IN THE MATTER OF AN OPPOSITION

by Canadian Turbo Inc. to application No.

653,755 for the trade-mark TURBO POWER

filed by Recochem Inc.

On March 22, 1990, the applicant, Recochem Inc., filed an application to register the

trade-mark TURBO POWER for "motor oils, motor additives and automotive chemicals"

based on use in Canada since August of 1986. The application was advertised for opposition

purposes on November 7, 1990.

The opponent, Canadian Turbo Inc., filed a statement of opposition on February 19,

1991, a copy of which was forwarded to the applicant on March 25, 1991. The grounds of

opposition include, among others, that the applicant is not the person entitled to registration

pursuant to Section 16(1) of the Trade-marks Act because, as of the applicant's claimed date

of first use, the applied for trade-mark was confusing with the trade-mark TURBO previously

used in Canada by the opponent (formerly known as Turbo Resources Limited) in association

with "motor oil, automotive chemicals and motor additives, such as gasoline, diesel fuel and

antifreeze."

The applicant filed and served a counter statement. As its evidence, the opponent filed

an affidavit of its Vice-President and Corporate Secretary, David L. James. As its evidence,

the applicant filed the affidavit of its Vice-President Finance, James D. Campbell. As evidence

in reply, the opponent filed a second affidavit of David L. James. Both parties filed a written

argument and an oral hearing was conducted at which both parties were represented.

As for the ground of prior entitlement, in view of the provisions of Sections 16(1) and

16(5) of the Act, it was incumbent on the opponent to evidence use of its trade-mark TURBO

prior to the applicant's claimed date of first use (i.e. - August 31, 1986) and to show that its

trade-mark was not abandoned as of the applicant's date of advertisement (i.e. - November 7,

1990). The first James affidavit satisfies both of these requirements.

1

In view of the above, the ground of prior entitlement remains to be decided on the issue of confusion between the marks at issue. The onus or legal burden is on the applicant to show no reasonable likelihood of confusion. Furthermore, the material time for considering the circumstances respecting that issue is as of the applicant's claimed date of first use in accordance with the wording of Section 16(1). Finally, in applying the test for confusion set forth in Section 6(2) of the Act, consideration is to be given to all of the surrounding circumstances including those specifically set out in Section 6(5) of the Act.

As for Section 6(5)(a) of the Act, the applicant's mark TURBO POWER is inherently distinctive although it is not an inherently strong mark. The word "turbo" is short for "turbocharger" which is "a centrifugal blower driven by exhaust gas turbines and used to supercharge an engine" (see Webster's New Collegiate Dictionary). Thus, the applicant's mark TURBO POWER suggests that the applied for wares are for use with a supercharged engine or that their use will result in an engine delivering more power. As of the material time, I must conclude that the applicant's mark had not become known at all in Canada.

The opponent's mark TURBO is also inherently distinctive although it, too, is not an inherently strong mark when used with motor oil and the like. As of the material time, the opponent (under its previous name Turbo Resources Limited) had effected substantial sales of gasoline, motor oils and other automotive products in association with its trade-mark TURBO primarily through its chain of more than 250 gas stations throughout western Canada. I am therefore able to conclude that the opponent's mark had become very well known in western Canada at that time.

The length of time the marks have been in use favors the opponent. The wares of the parties are similar, if not identical. The application covers "motor oils" which the opponent has extensively sold in association with its trade-mark TURBO. The first James affidavit establishes that the opponent has also sold automatic transmission fluid, gear lube, additives and windshield washer antifreeze in association with its mark. Those wares would appear to be at least similar to the "motor additives and automotive chemicals" covered by the

applicant's application.

The trades of the parties could potentially overlap. The applicant has pointed out that its trade since August of 1986 has been through supermarkets, automotive products stores, hardware stores and chain stores and that the opponent's trade has been primarily through gas stations. However, there are no such restrictions inherent in the applicant's statement of wares. I must therefore assume that the applicant's wares could be sold through all ordinary channels of trade associated with such goods. Furthermore, in his second affidavit, Mr. James indicates that the opponent also sells its TURBO products through supermarkets, automotive products stores, hardware stores and chain stores and that the applicant's distributors call on gas stations to sell the applicant's TURBO POWER products.

As for Section 6(5)(e) of the Act, I consider there to be a high degree of resemblance between the marks at issue in all respects. In fact, the applicant adopted the entirety of the opponent's mark TURBO as the first component of its mark.

In its written argument, the applicant sought to rely on the state of the trade-marks register to show the common use of the word TURBO as a component of trade-marks registered for wares similar to those at issue in the present case. Ordinarily, I would not have considered such a submission since the applicant did not file any evidence of the registrations referred to: see the opposition decision in <u>Unitron Industries Ltd.</u> v. <u>Miller Electronics Ltd.</u> (1983), 78 C.P.R.(2d) 244 at 253. However, at the oral hearing, the opponent's agent did not object to considering the seven registrations referred to in paragraph 15 of the applicant's written argument as part of the evidence and I have therefore considered them.

Only six of the seven registrations listed in paragraph 15 of the applicant's written argument are relevant and only four of those registrations were in existence as of the material time (i.e. - August 31, 1986). Since inferences about the state of the marketplace can only be drawn from state of the register evidence where large numbers of relevant registrations are located, four registrations is far from sufficient to advance the applicant's case: see the

opposition decision in <u>Ports International Ltd.</u> v. <u>Dunlop Ltd.</u> (1992), 41 C.P.R.(3d) 432 and the decisions in <u>Del Monte Corporation</u> v. <u>Welch Foods Inc.</u> (1992), 44 C.P.R.(3d) 205 (F.C.T.D.) and <u>Kellogg Salada Canada Inc.</u> v. <u>Maximum Nutrition Ltd.</u> (1992), 43 C.P.R.(3d) 349 (F.C.A.).

The applicant also relied on Mr. Campbell's statement in paragraph 20 of his affidavit that he was unaware of any incidents of actual confusion between the marks at issue. However, that statement is of little significance since there is no clear evidence of contemporaneous use of the two marks. Furthermore, there could not have been any such evidence as of the material time since the applicant only began to use its mark on that date.

The applicant also sought to rely on findings of fact from the decision of the Federal Court, Trial Division in <u>Turbo Resources Ltd.</u> v. <u>Petro Canada Inc.</u> (1988), 22 C.P.R.(3d) 48 (F.C.T.D.); (1989) 24 C.P.R.(3d) 1 (F.C.A.) regarding third party uses of marks incorporating the word TURBO. However, the evidence of record in that case is not of record in this opposition. Furthermore, the findings of the Court were made well after the material time respecting the ground of prior entitlement in this case.

The applicant submitted that an additional surrounding circumstance is that it already owns a registration for a trade-mark that includes the words TURBO POWER. However, I do not see how the existence of a registration on the trade-marks register has any bearing on the average consumer's reaction to the trade-marks at issue in the marketplace. Furthermore, ownership of a trade-mark registration does not give a party a right to obtain further registrations for that mark or its components: see the opposition decision in <u>Groupe Lavo Inc.</u> v. <u>Procter & Gamble Inc.</u> (1990), 32 C.P.R.(3d) 533.

In applying the test for confusion, I have considered that it is a matter of first impression and imperfect recollection. In view of my conclusions above, and particularly in view of the resemblance between the wares, trades and marks of the parties and the reputation

associated with the opponent's mark, I find that the applicant has failed to satisfy the onus on it to show that its mark is not confusing with the opponent's previously used mark TURBO. The ground of prior entitlement is therefore successful and the remaining grounds need not be considered.

In view of the above, I refuse the applicant's application.

DATED AT HULL, QUEBEC, THIS 30th DAY OF November, 1994.

David J. Martin, Member, Trade Marks Opposition Board.