

**IN THE MATTER OF AN OPPOSITION
by Hein-Werner Corporation and Hein-
Werner of Canada, Ltd. to application
No. 685,786 for the trade-mark KJ & Design
filed by Earle M. Jorgensen Company**

On July 11, 1991, the applicant, Earle M. Jorgensen Company, filed an application to register the trade-mark KJ & Design (illustrated below) based on proposed use in Canada with the following services:

operation of a business involved in the distribution of steel and aluminum sold in plates, rounds, bars, tubing, pipe and selected shapes.

The application was advertised for opposition purposes on April 1, 1992.

The opponents, Hein-Werner Corporation and Hein-Werner of Canada, Ltd., filed a statement of opposition on August 31, 1992, a copy of which was forwarded to the applicant on October 28, 1992. The first ground of opposition is that the applied for trade-mark is not registrable pursuant to Section 12(1)(d) of the Trade-marks Act because it is confusing with the first opponent's trade-mark KJ & Design (illustrated below) registered under No. 400,582 for the following wares:

mechanical apparatus for applying a pulling force to structures in the nature of damaged automobile frames and the like.

The second ground of opposition is that the applicant is not the person entitled to registration pursuant to Section 16(1)(a) of the Act because, as of the applicant's filing date, the applied for mark was confusing with the first opponent's registered mark previously used and made known in Canada. The third ground is that the applicant is not the person entitled to registration pursuant to Section 16(3)(b) of the Act because, as of the applicant's filing date, the applied for trade-mark was confusing with the first opponent's trade-mark for which an application (No. 677,958) had previously been filed. The fourth ground is that the applicant's trade-mark is not distinctive in view of the foregoing.

The applicant filed and served a counter statement. As their evidence, the opponents filed an affidavit of David Daffron, the General Sales Manager of the first opponent. Mr. Daffron was cross-examined on his affidavit and the transcript of that cross-examination and the subsequently filed replies to undertakings form part of the record of this proceeding. As its evidence, the applicant filed an affidavit of its President, Frank Travetto. The opponents were subsequently granted leave to file additional evidence comprising an affidavit of Norma Laskoski. Both parties filed a written argument and an oral hearing was conducted at which both parties were represented.

As a preliminary matter, it should be noted that the Laskoski affidavit was submitted to clarify an apparent error by the Trade-marks Office in issuing the first opponent's registration No. 400,582. That registration issued from application No. 677,958 which was for the mark KJ & Design as illustrated below.

In reproducing that mark in the final registration, the Trade-marks Office made a minor change to the mark as applied for. Presumably that error will be corrected. In the meantime, for the purposes of this opposition, I am prepared to consider the first opponent's registered mark to be the same as the one originally applied for.

As for the first ground of opposition, the material time for considering the circumstances respecting the issue of confusion with a registered trade-mark is the date of my decision: see the decision in Conde Nast Publications Inc. v. Canadian Federation of Independent Grocers (1991), 37 C.P.R.(3d) 538 at 541-542 (T.M.O.B.). Furthermore, the onus or legal burden is on the applicant to show no reasonable likelihood of confusion between the marks at issue. 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 forth in Section 6(5) of the Act.

As for Section 6(5)(a) of the Act, both marks are dominated by the initials KJ. Thus, both marks are inherently weak. The applicant has evidenced extensive sales of steel and aluminum to Canada for the years 1991 to 1993 although it is unclear as to the extent to which the applicant's mark would have been associated with those sales. In his affidavit, Mr. Travetto attests to minor Canadian advertising and promotional expenditures for the applicant's mark during that period. Given that the applicant's sales are made to large industrial users, I am prepared to conclude that the applicant's mark has become known to some extent but only within the limited market comprising large industrial users of steel and aluminum.

The Daffron affidavit evidences some sales of the first opponent's automotive and heavy-duty vehicle collision repair equipment in Canada for 1992 and 1993. Mr. Daffron also evidences some advertising activities during that time through trade publications and trade shows. Thus, I am able to conclude that the first opponent's registered mark has become known to some extent within the auto body repair trade.

The length of time the marks have been in use is not a material circumstance in this case. Although Mr. Daffron states that he believes sales of goods bearing the first opponent's registered mark have been made in Canada since 1970, he was unable to provide any reliable evidence to support that belief.

As for the wares, services and trades of the parties, it is the applicant's statement of services and the opponent's statement of wares in registration No. 400,582 that govern: see Mr. Submarine Ltd. v. Amandista Investments Ltd. (1987), 19 C.P.R.(3d) 3 at 10-11 (F.C.A.), Henkel Kommanditgesellschaft v. Super Dragon (1986), 12 C.P.R.(3d) 110 at 112 (F.C.A.) and Miss Universe, Inc. v. Dale Bohna (1994), 58 C.P.R.(3d) 381 at 390-392 (F.C.A.). However, 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. In this regard, evidence of the actual trades of the parties is useful: see page 3 of the unreported decision of the Federal Court of Appeal in McDonald's Corporation v. Coffee Hut Stores Ltd. (Court No. A-278-94; June 5, 1996).

There is a superficial similarity between the applicant's services and the first opponent's wares since the applicant sells steel and aluminum and the first opponent's wares are made from steel and are to be used in repairing steel and aluminum structures such as motor vehicle frames. However, a more detailed examination of the evidence of record reveals that the applied for services are different from the first opponent's wares. The trades of the parties are also quite distinct.

The applicant buys steel and aluminum in various shapes for its clients who are large metalworking firms such as Alcan, Alcoa and Algoma. The applicant also manages its customers' inventories of steel and aluminum. Thus, the applicant's trade is a specialized one in which it deals in large shipments of steel and aluminum in a partially processed form to be used by large scale industrial users who further process the metals.

The first opponent's wares, on the other hand, comprise frame-straightening equipment, frame-measuring equipment and related accessories for the repair of collision damage to automobiles, trucks, buses and vehicles (see page 12 of the Daffron transcript). The first opponent's major products are rack systems, laser and mechanical measuring systems, floor systems, tools and accessories. The opponents' trade differs from the applicant's since the first opponent sells to auto body shops directly or to automotive jobbing stores and warehouse distributors who in turn sell to auto body repair facilities.

The opponents contend that there is a connection between the trades of the parties since the first opponent's wares can be used to straighten steel and aluminum structures other than vehicle bodies. In this regard, at page 28 of the Daffron transcript, Mr. Daffron states that he saw a steel I-beam that had fallen off a truck being straightened in a body shop. However, it is apparent that this was an exceptional occurrence and not part of the regular trade conducted by auto body repair shops. Even if it were, I do not consider that this would necessarily point to a connection between the trades of the parties. The applicant is essentially a dealer in the raw product used by large scale metalworking companies whereas the first opponent sells frame straightening equipment to auto body shops.

As for Section 6(5)(e) of the Act, there is a high degree of resemblance between the marks at issue in all respects. Both marks are dominated by the letters KJ and the design components of each mark are minimal.

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 inherent weakness of the marks, the limited reputation associated with the first opponent's mark and the wide disparity between the wares, services and trades of the parties, I find that the applicant has satisfied the legal burden on it to show that its applied for mark is not confusing with the first opponent's registered mark. The first ground is therefore unsuccessful.

The remaining three grounds all turn on the issue of confusion, the material time for the second and third grounds being the filing date of the applicant's application and the material time for the final ground being the filing of the opposition. In my view, the circumstances existing at those earlier dates are not materially different from those I reviewed in assessing the first ground. Thus, I find that the second, third and fourth grounds are also unsuccessful.

In view of the above, and pursuant to the authority delegated to me under Section 63(3) of the Act, I reject the opponents' opposition.

DATED AT HULL, QUEBEC, THIS 16th DAY OF SEPTEMBER, 1996.

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