



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

**Citation: 2012 TMOB 93**  
**Date of Decision: 2012-05-18**

**IN THE MATTER OF AN OPPOSITION  
by Nautica Apparel, Inc to application  
No 1,354,711 for the trade-mark NAUTIC  
filed by Tekna B.V.B.A.**

File Record

[1] On July 6, 2007 Tekna B.V.B.A. (the Applicant) filed application No 1,354,711 to register the trade-mark NAUTIC (the Mark) based on proposed use in Canada.

Subsequent to an office action the Applicant filed a revised application which covers the following wares and services:

Lighting armatures; lamp holders; lamp reflectors; lampshades; light bulbs; light dimmers; light emitting diodes; lighting ballasts; lighting fixtures; printing paper; photo paper; cardboard; printed matter for publicity, namely brochures about lighting (product information); photographs; pens; pencils (the Wares); and

Retail sale of lighting apparatus and installations; installation and reparation of lighting apparatus and installations (the Services).

[2] The application was advertised on August 27, 2008 in the *Trade-marks Journal* for opposition purposes. Nautica Apparel, Inc (the Opponent) filed a statement of opposition on October 27, 2008 which was forwarded by the Registrar on December 9, 2008 to the Applicant.

[3] The Applicant denied all grounds of opposition in a counter statement filed on February 5, 2009.

[4] The Opponent filed as its evidence the affidavits of Margaret Bizzari, Dane Penney and Peter Woods while the Applicant filed the affidavit of Jean-François Journault.

[5] Both parties filed a written argument and no hearing was held.

### The Grounds of Opposition

[6] The grounds of opposition pleaded by the Opponent can be summarized as follow:

1. The application does not comply with the provisions of section 30(i) of the *Trade-marks Act*, RSC 1985, c T-13 (the Act) because at the filing date of the application the Applicant would have been well aware of the Opponent's previously used and made known trade-marks identified hereinafter, and the fact that consumers would clearly associate NAUTIC with the Opponent's well-known NAUTICA trade-marks, and thus could not have been satisfied that it is entitled to use the Mark;
2. The application is contrary to section 30(e) of the Act, because at the filing date, the Applicant did not have a *bona fide* intention to use the Mark in Canada in association with all of the Wares and Services;
3. The Mark is not registrable pursuant to section 12(1)(d) of the Act as it is confusing with the Opponent's registered trade-marks NAUTICA & Design, registration No TMA627433; NAUTICA, registration No TMA693272; and NAUTICA, application No 1,312,702;
4. The Applicant is not entitled to the registration of the Mark pursuant to section 16(3)(a) of the Act, as at the filing date of the application, the Mark was confusing with the Opponent's NAUTICA trade-marks previously widely used and made known in Canada by the Opponent;
5. Pursuant to section 38(2)(d), the Applicant's Mark is not distinctive and is not capable of distinguishing the Wares and Services of the Applicant from those of others, and specifically including those of the Opponent in view of the Opponent's prior use and registration of the confusingly similar NAUTICA trade-marks.

## Legal Onus and Burden of Proof in Trade-marks Opposition Proceedings

[7] The legal onus is upon the Applicant to show that the Application complies with the provisions of the Act, but there is however 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. Once this initial burden is met, the Applicant has to prove, on a balance of probabilities, that the particular grounds of opposition should not prevent the registration of the Mark [see *Joseph E. Seagram & Sons Ltd et al v Seagram Real Estate Ltd* (1984), 3 CPR (3d) 325 (TMOB); *John Labatt Ltd v Molson Companies Ltd* (1990), 30 CPR (3d) 293 (FCTD) and *Wrangler Apparel Corp v The Timberland Company* [2005] FC 722].

### Entitlement

[8] In order to meet its initial burden under this ground of opposition. The Opponent must show that it had used or made known the trade-mark NAUTICA in Canada within the meaning of section 4 of the Act prior to the filing date of the present application, namely July 6, 2007 and that it had not abandoned such use on the advertisement date of the application namely, August 27, 2008 [see section 16(5) of the Act]. In its statement of opposition the Opponent alleged prior use of its trade-mark NAUTICA in Canada in association with the following wares:

Bed blankets, bed sheets, table cloths not of paper, table linens, bed linens, pillow cases, sheets, table cloths, towels, bath accessories, namely, washing mitts, wash cloths, fabric bath mats and textile wall hangings; Bed pillows, pillows, mattress pads, duvets, duvet covers, pillowcases and pillow protectors; Tableware, namely forks, knives and spoons; glass and plastic beverage ware; dinnerware, namely bowls, cups and plates; coasters; candlesticks, napkin holders, napkin rings, serving platters, serving spoons, decanters, stirrers, cocktail shakers and paper cups and plates; Living room, dining room, and bedroom furniture; upholstered and un-upholstered furniture, namely beds, dressers, chests, mirrors, tables, cabinets, buffets, hutches, servers, chairs, benches, etageres, wall units, bars, entertainment centers, desks, bookcases, sofas, love seats, ottomans, sleeper sofas, rocking chairs and recliners; Bed linen, bedspreads, bed sheets, bed pads, bed blankets, comforters, pillow shams, bath linen, towels, washing mitts, washcloths, fabric bath mats, textile wall hangings, cloth curtains for residential use, table linens, table cloths, table mats, place mats, table napkins,

kitchen towels; rugs, wall paper, wall covering; Pillow cases; Upholstery fabrics, flannel; and lighting.

[9] Ms. Bizzari has been the Trade-mark Manager in the Legal Department of VF Sportswear, Inc, the parent corporation of the Opponent. She has been responsible for the management of the Opponent's trade-mark portfolio and for maintaining records associated with the use and licensing of the Opponent's marks.

[10] She states that the Opponent was founded in 1983, originally selling men's coats and jackets under the NAUTICA trade-mark. In 1987 the NAUTICA brand expanded to include fragrance products. Over the past 24 years she alleges that the NAUTICA brand has developed and evolved into what she calls a "lifestyle brand". She defines it as a brand with a strong core identity that can extend to most, if not all types of products, provided those products are not inconsistent with the core image of the brand. Consequently, lifestyle brands tend to extend across a very broad range of consumer products used by people in their day-to-day lives and typically include apparel, eyewear and accessories as well as home products and furnishings.

[11] Ms. Bizzari alleges that presently clothing, fragrance products, eyewear, watches, jewellery, luggage, furniture and home lighting furnishings, bedding, umbrellas, purses, fabrics, boats and flotation devices are being offered for sale in association with the trade-mark NAUTICA. In paragraph 4 of her affidavit she provides the date of first use for each category of wares previously enumerated and all of them are prior to the filing date of the application.

[12] She asserts that the Opponent owned over 1800 NAUTICA registered trade-marks or pending applications in over 65 countries around the world. She annexed to her affidavit extracts of the Canadian Trade-marks Database for registrations TMA627433, TMA693272 and application No 1312702 identified in the statement of opposition.

[13] Ms. Bizzari states that the total worldwide value of retail sales of NAUTICA brand merchandise by the Opponent to retailers and distributors around the world has exceeded \$1.5 billion dollars in each of the last 10 years. She provides the annual sales in U.S. dollars in Canada of NAUTICA brand merchandise to Canadian retailers from 2004

to 2008, which vary from over \$23 million to over \$36 million for a total of more than \$150 million.

[14] There is no breakdown of those sales figures per category of wares except that Ms. Bizzari estimates the sales of NAUTICA branded merchandise relating to home decorating items, including furniture and lamps to be more than 20-25% of the total sales of NAUTICA branded merchandise. She provides the annual total Canadian sales in U.S. dollars by the Opponent to Canadian retailers of NAUTICA brand home decorating items from 2006 to 2008 inclusive. They vary from about \$6 million to close to \$10 million.

[15] She states that NAUTICA fashion, perfume and home decorating wares are sold in many national retailers, including the retail stores operated by The Hudson Bay's Company, namely The Bay, Zellers and Home Outfitters as well as the national chain stores Homesense, Winners, Toy'R' Us and Babies'R' Us.

[16] Ms. Bizzari asserts that the Opponent's products may be displayed with regular merchandise, or may be showcased within a designated area, or a "store within a store". She has filed photographs taken in various The Bay stores located in Toronto, Montreal and Vancouver to illustrate the concept of a "store within a store" where merchandise bearing the trade-mark NAUTICA is offered for sale. There are signage and posters bearing the trade-mark NAUTICA in such area. Most of these photographs show articles of clothing being offered for sale in association with the trade-mark NAUTICA. There is a photograph illustrating household linen being offered for sale in association with the trade-mark NAUTICA as well as a NAUTICA signage.

[17] Ms. Bizarri has also filed photographs of sample labels and packaging showing how the trade-mark NAUTICA is displayed on socks, men's cologne, shirts and household linens.

[18] More importantly to this case, she states that the Opponent has been selling lamps bearing the trade-mark NAUTICA for more than 4 years in Canada. They are mainly lamps for kids' bedrooms. She affirms that since 2006 more than 3100 lamps bearing the trade-mark NAUTICA have been sold in Canada with a retail value of approximately

\$140,000 U.S. She filed a photograph of the packaging for such lamp on which appears the trade-mark NAUTICAKIDS as well as a picture of the base of the lamp to which is attached a label bearing the trade-mark NAUTICA.

[19] Ms. Bizarri then provides the details of the sums of money spent by the Opponent in advertising to promote the trade-mark NAUTICA worldwide. She lists the annual figures spent in Canada from 2004 to 2008, which are not less than \$330,000 and up to more than \$570,000. She states that the promotion of the trade-mark NAUTICA is done through advertisements in magazines and newspapers that circulate in Canada. However I have no evidence that the publications listed in paragraph 21 of her affidavit have some circulation in Canada. As for sponsorship of events, those listed in paragraph 20 of her affidavit all took place outside Canada. She asserts that some of these events were broadcasted in Canada, but it constitutes inadmissible hearsay evidence. Finally, she alleges that the Opponent has a website wherein products bearing the trade-mark NAUTICA are shown. She filed extracts of such website, including a page containing a listing of Canadian national retailers.

[20] From this evidence I am satisfied that the Opponent has met its initial burden to show use of its trade-mark NAUTICA prior to July 6, 2007 in association with articles of clothing, linens and lamps, and that it had not abandoned such use as of August 27, 2008. Consequently, the Applicant has now the burden to prove, on a balance of probabilities, that the use of the Mark in association with the Wares and Services is not likely to cause confusion with the Opponent's trade-mark NAUTICA.

[21] The test to determine this issue is set out in section 6(2) of the Act. I must take into consideration all the relevant surrounding circumstances, including those listed in section 6(5): the inherent distinctiveness of the trade-marks and the extent to which they have become known; the length of time the trade-marks have 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.

[22] Those criteria are not exhaustive and it is not necessary to give each one of them equal weight. In its recent judgment in *Masterpiece Inc v Alavida Lifestyles Inc et al* 2011

SCC 27 the Supreme Court of Canada has clearly indicated that the most important factor amongst those listed under section 6(5) of the Act is often the degree of resemblance between the marks.

*The inherent distinctiveness of the marks and the extent that they have become known*

[23] Both, the Mark and the Opponent's trade-mark are coined words. They are inherently distinctive, even though they may suggest the idea of navigation or seamen. The distinctiveness of a trade-mark may be enhanced through use or promotion in Canada.

[24] There is no evidence of use of the Mark in Canada and in any event the relevant date is the filing date of the application. The application is based on proposed use. Consequently, at the relevant date, the Mark was not known at all in Canada.

[25] The Opponent argues that its NAUTICA trade-mark is a famous or if not, at least a well-known trade-mark and thus should benefit from a wider ambit of protection. As previously mentioned, the relevant date is July 6, 2007. Any evidence of use subsequent to such date cannot be taken into consideration.

[26] I wish to point out that the evidence of Mr. Woods, a law student employed by the Opponent's agent relates in part to purchases made at The Bay of goods bearing the trade-mark NAUTICA. However those purchases were made on July 29, 2009 and thus subsequent to the relevant date.

[27] Mr. Woods also did a search on the Internet to locate articles published in newspapers and magazines making mention of the trade-mark NAUTICA. He searched for Canadian resources and used the search terms "Nautica and Decorating" and "Nautica and Housewares". With the terms "Nautica and Decorating", he filed 31 different articles. However the first eight articles are subsequent to the relevant date; 14 of the remaining ones make reference to the trade-mark NAUTICA in association with articles of clothing and 5 articles were published in magazines or newspapers for which, without evidence of their circulation in Canada, I cannot presume such fact. Therefore there remain only 4

articles that deal with furniture and bed linens. As for the research using the terms “Nautica and Housewares”, the first article was published after the relevant date. Eleven articles make reference to NAUTICA in association with articles of clothing and out of the 8 remaining ones, 5 were published in magazines or newspapers which I cannot take judicial notice of their circulation in Canada; thus leaving only 3 pertinent citations.

[28] From the content of Ms. Bizarri and Mr. Woods’ affidavits I conclude that the Opponent’s trade-mark was known to some extent in Canada at the relevant date. However I cannot conclude that such evidence establishes that the Opponent’s trade-mark NAUTICA is a famous trade-mark. I only have sales figures in Canada for 3 years preceding the relevant date. At best for the Opponent its NAUTICA trade-mark may be well known but in association with clothing. There is evidence of sales of lamps, furniture and linens prior to the relevant date thus demonstrating that the Opponent was using its trade-mark NAUTICA not solely in association with articles of clothing.

[29] In all, this factor favours the Opponent.

*Length of time the marks have been used*

[30] From the evidence described above, the Opponent has been using in Canada its trade-mark NAUTICA since at least 2004 while the present application is based on proposed use. This factor clearly favours the Opponent.

*Nature of the wares and their channels of trade*

[31] The Opponent argues that there is clearly an overlap in so far as the lighting armatures, lamp holders, lamp reflectors, lampshades, light bulbs, light dimmers, light emitting diodes, lighting ballasts, lighting fixtures and the services of retail sale of lighting apparatus and installations, installation and repair of lighting apparatus. Such conclusion comes from the prior use of the Opponent’s trade-mark NAUTICA in association with lamps.

[32] The Applicant refers to the content of the affidavit of Mr. Journeault, a student employed by the Applicant’s agent firm. He visited the Applicant’s website and printed



pages of such website. The Applicant argues that those pages illustrate the type of products offered for sale by the Applicant and its price range. Moreover the Applicant argues that the Opponent's evidence shows that the Opponent sell kids' lamps and thus would be sold through different channels of trade.

[33] The search performed by Mr. Journeault was carried out on December 4 2009, after the relevant date. Moreover the website address ends with the letters "be" which stands for Belgium, the Applicant's country of origin. There is no evidence that Canadians have visited such website. There is no evidence that the Applicant intends to sell the same products in Canada. Additionally, the filing of those pages by a person not employed by the Applicant does not make proof of their contents but merely establishes that those pages existed at the time of the search. Finally the fact that the Opponent is selling lamps for kids does not eliminate the argument of overlap in the channels of trade. There is no evidence that kids' lamps and the lighting apparatus listed above would be sold by the Applicant through different channels of trade. The burden is on the Applicant and it failed to meet it on this issue.

[34] This factor clearly favours the Opponent for the wares and services mentioned above. In so far as "printing paper; photographs; cardboard; printed matter for publicity, namely brochures about lighting (product information); photographs; pens and pencils", there is no overlap. However I shall discuss the possibility of rendering a split decision hereinafter.

#### *Degree of resemblance*

[35] The marks are very similar in appearance, sound and ideas suggested as the only difference is the deletion in the Mark of the vowel "a" at the end of "Nautica". This factor also favours the Opponent.

#### *Additional surrounding circumstances*

[36] Mr. Penney has been employed by the Opponent's agent as a Searcher. On August 4, 2009 he conducted a search of the Canadian Trade-marks register to locate active

trade-marks containing “lamp, lampshade, lighting, light, light bulb, paper, cardboard, printed brochures, photograph, pen and pencil” owned by 8 companies including, Calvin Klein Trademark Trust, Tommy Bahama Group, Inc, The Polo/Lauren Company LP and Giorgio Armani. The Opponent argues that owners of “lifestyle brands” expand coverage of their clothing brands to cover a broad range of consumer products including home furnishing, houseware and lighting products. However, in the absence of any evidence of use of the trade-marks covered by the registrations located in association with those wares, I cannot assume that there has been such use.

### *Conclusion*

[37] The Applicant failed to meet its evidential burden to prove, at the filing date of the application and on a balance of probabilities, that the Mark was not likely to cause confusion with the Opponent’s trade-mark NAUTICA when the Mark is used in association with: Lighting armatures; lamp holders; lamp reflectors; lampshades; light bulbs; light dimmers; light emitting diodes; lighting ballasts; lighting fixtures; and retail sale of lighting apparatus and installations; installation and reparation of lighting apparatus and installations.

[38] In so far as “printing paper; photo paper; cardboard; printed matter for publicity, namely brochures about lighting (product information); photographs; pens; pencils”, the difference in the nature of those wares could lead me to render a split decision. The Registrar has discretion in deciding whether or not to do so. The ware “printed matter for publicity, namely brochures about lighting (product information)” is intended to promote the Applicant’s lighting apparatus in association with the Mark as it appears from its description. Such ware is subordinate to the existence of lighting products bearing the Mark. I am therefore not prepared to render a split decision in the circumstances of this case favouring the Applicant in so far as those wares are concerned [see *Anheuser-Bush Inc v Upper caanda Brewing Co* 1998 CarswellNat 3278]. I cannot conclude in the same vain with respect to “photo paper, cardboard, photographs, pens and pencils”. I have no evidence that those wares are ancillary to lighting products.

[39] The marks do resemble one to another; the Opponent's mark NAUTICA is known to some extent in Canada; and there is an overlap in the nature of some of the wares and their channels of trade. Consequently, I have found in favour of the Opponent in respect of this ground of opposition for all the Wares and Services except for "photo paper, cardboard, photographs; pens and pencils".

#### Distinctiveness

[40] Under this ground of opposition the Opponent has the initial evidential burden to prove that its trade-mark NAUTICA had become sufficiently known in Canada on October 24, 2008, the filing date of the statement of opposition, to negate any distinctiveness of the Mark [*Motel 6, Inc v No 6 Motel Ltd* (1981), 56 CPR (2d) 44 at 58 and *Bojangles' International LLC v Bojangles Café Ltd* (2006), 48 CPR (4th) 427 (FCTD)]. Once this initial burden is met, the Applicant has a legal onus to show, on a balance of probabilities, that the Mark was not likely to create confusion with the Opponent's trade-mark NAUTICA such that it was adapted at the relevant date to distinguish or actually distinguished throughout Canada the Wares and Services from the Opponent's wares [see *Muffin Houses Incorporated v The Muffin House Bakery Ltd* (1985), 4 CPR (3d) 272].

[41] The evidence of the Opponent's use of the trade-mark NAUTICA prior to October 24, 2008 described under the previous ground of opposition is sufficient to conclude that the Opponent has met its initial burden of proof.

[42] The later relevant date allows me to consider any additional facts proven that took place between July 6, 2007 and October 24, 2008. There are no additional facts that could be of any support to the Applicant. As for the Opponent, the addition of sales over an extra year in Canada would not be sufficient to conclude that its trade-mark NAUTICA was famous as of October 24, 2008.

[43] Under these circumstances I reach the same conclusions as those described under the previous ground of opposition. It is therefore maintained in part.

#### Ground of Opposition based on Section 30(e) of the Act

[44] In its written argument the Opponent takes the position that the following wares are promotional items:

printing paper; photo paper; cardboard; printed matter for publicity, namely brochures about lighting (product information); photographs; pens; pencils.

Consequently the Applicant does not and could not intend to use the Mark in Canada within the meaning of section 4 of the Act in association with those wares. Without deciding on the merit of such argument I already ruled in favour of the Opponent in so far as “printed matter for publicity, namely brochures about lighting (product information)” is concerned. As for “printing paper; cardboards; photo paper; photographs; pens; and pencils”, there is nothing in the description of those wares nor in the evidence filed suggesting that they would be promotional material. Under these circumstances, at best for the Opponent, this ground of opposition would be maintained only for “printed matter for publicity, namely brochures about lighting (product information)”. However it has already been successful under two separate grounds of opposition with respect to those wares. Consequently, I do not need to elaborate more under this ground of opposition.

#### Ground of Opposition based on Section 30(i) of the Act

[45] The ground of opposition as drafted is improperly pleaded. Section 30(i) of the Act only requires that the Applicant declares itself satisfied that it is entitled to the registration of the Mark. Such a statement is included in the application. The allegation that the Applicant had knowledge of the existence of the Opponent’s rights cannot form the basis of a ground of opposition under section 30(i) of the Act. One may rely on section 30(i) in specific cases such as where fraud by the Applicant is alleged [see *Sapodilla Co Ltd v Bristol Myers Co* (1974) 15 C.P.R. (2d) 152 (TMOB)]. There is no allegation of that nature in the statement of opposition or any evidence in the record to that effect. Consequently this ground of opposition is dismissed.

Registrability of the Mark under Section 12(1)(d) of the Act

[46] In order to meet its initial burden under this ground of opposition, the Opponent needs to establish the existence of the registrations cited under this ground of opposition.

[47] Ms Bizzari annexed to her affidavit extracts of the Canadian Trade-marks Database for registrations TMA627433 and TMA693272. I checked the register and such registrations are extant [see *Quaker Oats of Canada Ltd/La Compagnie Quaker Oats Ltée v Manu Foods Ltd*, 11 CPR (3d) 410]. As for application 1,312,702 it cannot form the basis of a ground of opposition under section 12(1)(d) of the Act, because it was not a registered trade-mark at the date of filing of the statement of opposition. Even if it matured to registration since the filing date of the statement of opposition, the Opponent needed to amend its statement of opposition to reflect such change and thus giving notice to the Applicant that it intends to rely on that registration [see *Ferrero SpA v Cantarella Bros Pty Limited* 2012 TMOB 45].

[48] The Opponent has met its initial burden of proof in so far as registrations TMA627433 and TMA693272 are concerned. Consequently the Applicant has the burden to prove, on a balance of probabilities, that the use of the Mark in association with the Wares and Services is not likely to cause confusion with the Opponent's registered trade-marks NAUTICA and NAUTICA & Design.

[49] The relevant date is the date of the Registrar's decision [see *Park Avenue Furniture Corporation v Wickes/Simmons Bedding Ltd.* (1991), 37 CPR (3d) 413 at 424 (FCA)]. The test to determine this issue is the same as the one described earlier under entitlement.

[50] Registration TMA627,433 for the trade-mark

**NAUTICA**

covers: Bed blankets, bed sheets, table cloths not of paper, table linens, bed linens, pillow cases, sheets, table cloths, towels, bath accessories, namely, washing mitts, wash cloths, fabric bath mats and textile wall hangings.

[51] As for registration TMA693,272 for the trade-mark

## **NAUTICA**

it covers: Bed pillows, pillows, mattress pads, duvets, duvet covers, pillowcases and pillow protectors.

[52] Given that none of these registrations covers wares of similar nature to “printing paper; cardboards; photo paper; photographs; pens; pencils”, I cannot see how the Opponent would be more successful under this ground of opposition than it was under entitlement and distinctiveness. Having already been partly successful under these two grounds of opposition and seeing that it could not be more successful under this ground, I do not need to go on any further in my analysis of this ground of opposition.

### Disposition

[53] Having been delegated authority by the Registrar of Trade-marks by virtue of section 63(3) of the Act, I refuse the application with respect to:

Lighting armatures; lamp holders; lamp reflectors; lampshades; light bulbs; light dimmers; light emitting diodes; lighting ballasts; lighting fixtures; printed matter for publicity, namely brochures about lighting (product information); and

Retail sale of lighting apparatus and installations; installation and reparation of lighting apparatus and installations;

and reject the opposition with respect to:

printing paper; cardboard; photo paper; photographs; pens; pencils;

the whole in accordance with section 38(8) of the Act [see *Produits Menagers Coronet Inc v Coronet-Werke Heinrich Schlerf GmbH* (1986), 10 CPR (3d) 492 (FCTD) as authority for a split decision].

---

Jean Carrière  
Member  
Trade-marks Opposition Board  
Canadian Intellectual Property Office