



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

Citation: 2010 TMOB 69
Date of Decision: 2010-05-31

**IN THE MATTER OF AN OPPOSITION
by Fleet Street, Ltd. to application No.
1,232,151 for the trade-mark ZERO X
POSUR in the name of Benisti Import
Export Inc.**

[1] On September 29, 2004 Benisti Import Export Inc. (“the Applicant”) filed an application to register the trade-mark ZERO X POSUR (the “Mark”) based on use of the Mark since January 1, 2002 on the following wares:

(1) Men's, women's and children's garments, namely: coats, jackets, pants, t-shirts, shirts, jeans, hats, caps, undergarments, underwear, dresses, skirts, bathing suits, shorts, vests, blouses, scarves, jump suits, sweaters and pullovers.

(2) Shoes, namely: boots, shoes, running shoes, sport shoes, sandals and slippers.

(3) Accessories namely: watches, wallets, belts, ties, sunglasses, eyeglasses, colognes, perfumes, hair gels, deodorants, eau de toilette, jewellery, keychains, backpacks, travelling bags, garment bags, handbags, school bags, beach bags, luggage, purses, umbrellas, gloves and mittens.

[2] The Opponent filed a Statement of Opposition on July 17, 2006; the Applicant filed a counterstatement on December 29, 2006. The Opponent filed the affidavits of Steven Kennedy, William Geraghty, Michel Lavoie and Patrick DesForges. The Applicant filed the affidavit of Mario Morellato. Both parties submitted written arguments and were represented at the oral hearing.

[3] The grounds of Opposition may be summarized as follows:

(a) Noncompliance with s. 30(b) as the Applicant has not used its mark in association with the wares described in the application (i) since the claimed date of first use, namely January 1, 2002, or alternatively (ii) has not used the mark continuously since the claimed date of first use, and (iii) has not used the mark at all, at any material time.

(b) Noncompliance with s. 30(i) as the Applicant could not have been satisfied under s.30(i) of the Act that it was entitled to use the Applicant's Mark because the Applicant has not complied with the requirements of s.30(b) of the Act and the Applicant knows or is deemed to have known that it had not properly used its Mark in Canada in accordance with s.4 of the Act as of January 1, 2002.

Onus and Relevant Dates

[4] 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 C.P.R. (3d) 293 (F.C.T.D.) at 298).

[5] Subsection 30(b) of the Act provides as follows:

(b) in the case of a trade-mark that has been used in Canada, the date from which the applicant or his named predecessors in title, if any, have so used the trade-mark in association with each of the general classes of wares or services described in the application.

[6] The initial burden on the Opponent is light respecting the issue of non-conformance with s. 30(b) of the Act, as the facts regarding the Applicant's first use are particularly within the knowledge of the Applicant (see *Tune Masters v. Mr. P's Mastertune Ignition Services Ltd.* (1986), 10 C.P.R. (3d) 84 (T.M.H.O.) at 89). This burden may be met by reference not only to the Opponent's evidence, but also to the Applicant's evidence (see *Labatt Brewing Co. v. Molson Breweries, a Partnership* (1996), 68 C.P.R. (3d) 216 (F.C.T.D.) at 230). Where an opponent relies on an applicant's evidence to meet its evidential burden in relation to his ground, the opponent must show that the applicant's evidence is "clearly" inconsistent with the applicant's claims as set forth in its application

(see *Ivy Lea Shirt Co. v. 1227624 Ontario Ltd.* (1999), 2 C.P.R. (4th) 562 (T.M.O.B.) at 565-566, affirmed 11 C.P.R. (4th) 489 (F.C.T.D.)).

[7] Once the initial burden is met by the Opponent, the burden shifts to the Applicant who must prove on a balance of probabilities that the particular ground of opposition should not prevent registration of its mark, and in this case, that the Application complies with the requirements of Section 30 of the Act (see *Joseph E. Seagram & Sons Ltd. v. Seagram Real Estate Ltd.* (1984), 3 C.P.R. (3d) 325 (T.M.O.B.)).

[8] The material date that applies to grounds of opposition under s. 30 is the filing date of the application, in this case - September 29, 2004, (see *Delectable Publications Ltd. v. Famous Events Ltd.*, (1989) 24 C.P.R. (3d) 274 (T.M.O.B.); *Georgia-Pacific Corp. v. Scott Paper Ltd.* (1984), 3 C.P.R. (3d) 469 (T.M.H.O.) at 475; *Corporate Foods Ltd. v. Sunshine Biscuits* (1980), 61 C.P.R. (2d) 253 at 57 (F.C.T.D.); *Siebe North v. Shum* (1993, 49 C.P.R. (3d) (T.M.O.B.)).

[9] When an applicant seeks to register a trade-mark on the basis that it has been used by the applicant prior to the filing of the application, such use must be continuous and in the normal course of trade (see *Loblaws Inc. v. No Frills Auto and Truck Rental Ltd.* (2006), 49 C.P.R. (4th) 179 (F.C.T.D.)).

[10] Thus, to meet the requirements of s. 30(b), there must have been continuous use by the Applicant of its trade-mark ZERO X POSUR in the normal course of trade in association with its wares (as set out above) from its claimed date of first use to the filing date of the present application.

Opponent's Evidence

[11] The Opponent submits that the ambiguities of the Applicant's evidence raised doubts as to whether the Mark had been used since the date of first use alleged; this being sufficient to discharge the opponent's initial burden of proof (see *Pharamacia AB v. Homeocan Inc.* (2003), 33 C.P.R. (4th) 375).

[12] The Opponent has also chosen to file its own evidence, the bulk of which relates to investigative evidence from licensed private investigation firms. The Opponent requested the firms to conduct an investigation to confirm whether the subject Mark has been used by the Applicant in Canada since the date of first use claimed in the application, namely January 1, 2002.

[13] The Opponent filed the affidavit of Mr. Geraghty, an employee of King-Reed & Associates Inc., a firm that provides investigative services relating to trade-marks and their use in the marketplace. He explains that he conducted searches of the Internet for references to the terms “Benisti import export” with no results. A website for *www.pointzero.com* was reviewed and no references to the subject Mark were found. Through an associate company in Montreal, Sécurité Kolossal Inc., a search was conducted of Sears and The Bay department stores. Mr Geraghty states that no garments bearing the subject Mark could be located, although garments bearing another of the Applicant’s trade-marks - POINT ZERO, were found.

[14] Mr. Lavoie is an investigator employed by Sécurité Kolossal Inc., in Montréal, Quebec, a firm that provides investigative services relating to trade-marks and their use in the marketplace in the province of Quebec. Mr. Lavoie states that he directed Mr. Patrick DesForges to attend at select shops and boutiques in downtown Montreal; he further provides that none of these establishments sold garments bearing the subject Mark. Mr. Lavoie states at paragraph 12, that he was not able to locate any evidence that the Applicant’s Mark was or ever had been used by the Applicant in association with any of the goods covered by the Applicant’s application.

[15] Mr. Lavoie’s statements are supported by the affidavit of Mr. DesForges who attaches as Exhibit B an Investigation Summary listing the investigations conducted by himself in select shops, boutiques and department stores in Montreal including the Applicant’s premises. Mr. DesForges attended at the Applicant’s two locations in Montreal (one headquarters, the other a warehouse), and states that none of the garments on display bore the subject Mark.

[16] The Kennedy affidavit consists of evidence gathered by a summer student representing the Opponent at the time the affidavit was sworn. Mr. Kennedy refers to searches performed by him on various databases including the Corporations directorate of Industry Canada's website and the Quebec Corporate Registry (CIDREQ). Exhibits A, B, C and D to the Kennedy Affidavit include copies of the corporate profiles for the Applicant company, Benisti Import Export Inc., and the corporate shareholder (the sole shareholder) of the Applicant, Manioli Investments Inc.

[17] Mr. Kennedy has also included a copy of a cease and desist letter from counsel for Benisti Import Export to one of its distributors. The letter is dated October 2004 and alleges confusion between a mark being used by the distributor - ZERO X POSUR with the Applicant's trade-marks POINT ZERO (TMA309,311) and POINT X ZERO & Design (TMA492, 827). The Opponent has pointed out the absence in the cease and desist letter of any reference by the Applicant to its own rights in the Mark ZERO X POSUR. The absence of Applicant's reliance on its own trade-mark (the subject Mark) raises some questions, since the letter is dated some 4 years after Applicant's claimed date of first use of the subject Mark. However, I consider this letter as filed by the Opponent to be hearsay evidence. In the absence of any explanation as to how this letter came into the hands of the Opponent, and of justification in terms of the necessity for filing the evidence in this manner, I am unable to afford this Exhibit any weight in these proceedings.

[18] Paragraphs 7 to 20 of the Kennedy affidavit refer to results of Google searches for the term "zero x posur" and "zer xposur" alone or in combination with other terms. The searches were conducted using both the "Pages from Canada" and "Pages from the web" options on Google's search engine. These searches did not reveal any websites promoting, advertising or selling apparel, shoes or accessories bearing the subject Mark by the Applicant. Searches were also conducted of the *www.point-zero.com* and *www.pointzero.ca* websites; no references were found to the subject Mark as applied to these wares.

[19] A search of archived versions of the *www.point-zero.com* website was also conducted via the Wayback Machine located at *www.archive.org*. Mr. Kennedy explains that he reviewed the links for each of the years between 2000 and 2006 and did not locate any references to the Applicant's Mark.

Applicant's Evidence

[20] The Applicant filed the affidavit of Mario Morellato, Vice-President of the Applicant; Mr. Morellato states that he has personal knowledge of the matters and facts set out therein. Although the Opponent objected to the fact that Mr. Morellato did not provide the length of his employment and how long he has held the particular position of Vice President, I am inclined to agree with the Applicant that the statement that Mr. Morellato has personal knowledge of the facts in the affidavit is sufficient to evidence that he has been with the company for at the least the time period to which the facts in the affidavit pertain. Although I observe that he may not have been Vice-President for that whole length of time, I do not consider this fatal to the affidavit.

[21] Mr. Morellato states in paragraph 2 of his affidavit that the Mark has been in use in Canada since "at least January 1, 2002"; however, as the Opponent pointed out, this statement differs from the claim made in the subject application, namely, that the Mark has been in use since January 1, 2002. Although I can appreciate the semantic difference between these two statements, for the purposes of the determination to be made in this proceeding, I am of the view that January 1, 2002 is the claimed date of first use and although perhaps expressed differently in the evidence, this is not sufficient by itself to call the Applicant's compliance with s. 30(b) into question.

[22] Much of the Morellato affidavit relates to its ownership and use of another trade-mark POINT ZERO, which the affiant describes as being "associated" with the subject Mark. At the hearing it was clarified that the Applicant was not submitting that use of the POINT ZERO trade-mark should be considered use of the subject Mark; as a result the bulk of the Morellato affidavit does not appear to be relevant to the subject proceeding. I would observe however, that at the hearing the Applicant referred to evidence of use of its primary trade-mark POINT ZERO in association with the sale of clothing to retail clothing stores in order to establish a contrast between that business and the type of business allegedly being conducted under the subject Mark - namely that of custom orders for clothing and fashion accessories.

[23] Mr. Morellato provides that the subject Mark was created for use on clothing and fashion accessories of lesser quality than those that would normally bear its POINT ZERO trade-mark. He explains that wares bearing the subject Mark do not form part of the Applicant's regular line of merchandise and are not advertised by the Applicant on its website or through any other forms of public media. The subject Mark appears on wares only manufactured and sold upon request to customers who specifically wish to purchase merchandise similar in appearance to those sold under POINT ZERO but of lower quality and price.

[24] In this regard, the Morellato affidavit provides evidence of one sale of canvas pants. In support of this sale, Mr. Morellato refers to an extract of the Applicant's ZERO X POSURE Fall/Winter catalogue illustrating the pants in question (Exhibit C), an invoice for the sale of the pants and related statement of account (Exhibit D), and copies of hangtags and labels created "for use on the wares sold under" the subject Mark (Exhibit E).

[25] With respect to Exhibit C, the extract appears to be a single page the top third of which contains an image featuring a pair of pants identified with a style number; the subject Mark appears in the header for the page, the rest of the page is blank. No information is provided regarding whether the catalogue was actually published and circulated in Canada. I would agree with the Opponent that the page would seem to be in style of proposed layout for a catalogue page rather than a page of an actual printed catalogue. Under the circumstances, I agree with the Opponent that one page of a catalogue without any contextual information is not sufficient evidence of an actual printed and published catalogue as circulated in Canada. Furthermore, while the Mark appears on the header of the page, it is not apparent that the wares themselves bore the trade-mark, or that they would be so marked at the time of any transfer of possession pursuant to s. 4(1) of the Act.

[26] Exhibit D is an invoice for sale of pants allegedly bearing the Applicant's Mark. The pants are identified as ZXP Promo Canvas Pants Style no. ZM903SS, and the invoice bears the date of October 26, 2004. There is no confirmation the garments ordered were delivered to the customer and I note that the cheque from the customer appears to be dated January 29, 2005 and is made out to Point Zero Inc. rather than to the Applicant.

Furthermore, it appears from the Statement of Account, also attached as part of Exhibit D, that payment may not actually have been made until February 12, 2005. No information regarding the relationship between the Applicant and Point Zero Inc. is provided.

[27] Mr. Morellato identifies Exhibit E as “copies of the hangtags and labels *created for use* on wares sold under the trade-mark ZERO X POSUR” (emphasis mine). I agree with the Opponent, that it is noteworthy that the Applicant has not clearly stated that wares were actually sold bearing the said tags and labels. Additionally, I agree that Exhibit E does not appear to comprise actual labels or tags, but rather appears to be graphics that amount to no more than artwork for the Mark.

Conclusion

[28] The inability of the Opponent to find evidence of sales of wares bearing the subject Mark, may, as the Applicant argued, be due to the fact that ZERO X POSUR wares were not sold through the same channels as its POINT ZERO wares; however, even if that were the case, I fail to see how Applicant’s evidence of one isolated custom order sale some three years after the claimed date of first use, supports a claim of use even in the normal course of trade for custom orders.

[29] I find that the Opponent has more than amply discharged its burden to cause the Applicant to have to prove on the balance of probabilities that it has used its Mark since at least as early as January 1, 2002.

[30] In this regard even if the Exhibits to the Morellato Affidavit were accepted as evidence of the use of the Applicant’s Mark in Canada in association with pants on one of either January 29, 2005, February 12, 2005 or October 26, 2004, this is not sufficient to establish that the Applicant’s Mark has been used continuously since the date of first use claimed in the application. I consider that the Applicant has failed to establish that the alleged use since January 1, 2002 was continuous; a mere statement to that effect, in light of the fact that there is only evidence of a single sale of pants some three years after the claimed date of first use, is insufficient. This is similar to the situation in *Nerds On-Site Inc. Iverson* (2006), 57 C.P.R. (4th) 139 at 148 (T.M.O.B.) where the Hearing Officer

considered statements that the mark in question has been continuously used in association with applied for services, and stated that the “statements by themselves, fall short of evidencing use of the mark within the meaning of s.4(2) of the Act” [see also *Loblaws Inc. v. No Frills Auto and Truck Rental Ltd.* (2006), 49 C.P.R. (4th) 179 (F.C.T.D.)].

[31] In view of all of the foregoing, I find that the Applicant has failed to meet its onus under s. 30(b) as no evidence has been provided to support Mr. Morellato’s statement claiming continuous use since January 1, 2002.

[32] As I have already decided in favour of the Opponent with respect to s. 30(b) a determination under s. 30(i) does not have to be made. I would observe, however, that generally s. 30(i) grounds should only succeed in exceptional cases, such as in cases where there is evidence of bad faith on the part of the applicant (see *Sapodilla Co. v. Bristol Myers Co.* (1974), 15 C.P.R. (2d) 152 (T.M.O.B.) at 155). The burden on the Opponent is heavier in this regard; the fact that the Applicant has not discharged its burden of proof under s. 30(b) is not a determination of bad faith under s. 30(i).

[33] In view of all of the foregoing, pursuant to the authority delegated to me under s. 63(3) of the Act, I refuse the application with respect to the all the wares pursuant to s. 38(8) of the Act.

P.Heidi Sprung
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office