



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

Citation: 2011 TMOB 124
Date of Decision: 2011-07-20

**IN THE MATTER OF AN OPPOSITION
by Formula One Licensing BV to
application No. 1,200,074 for the trade-
mark FIEMPORIUM in the name of
Formule 1 Emporium Inc.**

Introduction

[1] On December 19, 2003 Formule 1 Emporium Inc. (the Applicant) filed application No. 1,200,074 to register the trade-mark FIEMPORIUM (the Mark) based on use in Canada since March 2000. It covers the following wares and services:

Printed material, namely, business cards, plastic bags, letterheads, brochures, pamphlets, flyers, stickers, writing paper, envelopes; publications, namely, online periodicals, online newsletters, online directories (the Wares);
Operation of retail services dealing in automotive racing collectables, apparel and accessories, operation of a business dealing in the distribution of automotive racing collectables, namely, diecast automobiles, diecast cars, diecast trucks, diecast tanks, diecast motorcycles, figurines, statues, drivers helmets, racing helmets, stuffed toys, patches, stickers, videos, dvd's, cd's pictures, prints, photos, lithographes, paintings, drawings, stick pins, key holders, key chains, cuff links, wallets, travel bags, sport bags, back packs, school bags, pins, decals; beach bags, beach towels, eye glasses. Caps, hats, sun visors, golf shirts, t-shirts, rugby shirts, rain jackets, rain pants, polo shirts, dress shirts, sweat shirts, sweaters, pants, socks, skirts, shorts, jackets, vest, kids clothes, team apparel. Books, posters, magazines, souvenir programs and books concerning automotive racing, pens, pencils, writing paper, mugs, drinking glasses, cups and saucers, post cards, flags;

advertising services for third parties, namely, providing advertising space in online periodicals, online newsletters and online directories;
advertising services for third parties in the field of the automotive industry (the Services).

[2] The application was advertised on December 1, 2004 in the *Trade-marks Journal* for opposition purposes. Formula One Licensing BV (the Opponent) filed a statement of opposition on February 3, 2005 which was forwarded by the Registrar on February 8, 2005 to the Applicant. It was amended on April 14, 2009.

[3] The Applicant filed a counter statement on March 8, 2005 denying in essence the grounds of opposition pleaded by the Opponent.

[4] The Opponent filed as it evidence the affidavit of Patricia A. Heavey while the Applicant filed the affidavit of Michael Gardner. The latter was cross-examined and the transcript of such cross-examination is part of the record as well as the answers to the undertakings made during such cross-examination.

[5] Both parties filed written arguments and were represented at an oral hearing.

The Grounds of Opposition

[6] The grounds of opposition raised by the Opponent as they appear in its amended statement of opposition can be summarized as follow:

1. The application does not satisfy the requirements of s. 30 of the *Trade-marks Act* R.S.C. 1985, c. T-13, (the Act) in that:

- a) Contrary to the statement contained in the application, the Applicant has not used the Mark in Canada since March 2000 in association with the wares and services listed in the application;
- b) The Applicant could not and cannot be satisfied that it was entitled to use in Canada the Mark in view of the extensive and widespread prior use and/or making known in Canada of the trade-marks mentioned hereinafter, by the Opponent or its predecessors, in connection with organizing, administrating and conducting motor sport races, the manufacture and sale of related merchandise, merchandising activities and the offering of related services;

2. The Mark is not registrable pursuant to s. 12(1)(d) of the Act as it is confusing with the registered trade-mark FIA FORMULA 1 WORLD CHAMPIONSHIP & Design, certificate of registration TMA560,060 covering entertainment services, namely the organization and promotion of automobile races;

3. The Applicant is not the person entitled to registration of the Mark pursuant to s. 16(1) of the Act in that at the alleged date of first use claimed in the application, which is not admitted but denied, and at all material times, the Mark was, and is, confusing with the following trade-marks:

FORMULA ONE
FORMULA 1,
F1
F1 FORMULA 1 & Design
FIA FORMULA 1 WORLD CHAMPIONSHIP & Design
(hereinafter referred to as F1 Family of Marks)

which had been previously used and/or made known in Canada by the Opponent or its predecessors in connection with organizing, administering and conducting motor sport races, the manufacture and sale of related merchandise, merchandising activities and the offering of related services, and the Opponent has not abandoned the F1 Family of Marks at the date of advertisement of the application;

4. Pursuant to s. 38(2)(d), the Applicant's Mark is not distinctive because it does not actually distinguish nor is it adapted to distinguish, nor is it capable of distinguishing the Wares and Services from the wares, services or business of others, including the wares, services and business of the Opponent.

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

[7] The legal onus is upon the Applicant to show that its 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 C.P.R. (3d) 325 (T.M.O.B.); *John Labatt Ltd. v. Molson Companies Ltd.* (1990), 30 C.P.R. (3d) 293 (F.C.T.D.) and *Wrangler Apparel Corp. v. The Timberland Company* [2005] F.C. 722].

Relevant dates

[8] The relevant date for the analysis of each ground of opposition varies depending on the ground of opposition to be assessed:

- Non-compliance with the requirements of s. 30 of the Act: The filing date of the application (December 19, 2003);
- Registrability of the Mark under s. 12(1)(d) of the Act: the date of the Registrar's decision [see *Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd.* (1991), 37 C.P.R. (3d) 413 at 424 (F.C.A.)]
- Entitlement to the registration of the Mark, where the application is based on use: The date of first use alleged in the application (March 2000) [see s. 16(1) of the Act];
- Distinctiveness of the Mark: The filing date of the statement of opposition (February 3, 2005) [see *Andres Wines Ltd. and E & J Gallo Winery* (1975), 25 C.P.R. (2d) 126 at 130 (F.C.A.) and *Metro-Goldwyn-Meyer Inc. v. Stargate Connections Inc.* (2004), 34 C.P.R. (4th) 317 (F.C.T.D.)].

Section 30(b) Ground of Opposition

[9] The Opponent has an evidential burden when alleging non-compliance with s. 30(b) of the Act but it has been characterized as a light one. Moreover the Opponent can rely on the evidence filed by the Applicant itself [see *York Barbell Holdings Ltd. v. ICON Health & Fitness, Inc.* (2001), 13 C.P.R. (4th) 156]. However such evidence must raise serious doubts on the accuracy of the statements made by the Applicant in its application [see *Tune Masters v. Mr. P's Mastertune Ignition Services Ltd.* (1986) 10 C.P.R. (3d) 84 (T.M.O.B.), *Labatt Brewing Co. v. Molson Breweries, a Partnership* (1996), 68 C.P.R. (3d) 216 (F.C.T.D.) and *Williams Telecommunications Corp. v. William Tell Ltd.*, (1999) 4 C.P.R. (4th) 107 (T.M.O.B.)].

[10] The Opponent has not filed any evidence that could support its allegation that the Applicant has not used the Mark as of the claimed date of first use mentioned in the application. However it relies on the Applicant's evidence and the content of the cross-

examination of Mr. Gardner to sustain an argument that the Mark has not been used since the claimed date of first use of March 2000, namely March 30, 2000. For the purpose of this ground of opposition I shall summarize the relevant portion of the evidence relied upon by the Opponent.

[11] Mr. Gardner describes himself as the owner, manager and shareholder of the Applicant. He explains that the Applicant was incorporated on March 20, 2000 and has filed a copy of the certificate of incorporation. He mentioned that the Applicant's location for its retail sales outlet on Crescent Street in Montreal is in the heart of the festivities of an event known as the Grand Prix of Canada, to be more fully described hereinafter, which takes place annually in Montreal. Such location was strategically chosen in early 2000 as it provided the Applicant with the best opportunity to carry its project of opening a store dedicated to providing a wide selection of brand names of die cast models, apparel and other racing collectibles to automotive racing fans (see page 71 of the transcript of Mr. Gardner's cross-examination (transcript)).

[12] He confirmed during his cross-examination that the Applicant started to operate its store located on Crescent Street in Montreal on April 1, 2000 and the Applicant's first sale was made on that date (see pages 27 and 97 of the transcript). During his cross-examination Mr. Gardner also admitted that the Applicant only began online newsletters, directories and periodicals in the summer of 2000 (see pages 29 and 95 of the transcript).

[13] In its written argument the Applicant argues that "...although the store opened its doors on April 1st, 2000 this does not preclude Applicant from using its trade-mark prior to the official opening date of April 1st, 2000 (during the month of March 2000) in association with services if it is used or displayed in the performance or advertising of those services". The Applicant adds that during his cross-examination Mr. Gardner mentioned that a mail blitz was done to everybody "that we could think of and that we knew". The Applicant suggests that one must infer that such mail blitz had to be performed prior to the opening date, namely April 1st, 2000. Therefore the Mark would have been used within the meaning of s. 4(2) of the Act in association with the Services before the relevant date.

[14] Finally the Applicant asserts that while the store “officially opened its doors on April 1st, 2000, it does not mean that the Applicant could not have had the public coming to the store prior to April 1st, 2000, which is what in fact took place”. However there is no evidence in the record of that contention.

[15] The Opponent is arguing that there is no evidence of use of the Mark in association with the Wares within the meaning of s. 4(1) of the Act in March 2000, as there is no evidence of transfer of property of any of the Wares bearing the Mark prior to April 1st, 2000. With respect to the Services, the Opponent asserts that even considering that advertisement of the Services took place in the month of March 2000, the Services had to be available in Canada when the Services were advertised in order to constitute use of the Mark within the meaning of s. 4(2) of the Act.

[16] In *International Academy of Design And Technology, Toronto Ltd. v. TFC Group Canada Inc.* (2007), 64 C.P.R. (4th) 187 (T.M.O.B.) my colleague Jill W. Bradbury stated:

18. Section 4(2) of the Act reads, "A trade-mark is deemed to be used in association with services if it is used or displayed in the performance or advertising of those services." The requirements of s. 4(2) are satisfied if the mark is displayed in advertisements in Canada and the services are available to be performed in Canada. It is not necessary for the trade-mark owner to evidence performance of the services in Canada, but the owner must evidence that the services were available to be performed. [*Wenward (Canada) Ltd. v. Dynaturf Co.* (1976), 28 C.P.R. (2d) 20 (Reg. T.M.)]

19. In the present case, there is no evidence that the Applicant was in a position to perform its services as of November 21, 2001. Instead, the Applicant argues that "in this industry, significant preliminary work to build a reputation through public knowledge is required in order for students to be interested in attending the classes and workshops when they eventually begin." This may indeed be true but it does not change the fact that use of a mark in association with services has not occurred if the owner is not in a position to perform the services in Canada. As evidenced by exhibits to Ms. Zuniga's affidavit, it appears that the grand opening of the Applicant's Toronto Film College took place on November 25, 2004. In addition, none of the evidence provided by Ms. Zuniga predates 2003 (with the exception of course of the approval dated July 3, 2002).

[17] Applying the same principle to the present case I conclude that the Opponent has met its initial burden through the Applicant's evidence to show that the Mark was not in use, within the meaning of s. 4(2) of the Act, as of March 2000 in association with the operation of retail services dealing in automobile racing collectables or its distribution as described in the application. As for the advertising services online Mr. Gardner admitted in its cross-examination that those services were only made available after the end of September 2000 (page 104 of the transcript).

[18] With respect to the Wares, Mr. Gardner admitted during his cross-examination that the Applicant never sold any of the printed material as defined in the application (see pages 93-94 of the transcript).

[19] As for the publications Mr. Gardner stated during his cross-examination that the Applicant has never sold them (see page 94 of the transcript). Instead they were given away free of charge. Therefore the Mark could not have been in use as of March 2000 in association with publications within the meaning of s. 4(1) of the Act [see *Fetherstonaugh & Co.v. Pharmasave Drugs Ltd.* (2006), 56 C.P.R. (4th) 472(T.M.O.B.)]

[20] Consequently, I maintain the first portion of the first ground of opposition with respect to all of the Wares and Services.

Entitlement to the registration of the Mark

[21] In order to consider a ground of opposition based on s. 16(1)(a) of the Act the Opponent has an initial evidential burden to prove that one or more of its F1 Family of Marks had been used or made known in Canada prior to the claimed date of first use of the Mark in Canada, namely March 2000.

[22] Patricia Heavey describes herself as Trademark Manager of Formula One Management Limited (FOM) which is part of a group of companies under common ownership with the Opponent. She has been employed by FOM since July 2001. As a consequence of her position she oversees the prosecution, protection and exploitation of

the Opponent's trade-marks. She states that the Opponent is the owner of the following trade-marks:

F1 (the F1 mark)

FORMULA 1 (the FORMULA 1 mark)

GRAND PRIX (the GRAND PRIX mark)



All these trade-marks will be referred hereinafter collectively as the Opponent's marks.

[23] She filed as Exhibit 2 a list of particulars of the Opponent's Canadian registration TMA560,060 and applications for the FORMULA 1 mark and F1 FORMULA 1 logo.

[24] Other companies under common ownership with the Opponent (the Opponent's Group) have been permitted to use the Opponent's marks in association with motor sport events and motor sport-related wares and services for many years prior to the Applicant's filing date and alleged date of first use of the Mark. For example the deponent asserts that the Opponent has been using in Canada its trade mark FIA logo, certificate of registration TMA560,060, since at least as early as 1985.

[25] She explains that the Federation Internationale de L'Automobile (FIA) regulates an international motor racing series known as The Championship. The Opponent's Group has organized The Championship series of races since 1980 under the trade marks

FORMULA 1, F1 and GRAND PRIX, through rights granted by the FIA. The Championship has been held in Canada each year since 1967, with the exception of 1978 and 1987. The Canadian race, known as the GRAND PRIX OF CANADA, has been held at the Notre-Dame track in Montreal (renamed the Circuit Gilles Villeneuve in 1982). In 2005, Canadian attendance at the GRAND PRIX OF CANADA exceeded 330,000 people.

[26] She alleges that The Championship is the most prestigious motor racing series in the world, and showcases the most advanced equipment and automobiles. Such advanced equipment does not come cheaply: in 2002, the typical annual operating costs for a GRAND PRIX racing team were between \$40 million and \$400 million. These costs are typical of the operating costs required in previous years.

[27] She explains that for each Championship race for the past 20 years the Opponent's Group has appointed a Promoter to be responsible for ensuring the circuit, facilities and infrastructure are available and meet the Opponent Group's standards and guidelines, and FIA regulations. The Promoter for each race must abide by guidelines and criteria issued by the Opponent's Group regarding the event name, which includes the Opponent's marks. The event name and the Opponent's marks are displayed on the race program, tickets, literature and podium as illustrated on exhibits 14, 15 and 30 to Ms. Heavey's affidavit.

[28] The Promoter must also promote and advertise the race. It uses the Opponent's marks to do so, under license from the Opponent's Group. The Opponent's Group imposes guidelines and design instructions upon each Promoter to ensure consistent use of the Opponent's marks, and to maximize their exposure during the races. She filed a sample of those guidelines as Exhibit 8 to her affidavit. The Promoter is required to erect a number of structures around the circuit, all of which bear the Opponent's marks, including the winner's podium and the TV studios where the post-race interviews are held.

[29] She states that only official sponsors of each Championship race may display their logos in association with The Championship, in order to enhance the prominence

of the Opponent's marks and to ensure that the public recognizes the Opponent's marks as an indicator of the source of the races.

[30] Before applying the Opponent's marks to any promotional material such as flyers, tickets, press advertisements, TV advertisements, or websites, Promoters must receive the Opponent's Group written approval. Samples of each item are sent to the Opponent's Group to ensure control of quality and correct use of the Opponent's marks. She filed as Exhibit 10 to her affidavit samples of various artwork produced by the Promoter from 1996 to 2003 related to the event known as GRAND PRIX DU CANADA held in Montreal.

[31] She states that the Opponent's marks are also prominently displayed on the Safety Car and Medical Car at each race, and have been so displayed since as early as 1997. Also since 1998 the Opponent's Group has licensed each of the teams competing in The Championship to use FORMULA 1, FORMULA ONE or F1 trade marks in their official team names (e.g. LUCKY STRIKE BAR HONDA FORMULA 1 TEAM). Teams that have chosen to use some of the Opponent's marks in their team name may as well display those trade marks on the team uniforms, on transport equipment, motor homes and on advertising boards in the pit garages.

[32] In addition the Opponent's Group licenses many goods and services to be sold or provided at each race in association with the Opponent's marks, including race programs, computer games, mobile phones, clothing, and ticketing services.

[33] Furthermore Ms. Heavey asserts that the Opponent's Group is a provider of broadcasting services in association with the Opponent's marks. The Opponent's Group produces an "International Feed" of race coverage for transmission around the world during which the Opponent's marks are displayed.

[34] She states that to ensure that it is clear that the Opponent's Group is the source of the race broadcasts, the International Feed must be free from any unauthorized captions, tunes, words, logos and other graphic material. Approximately 100 authorized broadcasters are granted the right by the Opponent's Group to

broadcast the International Feed. Each broadcaster must televise the races until at least 10 minutes after the finish to show the display of the Opponent's marks during the podium ceremony, and in some cases, the display of the Opponent's marks during the post-race press conference.

[35] The Championship races have been televised each year since as early as 1987, to 170 countries around the world including Canada. In 2000, the year the Applicant alleges to have commenced using the Mark, the television audience in Canada for The Championship races was more than 11 million people. The global television audience was over 5.95 billion people.

[36] In 2003, the year the Applicant filed its trade-mark application for the Mark, the television audience in Canada for The Championship races was more than 7.5 million people, and the global television audience was over 2.6 billion people.

[37] In addition to the network television coverage, the podium ceremonies after each race generate considerable media interest and result in significant exposure of the Opponent's marks. Exhibit 15 of her affidavit contains photographs of podium ceremonies following the Canadian GRAND PRIX races from 1997 to 2005, showing the manner in which the Opponent's marks have been displayed.

[38] The Opponent's Group produces its own wares and performs its own services in association with the Opponent's marks, and has also granted numerous licenses to use the F1, FORMULA 1, FORMULA ONE, and GRAND PRIX trade marks. Categories of goods and services sold in association with the Opponent's marks (whether by the Opponent's Group or by its licensees) include:

- Computer games [Exhibits 20-21];
- Videos since 1992 [Exhibit 22];
- Photographs [Exhibit 23];
- Electronic publishing [Exhibit 24];
- News reporting services, business and sports information services, live timing and e-retailing on websites [Exhibits 25-27];
- Printed publications, namely magazines, the annual season book and race programs [Exhibits 28-30]; Exhibit 30 consists of Race Program covers from races held in Canada from 1990 to 2002 showing the Opponent's marks;

Merchandise such as clothing including sports wear, shoes, hosiery, sleepwear, underwear and outerwear and clothing accessories, toys, and playthings, bags, jewellery, stationery, party goods, greetings cards, home furnishings, personal care products, glasses, key chains, binoculars, cameras, medals, pins, watches, pens, mugs, umbrellas, towels, flags and smoker's articles under license with Specialized Licensing Services SA (SLS) [Exhibits 31-40].

[39] Ms. Heavey filed the license agreement with SLS. The latter appointed a series of sub-licensees across a wide range of territories including Canada. An overview of these sub-licenses is included as part of Exhibit 33. Filed as Exhibit 35 are catalogues during the 1995-1998 period of SLS sub-licensees illustrating the merchandise described above bearing the Opponent's marks. To further illustrate the use of the trade-marks F1, FORMULA 1, FORMULA ONE by race teams, she filed team merchandise [see Exhibit 41].

[40] She filed as Exhibit 37 what she believes to be a sales figures report prepared in 1998 which shows sales in Canada of clothing, collectable coins and beach towel.

[41] The Opponent's Group also provides opportunities to those who are interested to associate themselves with The Championship by purchasing sponsorships, including official title sponsors of each race, trackside advertising, global partner program, team sponsors and suppliers, television advertising sponsors (during race broadcasts) and print advertising sponsors (in magazines and programs).

[42] All use of the Opponent's marks by sponsors is carefully defined in the license agreement, and each stage of the production process of the merchandise or materials is carefully controlled and subject to approval by the Opponent's Group [see Exhibits 15, 42-46, 49-53].

[43] The Opponent's Group website www.formula1.com generated over 5,000,000 unique users through the 2003 season and accumulated 90,000,000 hits. This grew to 9,000,000 unique users and 140,000,000 hits by 2004. Unfortunately, she states that this data is not available to be broken down by territory [see Exhibit 26].

[44] She asserts that the Opponent's Group also authorizes the use of the F1 trade-mark by the race teams in their own websites should they wish to use it [see Exhibit 27].

[45] From this exhaustive evidence I have no hesitation to conclude that the Opponent's marks F1, F1 FORMULA 1 logo, FORMULA 1 and FIA logo are well known if not famous in Canada. In fact Mr. Gardner during his cross-examination did admit that FORMULA ONE races are amongst the most prestigious racing competitions in the world [see page 16 of the transcript].

[46] Moreover the evidence described above shows that the Opponent had not abandoned the use of the Opponent's marks at the date of advertisement of the present application (December 1, 2004) [see s. 16(5) of the Act]. As such the Opponent has met its initial evidential burden.

[47] 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 Marks. The test to determine this issue is set out in s. 6(2) of the Act. I must take into consideration all the relevant surrounding circumstances, including those listed in s. 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.

[48] 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 S.C.C. 27 the Supreme Court of Canada has clearly indicated that the most important factor amongst those listed under s. 6(5) of the Act is the degree of resemblance between the marks. Also the Supreme Court did mention that each of the Opponent's marks must be compared with the Applicant's Mark. As the trade-mark F1 is the one that most resembles the Mark, I shall compare those two in the following detailed analysis. If the Opponent is not successful under this ground of opposition with its trade-mark F1, it would not obtain a favourable result with any of its other trade-marks.

[49] The Applicant argues that the term F1 is widely used and has become generic. It has stated so in its pleadings, in its evidence, during the cross-examination of Mr.

Gardner and its written submissions. However such conclusion must be derived from facts proven. To support such contention the Applicant refers to the state of the register evidence and to a decision rendered in the United Kingdom.

[50] Firstly in so far as the state of the register evidence is concerned Mr. Gardner attached to his affidavit 5 registrations that incorporate the term F1. The Opponent argues that two of those were registered in the name of Opponent's licensees. However there is no proof of that fact in the record.

[51] State of the register evidence is only relevant insofar as one can make inferences from it about the state of the marketplace [*Ports International Ltd. v. Dunlop Ltd.* (1992), 41 C.P.R. (3d) 432 (T.M.O.B.); *Del Monte Corporation v. Welch Foods Inc.* (1992), 44 C.P.R. (3d) 205 (F.C.T.D)]. 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 [*Kellogg Salada Canada Inc. v. Maximum Nutrition Ltd.* (1992), 43 C.P.R. (3d) 349 (F.C.A.)]. Therefore I must identify the relevant citations and then determine if there are enough entries to infer that consumers are accustomed to see the term F1 as part of trade-marks in association with relevant wares such that they make the distinction between them. 5 relevant citations is insufficient to make such inference.

[52] As for the foreign decision, it has not been filed as part of the evidence even though cited in the Applicant's written argument. Foreign law and decisions are considered facts that must be proven. In the absence of such evidence it is difficult to give any weight to a foreign decision.

[53] In its written argument the Applicant is referring to other trade-mark applications allegedly owned by the Opponent.. These applications were not cited by the Opponent in support of its opposition nor filed as part of its evidence. They are not relevant to this opposition proceeding.

[54] Even though the mark F1 is not an inherently strong mark, the Opponent's evidence shows that it has acquired sufficient distinctiveness to become a famous trade-mark.

[55] The Mark includes the word « EMPORIUM » that means “a specialized retail store” as defined in *The Canadian Oxford Dictionary*. Therefore that word does not add very much to the distinctiveness of the Mark.

[56] As the relevant date under this ground of opposition is the claimed date of first use, I do not have to take into consideration the evidence of use of the Mark by the Applicant to determine to what extent the Mark was known in Canada as of that date.

[57] I conclude that the first factor under s. 6(5) of the Act favours the Opponent. So does the second relevant factor, the length of time the marks have been used. The evidence of use of the Opponent’s trade-mark F1 in Canada goes as far back as 1990 [see Exhibit 30 to Ms. Heavey’s affidavit-race program covers from races held in Canada from 1990 to 2002]. Ms. Heavey states in her affidavit that the trade-mark F1 has been used since 1980 but there is no evidence in the file of use of that trade-mark in Canada from 1980 to 1989.

[58] As for the nature of the parties’ respective wares and services there is definitely an overlap. The Opponent’s evidence shows that the trade-mark appears on printed material and publications (race programs). In so far as the services are concerned the Opponent does sell through its extensive licensing programs categories of wares sold in the Applicant’s retail store. In fact Mr. Gardner has admitted during his cross-examination that the Applicant offers for sale the Opponent’s licensed products including articles of clothing and videos [see pages 58 and ff of the transcript]. Mr. Gardner also stated during his cross-examination that the trade-mark FORMULE 1 appears on the Applicant’s bag to stress the fact that some of the wares offered for sale and sold in its retail store are in fact genuine licensed products of the Formula 1 racing teams such as Renault F1 racing team jersey for example [see Exhibit 1 to the cross-examination of Mr. Gardner].

[59] In *Mattel, Inc. v. 3894207 Canada Inc.*[2006] 1 S.C.R. 772 Mr. Justice Binnie made the following statement with respect to famous trade-marks:

62. In *Pink Panther*, a majority of the Federal Court of Appeal allowed the registration of "Pink Panther" as a trade-mark for a line of hair care and beauty product supplies over the opposition of an existing trade-mark holder which had produced a very successful series of films of the same name starring Peter Sellers as Inspector Clouseau. McDonald J.A., dissenting, complained that "it is precisely because of the fame and goodwill associated with the name 'The Pink Panther' that the appellant has chosen that name for its business" (para. 58). However, his objection was rejected by the majority, which observed at para. 50:

...the issue to be decided is not how famous the mark is, but whether there is a likelihood of confusion in the mind of the average consumer between United Artists' mark and the one proposed by the appellant with respect to the goods and services specified. That question must be answered in the negative. There is no likelihood of confusion as to the source of the products. The key factor here is the gaping divergence in the nature of the wares and in the nature of the trade. It is not a fissure but a chasm.

63. After referring to a number of cases where the famous trade-mark prevailed, Linden J.A. stated that

...in each case a connection or similarity in the products or services was found. Where no such connection is established, it is very difficult to justify the extension of property rights into areas of commerce that do not remotely affect the trade-mark holder. Only in exceptional circumstances, if ever, should this be the case. [para. 46]

I agree with the appellant that the "exceptional circumstances ... if ever" test puts the bar too high and may be seen as an attempt to impose rigidity where none exists. If the result of the use of the new mark would be to introduce confusion into the marketplace, it should not be accepted for registration "whether or not the wares or services are of the same general class" (s. 6(2)). The relevant point about famous marks is that fame is capable of carrying the mark across product lines where lesser marks would be circumscribed to their traditional wares or services. The correct test is that which Linden J.A. earlier stated at para. 33:

The totality of the circumstances will dictate how each consideration should be treated.

[60] As for the nature of the trade since there is an overlap in some of the parties' wares and services and the fact that some of the wares sold in the Applicant's retail outlet are in fact genuine or licensed products of the Opponent, I conclude that this factor also favours the Opponent.

[61] The Opponent's trade-mark F1 and the Applicant's trade-mark F1 EMPORIUM do resemble one another. The word EMPORIUM is descriptive in nature as mentioned above. The first component of a trade-mark is often considered more important for the purpose of distinction [see *Conde Nast Publications Inc. v. Union des Editions Modernes* (1979), 46 C.P.R. (2d) 183 (F.C.T.D.); *Park Avenue Furniture Corp. v. Wickes/Simmons Bedding Ltd.* (1991), 37 C.P.R. (3d) 413 (FCA); *Phantom Industries Inc. v. Sara Lee Corp.* (2000), 8 C.P.R. (4th) 109(T.M.O.B.)]. In this instance the first component is the distinctive term F1. Moreover the Applicant has incorporated the entirety of the Opponent's trade-mark in the Mark.

[62] The Opponent adds that the Mark is being used in a design format that closely resembles the Opponent's trade-mark F1 FORMULA 1 logo that I reproduce again for ease of reference:



The Applicant is using the middle portion of the design hereinafter reproduced:



Please note that the word EMPORIUM appears immediately underneath the racing car even though not reproduced therein [see Exhibit G to Mr. Gardner's affidavit].

The Opponent has drawn my attention to the fact that the letter F and the number 1 in the design used by the Applicant intermingle into one another in a similar fashion to the F1 FORMULA 1 logo. Moreover the word FORMULE followed by the number 1 appears on the Applicant's design.

[63] The Mark is a word mark and thus the Applicant is at liberty to use the Mark with a design as long as it constitutes use of the Mark. I do not have to decide, for the purpose of this decision, if the design illustrated above constitutes use of the Mark. However it is clear that the Applicant is trying to create the impression that an association exists between its retail store and the Opponent.

[64] As I noted during the oral hearing, the purpose of this proceeding is not to restrain the Applicant from selling legitimate products either manufactured or licensed by the Opponent, but from operating a retail store, where those products could be found, in association with a trade-mark that is confusingly similar to the Opponent's trade-marks, including the trade-mark F1.

[65] The Applicant has failed to prove, on a balance of probabilities, that the Mark was not likely to cause confusion at the relevant date, with the Opponent's trade-mark F1 when used in association with the Wares and Services. Consequently I maintain the third ground of opposition.

Other grounds of opposition

[66] As I have already ruled in favour of the Opponent under two separate grounds of opposition it is not necessary to decide on the second portion of the first ground of opposition as well as the last ground of opposition.

Disposition

[67] Having been delegated authority by the Registrar of Trade-marks by virtue of s. 63(3) of the Act, I refuse pursuant to s. 38(8) of the Act the Applicant's application for the registration of the Mark.

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