



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

Citation: 2015 TMOB 229
Date of Decision: 2015-12-23

IN THE MATTER OF AN OPPOSITION

HALL-CHEM MFG. INC.

Opponent

and

Growmark, Inc.

Applicant

1,567,649 for DIESELEX

Application

Background

[1] The Applicant filed application No. 1,567,649 for the trade-mark DIESELEX (the Mark) on March 7, 2012. The application is based upon use of the Mark in Canada since September 3, 2010 and it covers “diesel fuel”.

[2] The Opponent is the owner of registrations for the trade-marks: DR. DIESEL (TMA594,007); SUPER DIESEL (TMA596,787); DOCTOR DIESEL (TMA593,750); and DR. DIESEL-X (TMA644,178), all of which cover “motor vehicle radiator coolant and anti-freeze”.

[3] The application for the Mark was advertised for opposition purposes in the *Trade-marks Journal* of May 22, 2013 and on July 23, 2013 the Opponent opposed it under section 38 of the *Trade-marks Act*, RSC 1985, c T-13 (the Act). The grounds of opposition are based upon sections 30(i), 12(1)(d), 16(1)(a) and 2 (distinctiveness) of the Act.

[4] The Applicant filed a counterstatement on September 27, 2013, denying each of the allegations set out in the statement of opposition.

[5] As evidence in support of its opposition, the Opponent filed copies of its registrations.

[6] As evidence in support of its application, the Applicant filed the affidavit of Krista Wolf, sworn July 9, 2014 (the Wolf affidavit). Ms. Wolf was not cross-examined.

[7] Only the Applicant filed a written argument.

[8] A hearing was held on December 8, 2015 and both parties attended.

Onus

[9] 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 [*John Labatt Limited v The Molson Companies Limited* (1990), 30 CPR (3d) 293 (FCTD) at 298].

Preliminary Matter

[10] At the hearing the Opponent withdrew the ground of opposition set out at paragraph 4(ii) of the statement of opposition, in light of the fact that is captured by and has been more properly pleaded under the non-distinctiveness ground which appears at paragraph 4(v) of the statement of opposition. I will therefore not be addressing the ground which is set out in paragraph 4(ii) of the statement of opposition in my decision.

Grounds of Opposition Summarily Dismissed

Non-compliance – Section 30(i)

[11] The Opponent has pleaded that the Applicant could not have been satisfied that it was entitled to use the Mark because at the date of filing the application, the Applicant knew or ought to have known that the Mark was confusing or likely to be confused with the Opponent's trade-

marks DR. DIESEL, SUPER DIESEL, DOCTOR DIESEL and DR. DIESEL-X, all of which had been previously used in Canada by the Opponent.

[12] Section 30(i) of the Act merely requires that an applicant declare in its application that it is satisfied that it is entitled to registration of its trade-mark. Where an applicant has provided the requisite statement, 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 [*Sapodilla Co Ltd v Bristol-Myers Co* (1974), 15 CPR (2d) 152 (TMOB) at 155]. Mere knowledge of the existence of an opponent's trade-mark does not in and of itself support an allegation that the applicant could not have been satisfied of its entitlement to use a mark [*Woot, Inc v WootRestaruants Inc Les Restaurants Woot Inc* 2012 TMOB 197 (CanLII)]. The Applicant has provided the necessary statement and the Opponent has not demonstrated that this is an exceptional case. Accordingly, this ground of opposition is dismissed.

Non-entitlement – Section 16(1)(a)

[13] The Opponent has pleaded that the Applicant is not the person entitled to registration of the Mark in view of its prior use of its trade-marks DR. DIESEL, SUPER DIESEL, DOCTOR DIESEL and DR. DIESEL-X. There is an initial burden on the Opponent in respect of this ground to evidence use of its trade-marks prior to the claimed date of first use of the Mark and to establish that it had not abandoned its trade-marks as of the date of advertisement of the Applicant's application [section 16(5)]. The only evidence the Opponent has provided in this case is copies of its registrations. The Opponent has not provided any evidence of use. Accordingly, this ground of opposition is dismissed.

Non-distinctiveness – Section 2

[14] The Opponent has pleaded that the Mark does not distinguish and is not adapted to distinguish the Applicant's goods from those of the Opponent, in association with which it has used and registered its trade-marks DR. DIESEL, SUPER DIESEL, DOCTOR DIESEL and DR. DIESEL-X.

[15] In order to satisfy its initial burden with respect to a distinctiveness ground of opposition, an opponent's evidence must show that one or more of its trade-marks had become known sufficiently as of the commencement of the opposition to negate the distinctiveness of the applied-for trade-mark [*Metro-Goldwyn-Mayer Inc v Stargate Connections Inc* (2004), 34 CPR (4th) 317 (FC); *Motel 6, Inc v No. 6 Motel Ltd* (1981), 56 CPR (2d) 44 at 58 (FCTD)]. The Opponent has not filed any evidence to establish that any of its trade-marks have become known. It has therefore failed to meet its initial burden in respect of this ground. Accordingly, this ground of opposition is dismissed.

Analysis of Remaining Ground of Opposition

Non-registrability - Section 12(1)(d)

[16] The Opponent has pleaded that the Mark is not registrable because it is confusing with its DR. DIESEL (TMA594,007), SUPER DIESEL (TMA596,787), DOCTOR DIESEL (TMA593,750) and DR. DIESEL-X (TMA644,178) trade-marks.

[17] The material date to assess a section 12(1)(d) ground of opposition is the date of my decision [*Park Avenue Furniture Corporation v Wickes/Simmons Bedding Ltd and The Registrar of Trade Marks* (1991), 37 CPR (3d) 413 (FCA)].

[18] The Opponent has filed copies of its registrations as evidence and I have exercised my discretion to check the register to confirm that they are extant [*Quaker Oats Co of Canada v Menu Foods Ltd* (1986), 11 CPR (3d) 410 (TMOB)]. The Opponent has therefore met its initial burden with respect to this ground. As the Opponent's evidentiary burden has been satisfied, the Applicant must establish on a balance of probabilities, that there is no reasonable likelihood of confusion between the Mark and the Opponent's trade-marks.

[19] I find that registration No. TMA644,178 for DR. DIESEL-X represents the Opponent's best chance of success, as in my view, it is more similar to the Mark than the Opponent's other trade-marks. I will therefore focus on this registration in my confusion analysis. If the Opponent is unable to succeed in relation to this registration, it will not succeed with respect to any of its other registered trade-marks.

[20] 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 goods or services associated with those trade-marks are manufactured, sold, leased, hired or performed by the same person, whether or not the goods or services are of the same general class.

[21] 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 goods, 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 [*Mattel, Inc v 3894207 Canada Inc* (2006), 49 CPR (4th) 321 (SCC) and *Masterpiece Inc v Alavida Lifestyles Inc* (2011), 92 CPR (4th) 361 (SCC)].

Section 6(5)(a) – the inherent distinctiveness and the extent to which the marks have become known

[22] Both of the parties' trade-marks consist of the word DIESEL, with additional features (i.e. "Dr." and "-X" in the case of the Opponent's trade-mark DR. DIESEL-X and simply "EX", in the case of the Mark.). It's true that the inclusion of the additional elements renders the parties' trade-marks coined marks. However, in view of the fact that they both contain DIESEL as a main component, I do not consider either of the parties' marks to be particularly inherently distinctive. The Mark is perhaps slightly less inherently distinctive due to the fact that DIESEL is suggestive of the Applicant's goods.

[23] The distinctiveness of a trade-mark may be further increased through promotion or use. In this case, the Opponent has not filed any evidence to establish that its trade-mark DR. DIESEL-X, or any of its other trade-marks for that matter, have been used or become known to any extent in Canada. While the Applicant has filed some evidence, it is not particularly detailed, as discussed below.

[24] The Applicant's evidence consists solely of the Wolf affidavit. Ms. Wolf is the Manager, Brand Strategy & Marketing Communications of the Applicant [para 1]. According to Ms. Wolf, the Applicant sells its goods on a wholesale and retail basis. The Applicant's wholesale business consists of the sale of fuel in bulk to member cooperatives and independent distributors, who in turn sell by dispensing fuel through gas pumps [para 2].

[25] Ms. Wolf states that the Applicant and its licensees have extensively advertised the Applicant's goods under the Mark. Attached as Exhibit 2, are excerpts from webpages, which Ms. Wolf indicates show advertising by the Applicant, its licensees and by third parties [para 2]. In addition to web advertisements, Ms. Wolf states that the Applicant has also advertised the Mark in Canada in newspapers, magazines and other print formats, radio and on the side of tanker trucks and gas pumps [para 2]. Ms. Wolf points out that Exhibit 2 shows some tanker truck and on-line advertisements.

[26] At the hearing, the Opponent pointed out that in many of the webpages attached as Exhibit 2, the word "Gold" appears in conjunction with the Mark. The Opponent argued that the manner in which the Mark appears does not constitute use of the Mark as applied for. While it's true that the word "Gold" does appear after the Mark in many of the webpages, that is not the case for all of the webpages. Moreover, I note that in many of the instances in which it does appear, the Mark itself has been identified as a trade-mark with the ® symbol. While it technically should have been identified using a ™ symbol, rather than an ® symbol, it has nonetheless been identified as a trade-mark and does stand out as such, despite the fact that it is followed by the word "Gold" in some instances.

[27] In my view, what is more problematic for the Applicant, is that Ms. Wolf has not provided any sales figures or invoices and her affidavit is silent with respect to the extent to which the Mark has actually been used. Her affidavit does not contain a sworn statement to support the claimed date of first use of the Mark in the application and Ms. Wolf has not provided any other indication as to when or how use of the Mark commenced in Canada. In addition, no advertising expenditures have been provided and although Ms. Wolf indicates how the Applicant advertises its goods, she has not provided any distribution figures, nor has she

indicted the extent to which the webpages attached as Exhibit 2 have been visited by Canadian consumers.

[28] In view of the foregoing, I do not find that this factor, which is a combination of the inherent distinctiveness of the marks and the extent to which they have become known, significantly favours either party.

Section 6(5)(b) – the length of time each has been in use

[29] I am only able to infer *de minimus* use from the existence of the Opponent’s registrations [*Entre Computer Centers Inc v Global Upholstery Co* (1991), 40 CPR (3d) 427 (TMOB) at 430] and the Applicant has not provided any clear evidence to support the claimed date of first use in its application. In view of this, I also do not find that this factor significantly favors either party.

Sections 6(5)(c) and (d) – the nature of wares, services or business and trade

[30] When considering sections 6(5)(c) and (d) of the Act, it is the statement of goods in the application for the Mark and the statement of goods in the Opponent’s registration that governs the assessment of the likelihood of confusion under section 12(1)(d) of the Act [*Henkel Kommanditgesellschaft auf Aktien v Super Dragon Import Export Inc* (1986), 12 CPR (3d) 110 (FCA) and *Mr Submarine Ltd v Amandista Investments Ltd* (1987), 19 CPR (3d) 3 (FCA)]. Those 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. Evidence of the parties’ actual trades is useful in this respect [*McDonald’s Corp v Coffee Hut Stores Ltd* (1996), 68 CPR (3d) 168 (FCA); *Procter & Gamble Inc v Hunter Packaging Ltd* (1999), 2 CPR (4th) 266 (TMOB); and *American Optical Corp v Alcon Pharmaceuticals Ltd* (2000), 5 CPR (4th) 110 (TMOB)].

[31] The application for the Mark covers “diesel fuel”. By contrast, the Opponent’s registration covers “motor vehicle radiator coolant and anti-freeze”. While the parties’ goods may both be said to relate generally to the automotive industry, they are different.

[32] As for the parties’ channels of trade, the Opponent has not provided any evidence in this regard. According to the Wolf affidavit, the Applicant sells its goods on a wholesale and retail

basis. Its wholesale business consists of the sale of fuel in bulk to member cooperatives and independent distributors, who in turn sell by dispensing fuel through gas pumps. Ms. Wolf states that the Applicant has contractual relationships with the member co-operatives and independent distributors. In view of this relationship, Ms. Wolf states that the member co-operatives and distributors are fully aware as to the source of the fuel they are purchasing [para 2]. In addition, Ms. Wolf states that the Applicant and the Opponent sell their goods through different channels of trade [para 2]. I am not prepared to give these last two statements any weight, as there is no evidence to support them.

[33] Based upon the evidence before me, at most, I am able to conclude that the nature of the parties' respective goods differs and that the nature of their businesses and trades may or may not also differ.

Section 6(5)(e) – the degree of resemblance between the trade-marks

[34] In *Masterpiece Inc v Alavida Lifestyles Inc et al* [supra], the Supreme Court of Canada 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 parties' trade-marks [see also *Beverley Bedding & Upholstery Co v Regal Bedding & Upholstering Ltd* (1980), 47 CPR (2d) 145 (FC), at 149, affirmed (1982), 60 CPR (2d) 70 (FCA)]. If the parties' trade-marks do not resemble one another, it is unlikely that even a strong finding on the remaining factors would lead to a likelihood of confusion.

[35] In *Masterpiece*, the Supreme Court observed that even though the first word of a trade-mark may be the most important, for the purpose of distinctiveness [*Conde Nast Publications Inc v Union des éditions modernes* (1979), 46 CPR (2d) 183 (FCTD)], the preferable approach when comparing marks is to begin by determining whether there is an aspect of the trade-mark that is particularly striking or unique.

[36] The Opponent submits that the latter part of the marks (i.e. the suffix "EX" in the Mark and the suffix "-X" in the Opponent's trade-mark) is of greater importance or impact in the marks because it is what makes the marks coined terms. During the hearing, the Opponent directed my attention to some case law which it contends supports its position [*Merial LLC v*

Novartis Animal Health Canada, Inc, 2001 CanLII 22108 (FC); *Bell Expressvu Limited v Mariner Partners Inc*, 2011 TMOB 243 (CanLII)].

[37] I note that in *Merial* decision, the Court found the suffix –EX, when used in combination with the prefix ELIMIN- to be significant because it created a coined word in the applicant’s mark, ELIMINEX, whereas the suffix –ATOR in the opponent’s trade-mark resulted in the ordinary dictionary word ELIMINATOR. In *Bell Expressvu*, the Board found that the letter “X” at the beginning of the applicant’s marks xVu and xVue TV Care and the letters “EX” forming the first portion of the word EXPRESS in the opponent’s mark sounded the same. In that case, the Board also found that the idea suggested by the applicant’s marks was similar to that which was suggested by the opponent’s trade-mark EXPRESSVU and that VU was the dominant part of all of the parties’ trade-marks.

[38] I don’t disagree that the suffixes “EX” and “-X” are significant in the present case to the extent that they result in the parties’ trade-marks being coined words and to the extent that they may sound the same. However, while these suffixes may well render the marks coined in nature and while they may be said to be more distinctive than the word DIESEL, I do not consider them to be particularly striking or unique features or to be a dominant part of the marks. As noted in both *Merial* and *Masterpiece*, the parties’ marks must be viewed in their totality when assessing the degree of resemblance between them. In the case at hand, the construction of the parties’ marks differs, the suffixes themselves are different and the Opponent’s trade-mark also contains the word “DR.” in the dominant first position of the mark, which, in my view, creates a very different connotation and different overall visual and phonetic impression between the parties’ trade-marks. Thus, while the parties’ trade-marks do resemble one another to some extent, I do not consider there to be a particularly strong degree of resemblance between them.

Surrounding Circumstances

State of the Register

[39] As an additional surrounding circumstance, the Applicant relies on the results of a NUANS search trade-mark report which are attached as Exhibit 1 to the Wolf affidavit [para 1]. According to Ms. Wolf, the NUANS search was conducted at the time that the Applicant filed its

application for the Mark. Ms. Wolf notes that the Opponent's trade-marks were listed on page 22 of the 27 page report, indicating that NUANS software located many other marks which were more similar to the Mark than the Opponent's marks.

[40] The Applicant points out that where there are many traders using similar trade-marks, small differences between trade-marks will generally be sufficient to distinguish between them [*Hermes SA v Fletcher Golf Enterprises Ltd* (1984), 78 CPR (2d) 134 (FCTD)]. However, I note that the Applicant has not provided any evidence of actual use of the marks which were located in the NUANS search.

[41] State of the register evidence can be useful to assess the commonality or distinctiveness of a trade-mark or portion of a trade-mark in relation to the register as a whole. However, it is only relevant insofar as inferences may be made with respect to the state of the marketplace, and inferences about the state of the marketplace can only be drawn when a significant number of pertinent registrations are located [*Ports International Ltd v Dunlop Ltd* (1992), 41 CPR (3d) 432 (TMOB); *Welch Foods Inc v Del Monte Corp* (1992), 44 CPR (3d) 205 (FCTD); and *Maximum Nutrition Ltd v Kellogg Salada Canada Inc* (1992), 43 CPR (3d) 349 (FCA)].

[42] In the present case, many of the trade-marks located by the NUANS search bear very little resemblance to the marks in question, some have become abandoned or expunged, some had not yet reached the approval, allowance or registration stage, and some relate to entirely different goods or services. Neither party addressed the state of the register evidence in any detail in written arguments or at the hearing and the Applicant pointed to only a small number of examples of marks which it considered to be relevant.

[43] In view of the foregoing, I consider this evidence to be of little assistance to the Applicant and I am not prepared to draw any inferences from it regarding the state of the marketplace.

The Opponent's Family of DIESEL Trade-marks

[44] At the hearing, the Opponent suggested that the existence of its family of DIESEL trade-marks would make confusion more likely. It's true that where there is a family of marks, there is

sometimes a greater likelihood that the public would consider a trade-mark that is similar in nature or composition to be another trade-mark in the family and consequently, assume that the product or service that is associated with that trade-mark is manufactured or performed by the same person. However, it has been held that there can be no presumption of the existence of a family of marks in opposition proceedings. A party seeking to establish a family of marks must establish that it is using more than one or two trade-marks within the alleged family (a registration or application does not establish use) [see *Techniquip Ltd v Canadian Olympic Assn* (1998), 1998 CanLII 7573 (FC), 145 F.T.R. 59 (FCTD), aff'd 250 NR 302 (FCA); and *Now Communications Inc v CHUM Ltd* (2003), 32 CPR (4th) 168 (TMOB)]. In this case, the Opponent has not evidenced use of any of its trade-marks. In view of this, I do not find the arguments it made at the hearing to be persuasive.

Conclusion on the Likelihood of Confusion

[45] Neither of the parties' trade-marks possesses a particularly high degree of inherent distinctiveness and there is no evidence to establish that either has been used or become known to any great extent. The nature of the parties' goods differs and there is insufficient evidence to enable me to conclude that there would be any overlap in the parties' channels of trade. Overall, I find that the differences between the trade-marks in appearance, sound and suggested idea are sufficient to avoid any reasonable likelihood of confusion. Having considered all of the surrounding circumstances, I have therefore concluded that, on a balance of probabilities, there is no likelihood of confusion between the trade-marks at issue.

[46] Accordingly, the section 12(1)(d) ground of opposition is unsuccessful.

Disposition

[47] In view of the foregoing, 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.

Lisa Reynolds
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office

**TRADE-MARKS OPPOSITION BOARD
CANADIAN INTELLECTUAL PROPERTY OFFICE
APPEARANCES AND AGENTS OF RECORD**

HEARING DATE: 2015-12-08

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