits that when car buyers start their purchasing decision with a particular vehicle manufacturer, they will know that the vehicle manufacturer is the source of the vehicle models they are considering, even if they are familiar with the Opponent's mark. I agree that this factor decreases the likelihood of confusion in this case.

### *High Cost of the Parties' Wares*

[32] The Applicant also submits that the wares are expensive and would not be purchased before the consumer had undergone considerable research. The evidence shows that the Applicant's new motor vehicles range in price between \$16,000 - \$72,000, while a set of four tires for an automobile usually costs in excess of \$700 [Duval, para. 49]. The evidence also shows that before a consumer first encounters a particular motor vehicle model, the attributes (eg. safety rating, service record and resale value) of the manufacturer's brands would have been the subject of considerable research [Duval, para. 41]. With respect to tires, if replacement tires are needed consumers deal with a tires specialist (eg. a tires salesman or a mechanic) because one cannot grab a tire off a shelf. Tires must be properly sized and meet the performance requirements of the consumer [Duval, para. 50].

[33] I agree with the Applicant that the respective wares of both parties are wares which would not be purchased hastily or without due consideration as contrasted with less expensive wares. In the past, the Supreme Court of Canada affirmed that consumers in the market for expensive goods may be less likely to be confused when they encounter a trade-mark [Mattel, above]. The court in *Masterpiece*, however, clarified that the test to be applied when conducting a confusion analysis is always of the first impression of the consumer approaching a purchase when he or she encounters a trade-mark. The cost of the wares therefore does not reduce the likelihood of confusion.



### *The Co-existence of Identical Marks on the Register for Automobiles and Tires*

[34] The Palmer affidavit provides particulars of 34 instances where the same trade-mark has been registered for automobiles by one party and for tires by another party. All that can be inferred from this is that the examination section of the Trade Marks Office has apparently distinguished automobiles from tires or the automobile trade from the tire trade.

#### *conclusion re likelihood of confusion*

[35] In applying the test for confusion, I have considered that it is a matter of first impression and imperfect recollection. Having considered all of the surrounding circumstances, I find that the Applicant has satisfied its onus to show that, on a balance of probabilities, confusion between the marks is unlikely. This is primarily because of the differences between the Opponent's tires and the Applicant's motor vehicles and between their respective channels of trade. Even though the marks are identical and the Opponent's mark has been used for a longer period of time, I consider it unlikely that the average consumer having an imperfect recollection of the Opponent's GLADIATOR mark for tires would think that the Applicant's motor vehicles emanate from the Opponent.

[36] The section 12(1)(d) ground is accordingly dismissed.

#### Non-entitlement and non-distinctiveness grounds of opposition

[37] The non-entitlement and non-distinctiveness grounds of opposition also turn on the issue of confusion as of the date of filing of the application and as of the date of filing the opposition. For the most part, my conclusions in respect of the section 12(1)(d) ground of opposition also apply to these grounds. As I have found the Mark not likely to be confused with the Opponent's mark, these grounds are also unsuccessful.

#### Section 30(i) Ground of Opposition

[38] Where an applicant has provided the statement required by section 30(i), a section 30(i) ground should only succeed in exceptional cases such as where there is evidence of bad faith on

the part of the applicant [see *Sapodilla Co Ltd v Bristol-Myers Co* (1974), 15 CPR (2d) 152 (TMOB) at 155]. As this is not such a case, I am dismissing this ground of opposition.

Disposition

[39] Pursuant to the authority delegated to me under section 63(3) of the Act, I reject the opposition pursuant to section 38(8) of the Act.

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Cindy R. Folz  
Member,  
Trade-marks Opposition Board  
Canadian Intellectual Property Office