



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

Citation: 2013 TMOB 64
Date of Decision: 2013-02-13

IN THE MATTER OF AN OPPOSITION
by Gemological Institute of America, Inc.
to application No. 1,446,354 for the trade-
mark GIH in the name of Gemology
Headquarters International, LLC

[1] On July 28, 2009, Gemology Headquarters International, LLC (the Applicant) filed an application to register the trade-mark GIH (the Mark).

[2] The application is based on proposed use of the Mark in Canada in association with the following wares and services:

wares - printed certificates of authenticity of diamonds, gemstones and pearls; printed certificates of grading of diamonds, gemstones and pearls.

services - gemological services, namely, providing identification, authentication, and grading of diamonds, gemstones and pearls and issuing certificates relating to such grading; precious metal assaying.

[3] The application was advertised for opposition purposes in the *Trade-marks Journal* of February 10, 2010.

[4] On April 12, 2010, Gemological Institute of America, Inc. (the Opponent) filed a statement of opposition against the application. The Applicant filed and served a counter statement denying the Opponent's allegations.

[5] In support of its opposition, the Opponent filed affidavits of Susan Johnson (the Opponent's Director of Education Administration), Susan Petrich (the Opponent's Director of Marketing Operations), Sabra Norris (the Opponent's Global Director of Financial Planning & Operational Analysis) and Kwang Hoon Shin (an articling student at the Opponent's law firm). In support of its application, the Applicant filed an affidavit of Nachum Krasnianski (the Applicant's President) plus certified copies of 26 trade-mark registrations/applications. As reply evidence, the Opponent filed an affidavit of Robert M. Frank (President and Founder of Illuminor LLC). The Applicant has raised objections regarding the admissibility of Mr. Frank's affidavit but as my decision is not based on that evidence, I will not address the objections.

[6] None of the affiants was cross-examined.

[7] Both parties filed a written argument and participated in an oral hearing.

Grounds of Opposition/Material Dates/Onus

[8] The Opponent has pleaded grounds of opposition pursuant to sections 38(2)(a)/30(e) 38(2)(b)/12(1)(d), 38(2)(c)/16(3) and 38(2)(d)/2 of the *Trade-marks Act*, RSC 1985, c T-13 (the Act).

[9] The material date for assessing each ground of opposition varies as follows: section 38(2)(a) ground – July 28, 2009 [*Canadian National Railway Co v Schwauss* (1991), 35 CPR (3d) 90 (TMOB) at 94]; section 38(2)(b) ground - today's date [*Park Avenue Furniture Corporation v Wickes/Simmons Bedding Ltd and The Registrar of Trade Marks* (1991), 37 CPR (3d) 413 (FCA)]; section 38(2)(c) ground – July 28, 2009 [section 16(3)]; section 38(2)(d) ground – April 12, 2010 [*Metro-Goldwyn-Mayer Inc v Stargate Connections Inc* (2004), 34 CPR (4th) 317 (FC)].

[10] The Applicant bears the legal onus of establishing, on a balance of probabilities, that its application complies with the requirements of the Act. However, there is an initial evidential 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 Limited v The Molson Companies Limited* (1990), 30 CPR (3d) 293 (FCTD) at 298].

Section 38(2)(a)/30(e) Ground of Opposition

[11] The Opponent has pleaded that the Applicant did not intend to use the Mark, contrary to section 30(e) of the Act. In support of its position, the Opponent points out that the present application was filed after the Opponent opposed another application filed by the Applicant to register the trade-mark GHI; the opposition was based on the Opponent's GIA trade-marks/name. The Opponent notes that GIH is not the initials of the Applicant's corporate name, that the Applicant has provided no reason as to why it chose the Mark, and that there is no evidence that use of the Mark has commenced. The Opponent therefore submits that it is reasonable to conclude that the application for GIH was filed by the Applicant for tactical reasons to apply pressure in the proceedings between the parties.

[12] Although the initial onus on an opponent under section 30(e) is a light one, the Opponent has not met its evidential burden. An applicant is not obliged to commence use of a proposed application prior to the declaration of use stage (which postdates the conclusion of an opposition). Nor is the Applicant's evidence clearly inconsistent with its stated intention to use GIH. In fact, if I had accepted that the Opponent had met its initial burden, the Applicant would have satisfied its legal burden since its President has sworn, "since the date of filing the Application for the [M]ark, and continuously since that date, the Applicant has had the intent to use the [M]ark in association with the Wares and Services in Canada." [Krasnianski affidavit, page 3] I note that the Opponent could have sought to cross-examine Mr. Krasnianski concerning this statement, but did not seize such opportunity.

[13] The section 30(e) is accordingly dismissed.

Likelihood of Confusion between GIH and GIA

[14] Each of the remaining grounds of opposition is premised on the allegation that there is a likelihood of confusion between the Mark and one or more trade-marks of the Opponent that comprise the letters GIA or the Opponent's trade-name GIA. The Opponent's case regarding confusion is strongest under the section 38(2)(b)/12(1)(d) ground of opposition because its later material date allows all of the Opponent's evidence concerning its reputation to be considered. If

the Opponent is not successful under section 38(2)(b), then it will not be successful under either section 38(2)(c) or (d).

[15] The Opponent has pleaded that the Mark is not registrable pursuant to section 12(1)(d) of the Act because it is confusing with one or more of the following trade-marks that have been registered by the Opponent:

1. GIA - registration No. TMA268,985
2. GIA - registration No. TMA564,243
3. GIA - registration No. TMA561,195
4. GIA - registration No. TMA583,034
5. GIA GEM TRADE LABORATORY INTEGRITY & Design - registration No. TMA580,549
6. GIA GEM TRADE LABORATORY & Design - registration No. TMA561,012
7. GIA GEMOLOGICAL INSTITUTE OF AMERICA & Design - registration No. TMA596,705

[16] The seven marks listed above will be referred to collectively as the GIA Marks. Use of the design marks identified as Nos. 6 and 7 above also qualify as use of GIA since GIA stands out from the other material in those composite marks [see *Nightingale Interloc Ltd v Prodesign Ltd* (1984), 2 CPR (3d) 535 at 538-9].

[17] As each of the above registrations is extant, the Opponent has met its initial burden under section 12(1)(d).

[18] The Opponent's mark GIA most closely resembles the Mark and so I will focus my analysis on the likelihood of confusion between the Mark and GIA.

[19] 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. Section 6(2) does not concern the confusion of the marks themselves, but confusion of goods or services from one source as being from another source.

[20] The test for confusion is one of first impression and imperfect recollection. 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. These enumerated factors need not be attributed equal weight. [See, in general, *Mattel, Inc v 3894207 Canada Inc* (2006), 49 CPR (4th) 321 (SCC), *Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée* (2006), 49 CPR (4th) 401 (SCC) and *Masterpiece*.]

inherent distinctiveness of the marks

[21] Trade-marks consisting only of letters lack inherent distinctiveness and are therefore characterized as weak marks [*GSW Ltd v Great West Steel Industries Ltd et al* (1975), 22 CPR (2d) 154 (FCTD)]. Accordingly, both parties' marks are inherently weak.

the extent to which each mark has become known

[22] A mark's distinctiveness can be enhanced through use and promotion. There is no evidence that the Mark has been used or promoted in Canada, but there is evidence that GIA has been used and promoted in Canada, as detailed further below.

[23] The Opponent is a non-profit institution that is involved in education, research, laboratory services and instrument development, all with respect to the gems and jewelry trade. I summarize below the key evidence regarding the extent of the Opponent's use and promotion of GIA in Canada:

- The Opponent's gem grading services involve generating reports which display GIA, as part of GIA GEMOLOGICAL INSTITUTE OF AMERICA & Design [Exhibits 4 and 5, Norris affidavit]. In the years 2003 to 2009, the annual number of reports invoiced to

Canada varied annually from 913 to 2,858. Ms. Norris also provides “[t]he revenue that was generated from the reports, by customers in Canada”; it ranged annually from \$85,720 to \$275,198 US. [paragraph 9, Norris affidavit]

- Ms. Norris attests at paragraph 12 that the Opponent publishes brochures designed to help members of the public understand diamond grading. Exhibit 7 is a representative brochure, which displays GIA GEMOLOGICAL INSTITUTE OF AMERICA & Design; Ms. Norris attests that it is available online to residents in Canada, but she provides no evidence that any Canadians have viewed or requested such brochure.
- Ms. Petrich attests that the Opponent advertises its wares and services in a variety of forms, such as in magazines, by direct mailing of postcards and brochures, and on its website and that virtually every advertisement displays one or more of the GIA Marks. In particular, she discusses ads placed in trade publications that she says have subscribers in Canada. She attests that the Opponent advertised in the Canadian publications *Jewellery Business* (seven times per annum in 2006, 2007 and 2008) and *Canadian Jeweller* (in 2008 and seven times per annum in 2004, 2005 and 2006), as well as in two U.S. publications in 2006 that are available in Canada, namely *JCK* and *Modern Jeweler*. Ms. Petrich says that *Jewellery Business* is described as having over 8,000 subscribers and *Canadian Jeweller* is reported as having more than 10,000 subscribers. While I agree with the Applicant that these figures are hearsay, in view of the fact that Ms. Petrich was not cross-examined, as well as the fact that her position supports her having some general knowledge of the circulation of magazines in which her company advertises, I have accorded some weight to them.
- Ms. Petrich has provided copies of representative promotional pieces displaying one or more of the GIA Marks that have been sent to Canadians [Exhibit 9]; between 2003 and 2008 the number of promotional pieces mailed annually to Canadian addresses varied from 1335 to 5584 (it is unknown to what extent the mailing lists differed from year to year).
- The Opponent promotes its educational services, instruments, and publications by participating in international trade shows, including a trade show in Vancouver in 2009

and one in Toronto in 2010, but attendance figures have not been provided [paragraph 14, Exhibit 10, Petrich affidavit].

- The Opponent publishes a quarterly journal entitled *Gems & Gemology* that features the GIA Marks in each issue; in each of the years 2003 through 2008, there were more than 200 subscribers to the journal who had Canadian mailing addresses [paragraphs 16-19, Petrich affidavit].
- The Opponent also publishes a quarterly newsletter entitled *The Loupe* that displays the GIA Marks; although Ms. Petrich says that it is distributed throughout the world, including to Canadian residents, we are only provided with the worldwide distribution figures [paragraphs 20-21, Exhibits 13 and 14, Petrich affidavit].
- In addition, the Opponent publishes a bi-weekly electronic bulletin entitled *GIA Insider* which displays the GIA Marks; it is stated to be available worldwide, including in Canada, but no viewership figures are provided [paragraph 22, Exhibit 15, Petrich affidavit].
- In the years 2003 through 2008, the Opponent annually sold between 221 and 466 “publications, instruments and other merchandise” directly to Canadian residents [paragraphs 25 and 26, Petrich affidavit]. Specimens have not been provided but Ms. Petrich’s Exhibit 17 is a chart that provides details of the sales including invoice date, item category and quantity, as well as the “logo type” displayed on each of the specific items. Some of the items are identified as having displayed the GIA trade-mark.
- The Opponent publishes textbooks in the field of gemology and Ms. Petrich says that these are available to Canadians both through Canadian booksellers and by orders placed directly with the Opponent [paragraph 23]; Ms. Petrich’s Exhibit 17 indicates that there have been small sales of books (e.g. 1 in 2003 and at least 11 in 2008) but it is not clear that the trade-mark GIA appears on the books.
- The Opponent does not have a campus in Canada, but the Opponent’s distance education courses have been available to residents in Canada since at least as early as 1969; the

number of Canadian residents enrolled in distance education courses administered in association with the GIA Marks between 2003 and 2008 varied annually from 307 to 470. In order to complete a program, individuals must attend and complete required laboratory classes in addition to their distance education courses; the number of individuals who attended laboratory classes provided by the Opponent in Canada between 2003 and 2008 varied annually from 91 to 153. Various materials displaying the GIA Marks are sent to Canadian residents who either express an interest in or are enrolled in the Opponent's distance education programs. [paragraphs 6 - 13, Johnson affidavit]

[24] Based on the foregoing summary, I find that the Opponent's GIA trade-mark is currently known in Canada and that the Opponent's mark has acquired distinctiveness. In contrast, the Mark has not acquired any distinctiveness because it has been neither used nor promoted.

[25] Before proceeding, I will note that Ms. Norris attests at paragraph 6: "[The Opponent] is considered by many to be the world's most trusted name in diamond grading and gemstone identification, and the GIA Diamond Grading Report, Diamond Dossier, and Gemological Identification Report are considered the world's premier gemological credentials. Marked as Exhibit 3 to my affidavit are printouts from third party websites describing the reputation of [the Opponent]." However, the Opponent's reputation and use in other countries are not relevant in this proceeding. In addition, copies of third party websites are only evidence that such a page existed at the time that it was printed – they are not evidence of the truth of their contents [*Candrug Health Solutions Inc v Thorkelson* (2007), 60 CPR (4th) 35 (FCTD)].

the length of time the marks have been in use

[26] The Opponent was founded in 1931 in the United States, but its affiants have only provided details concerning use of its marks in Canada from 2003. As the Applicant has not evidenced any use of its Mark, the length of time the marks have been in use favours the Opponent.

the nature of the wares, services, business and trade

[27] When considering the wares, services and trades of the parties, it is the statement of wares or services in the parties' trade-mark application and registrations that govern in respect of the issue of confusion arising under section 12(1)(d) [*Mr Submarine Ltd v Amandista Investments Ltd* (1987), 19 CPR (3d) 3 (FCA); *Miss Universe, Inc v Dale Bohna* (1984), 58 CPR (3d) 381 (FCA)].

[28] The wares and services covered by the Opponent's four registrations for the trade-mark GIA are as follows:

- registration No. TMA268,985
services: educational services, namely courses in gemology.
- registration No. TMA564,243
wares: (1) Pre-recorded videotapes, CD-ROMs, and audiotapes featuring educational materials in the field of gemology and telephonic and digital transmitters of information in the field of gemology. (2) Paper articles, cardboard articles and printed matter, namely, magazines, journals and newsletters in the field of gemology, books in the field of gemology, instructional and teaching materials in the field of gemology, reference materials, namely, manuals, handbooks, printed charts and printed tables, all in the field of gemology, testing materials, namely, test booklets, score sheets and answer sheets, unmounted photographs, stationery, note paper, printed diplomas, posters, gemological grading reports and cardboard.
services: Mail order catalog services and computerized on-line ordering services for purchasing products in the field of gemology.
- registration No. TMA561,195
services: Gemological services, namely, grading precious gems and registering precious gems.
- registration No. TMA583,034
wares: Scientific instruments and apparatus, namely microscopes, measuring instruments, scales, refractometers, lamps, tubes, filters, colour testing equipment, colour comparators, ultraviolet and fluorescent testing equipment, photo-optical instruments, spectrosopes, grading equipment,

and portable gemological instruments, namely, microscopes, refractometers, polariscopes, spectrosopes, dichrosopes, loupes, dial gages, lights; scientific instruments and apparatus for examining, testing, evaluating and appraising gems, pearls and jewellery; computer software for data carriers featuring educational materials; pre-recorded videotapes, CD-Roms and audiotapes featuring educational materials (the CD-Roms are not computer software); transmitters and reproducers of sound, images, or data namely telephonic and digital transmitters of information in the field of gemology, pearls, and jewellery; jewellery, jewellery boxes, jewellery cases, pearls, gems, gem replicas, gem boxes, gem cases, beads, pins, lapel pins, rings, ring strands; clothing namely jackets, windbreakers, sweaters, pants, shorts, skirts, sweat shirts, sweat pants, shirts, tee-shirts, socks, accessories, and hats, including canvas caps and baseball caps.

[29] It is not contested that the parties' wares, services, business and trade are the same or overlap [paragraphs 79-80 of Opponent's written argument and paragraphs 78-79 of Applicant's written argument].

[30] Ms. Norris states at paragraph 10 of her affidavit, "[The Opponent] offers services to the public, as well as to government and law enforcement agencies, however the gross majority of its business and revenue comes from companies in the manufacturing and retail sector of the diamond and jewelry trade. This would be the exact client base, or prospective client base, for any business engaged in providing diamond grading or gem identification services to the jewelry business." The Applicant has not contradicted this, but instead has submitted "that the gemology field is highly specialized and the relevant consumers would likely have a heightened awareness of the trade-marks used in association with wares and services in this field."

the degree of resemblance between the marks

[31] There is no idea suggested by either GIA or GIH. When one considers the two marks as a whole in appearance and sound, I find that their similarities outweigh their differences. They share their first two letters, and the use of H versus A as the concluding letter does not result in a significantly different sound or appearance. It is trite law that the first component of a mark is often considered more important for the purpose of distinction.

other surrounding circumstances

[32] References to marks or names coexisting elsewhere in the world are not relevant in the present proceedings [see *Vivat Holdings Ltd v Levi Strauss & Co* (2005), 41 CPR (4th) 8 (FC)].

[33] The Applicant has however filed certified copies of 26 Canadian applications/registrations for trade-marks that it describes as “comprising abbreviations, designs based thereon or complete spelled-out versions of the abbreviations that co-exist in the field of gemology.” However, it particularly notes the marks GIL Design for the operation of a business dealing in the manufacture to customer specifications and the distribution of jewellery, GIO for jewelry and GII for Bijoux en or 10k et 14k. [paragraph 69, Applicant’s written argument] I also note that the certified copies include a registration for GIA Design for eyewear.

[34] State of the register evidence is only relevant insofar as one can make inferences from it about the state of the marketplace, and inferences about the state of the marketplace can only be drawn where large numbers of relevant registrations are located. [*Ports International Ltd v Dunlop Ltd* (1992), 41 CPR (3d) 432 (TMOB); *Del Monte Corporation v Welch Foods Inc* (1992), 44 CPR (3d) 205 (FCTD); *Kellogg Salada Canada Inc v Maximum Nutrition Ltd* (1992), 43 CPR (3d) 349 (FCA)]

[35] The existence of four registrations for three letter marks that commence with GI is insufficient to draw any conclusion about the state of the marketplace.

conclusion re section 12(1)(d) ground

[36] Having considered all of the surrounding circumstances, I have concluded that, on a balance of probabilities, the Applicant has not satisfied me that there is not a reasonable likelihood of confusion between the marks at issue. Each of the circumstances listed under section 6(5) favours the Opponent. It is true that strings of letters are considered to be inherently weak. However, here the differences between the marks are insufficient to avert confusion, especially given that only the Opponent’s mark has acquired any reputation. [I note that the Opponent has directed me to two other opposition decisions where acronyms or initials with slight variations for the same wares or services were held to be confusing: *National Broadcasting*

Co Inc v Middle East Broadcasting Corp (1996), 69 CPR (3d) 109 (TMOB) and *Lee Canada Inc v Jones Investment Co* (2008), 71 CPR (4th) 112 (TMOB).]

[37] For the foregoing reasons, the section 12(1)(d) ground of opposition succeeds based on the registrations for GIA.

conclusion re remaining grounds of opposition

[38] As indicated earlier, the remaining grounds of opposition are also based in part on the likelihood of confusion between GIH and GIA. The Opponent has met its initial burden with respect to both its section 16(3)(a) and distinctiveness grounds of opposition, because its evidence shows that GIA was used in Canada prior to July 28, 2009 and had acquired a reputation in Canada as of April 12, 2010 that was sufficient to negate the distinctiveness of the Mark. Accordingly, for reasons similar to those set out with respect to the section 12(1)(d) ground of opposition, both the section 16(3)(a) and distinctiveness grounds of opposition succeed based on the Opponent's GIA mark.

[39] Before closing, I will note that this opposition proceeding is similar in many ways to that which occurred with respect to the Applicant's application No. 1,289,031 for the trade-mark GHI. I issued a decision in that proceeding dated September 28, 2012 in favour of the Applicant [*Gemological Institute of America, Inc v Gemology Headquarters International LLC*, 2012 TMOB 171]. The difference in the outcome of that proceeding and the present one is essentially due to the fact that the degree of resemblance between GIA and GHI is less than that between GIA and GIH.

Disposition

[40] Pursuant to the authority delegated to me under section 63(3) of the Act, I refuse the application pursuant to section 38(8) of the Act.

Jill W. Bradbury
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office