

IN THE MATTER OF AN OPPOSITION  
by Arthur M. Karpman to application  
No. 533,523 for the trade-mark  
MEDI INFO filed by Jewelcor Limited

On December 17, 1984, the applicant, Jewelcor Limited, filed an application to register the trade-mark MEDI INFO based on proposed use in Canada with the following wares:

jewellery made of precious, semi-precious  
and non-precious materials, namely, rings,  
bracelets, pendants and earrings.

The application was advertised for opposition purposes on April 10, 1985.

The opponent, Arthur M. Karpman, filed a statement of opposition on May 6, 1985 and a revised statement of opposition on September 23, 1985. A copy of the revised statement was forwarded to the applicant on October 10, 1985. The grounds of opposition are that the applied for trade-mark is not registrable, the applicant is not the person entitled to registration and the applied for trade-mark is not distinctive because it is confusing with the applicant's previously used trade-mark MEDI DATA registered under No. 300,490 for the following wares:

jewellery, namely: diamond rings; wedding  
bands; wedding rings; gent's and ladies' rings;  
necklaces; bracelets; earrings; and brooches,  
made of precious and semi-precious materials  
and base metals; all of the foregoing being  
used for the purpose of advising anyone  
rendering medical assistance to the wearer  
that the latter has a medical problem.

The applicant filed and served a counter statement. As his evidence, the opponent filed the affidavit of Arthur M. Karpman. Mr. Karpman was cross-examined on his affidavit and the transcript of that cross-examination forms part of the record of this opposition. As its evidence, the applicant filed the affidavits of Samuel Gerstel and Shirley McDonald. Only the opponent filed a written argument but an oral hearing was conducted at which both parties were represented.

The evidence reveals that the applicant is a manufacturer of jewelry and that Mr. Karpman entered into an agreement in March of 1982 to act as a sales agent on behalf of the applicant. At Mr. Karpman's request, that agreement was superceded by an agreement in June of 1983 with Arthur M. Karpman & Associates Limited, a company formed by Mr. Karpman. That agreement was essentially a continuation of the earlier agreement made with Mr. Karpman in his personal capacity. It was terminated in May of 1985.

The agreements indicated that Mr. Karpman or his company would be responsible for selling and marketing the jewelry line manufactured and sold by the applicant. They also provided that Mr. Karpman or his company would be responsible for "...preparing sample lines for the company [the applicant] and individual clients." Mr. Karpman and his company were to be compensated on the basis of commission rates to be applied against the value of sales made.

During the course of the two agreements, Jewelcor Limited manufactured and sold gold jewelry bearing the trade-mark MEDI DATA. The jewelry is designed to alert people to the wearer's medical condition and the jewelry was sold with a wallet card for the

inscription of medical information about the wearer. Mr. Karpman states that he devised the MEDI DATA concept and that sales of MEDI DATA jewelry during the currency of the two agreements constituted use of the mark by him. The jewelry and cards sold during that period were anonymous as to source.

The applicant submits that it developed the MEDI DATA product and that sales during the period 1983 to 1985 constituted use of the mark by it. Mr. Gerstel, the President of the applicant, states that Mr. Karpman's activities in association with the development of advertising literature for the MEDI DATA product were performed pursuant to his company's agreement with the applicant.

Having reviewed the evidence of record, I find that the sales activities in relation to the trade-mark MEDI DATA for the period 1983 to 1985 are more consistent with a finding that the mark was being used by Jewelcor Limited rather than Mr. Karpman. The invoices for that period show Jewelcor Limited as the source of the goods. As admitted by Mr. Karpman, Jewelcor Limited paid for the dies used to manufacture the MEDI DATA jewelry and also paid for the manufacture of the accompanying wallet cards. Jewelcor Limited manufactured the MEDI DATA jewelry, shipped the goods to the retailers, received payment from the retailers and paid Mr. Karpman or his company commissions on the sales effected through him or his company (see pages 14-15, 30 and 33 of the Karpman transcript). It is noteworthy that Mr. Gerstel was able to provide sales figures for the period 1983 to 1985 whereas Mr. Karpman could not.

Mr. Karpman's position is that when he acted as the applicant's agent he did not present the MEDI DATA jewelry as the applicant's product but rather as his own. However, apart from Mr. Karpman's unsubstantiated statement, there is nothing to indicate that retailers associated the trade-mark MEDI DATA with him. In fact, as discussed, the evidence suggests that retailers would have associated the mark with the applicant. As stated by Mr. Gerstel in paragraph 10 of his affidavit, in most cases during the period 1983 to 1985, customers ordered MEDI DATA products directly from the applicant without using the applicant's sales agent Mr. Karpman or his company. Also of note is the fact that Jewelcor Limited was the party that agreed to compensate two large retailers when they were sued by a third party respecting their sales of MEDI DATA jewelry. This further suggests that retailers looked to the applicant as the source of the goods.

In view of the above, I am unable to conclude that the opponent had used the trade-mark MEDI DATA prior to the applicant's filing date of December 17, 1984. Thus, the opponent has failed to satisfy the burden on him pursuant to Section 16(3) of the Trade-marks Act and the ground of prior entitlement is therefore unsuccessful.

As for the first ground of opposition, the opponent was able to obtain a registration for the trade-mark MEDI DATA on March 1, 1985. The application for that registration was filed with Mr. Gerstel's knowledge although Mr. Gerstel was apparently under the impression that Mr. Karpman filed the application to protect the applicant's rights. Mr. Gerstel states that Mr. Karpman told him that once the registration issued, it would be assigned to the applicant.

Mr. Karpman did not assign registration No. 300,490 to the applicant. In fact, once the applicant terminated its agreement with Mr. Karpman's company, Mr. Karpman proceeded to have MEDI DATA jewelry and cards manufactured for him by other companies. From that point on, the wallet cards bore a notation that Mr. Karpman was the owner of the trade-mark. Mr. Gerstel states that, due to the difficulties occasioned by this situation, the applicant discontinued use of the trade-mark MEDI DATA and began selling the same product under the trade-mark MEDI INFO.

The foregoing casts some doubt on the validity of Mr. Karpman's registration. However, since the validity of a trade-mark registration cannot be put in issue in an opposition proceeding, the first ground of opposition remains to be decided on the issue of confusion between the marks of the parties. The material time for considering the circumstances is as of the date of my decision in accordance with the opposition decision in Conde Nast Publications Inc. v. Canadian Federation of Independent Grocers (1991), 37 C.P.R.(3d) 538 at 542. Furthermore, the onus or legal burden is on the applicant to show no reasonable likelihood of confusion. 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.

The applicant's mark MEDI INFO is inherently distinctive since it is a coined phrase. However, the mark appears to be a contraction of the phrase "medical information" and it is therefore suggestive of one of the functions of the applicant's wares. The Gerstel affidavit evidences some sales of his company's MEDI INFO jewelry items such that I can conclude that the applicant's mark has acquired a limited reputation.

The opponent's registered mark MEDI DATA is also inherently distinctive. However, it, too, is not inherently strong since it appears to be a contraction of the phrase "medical data." As discussed, sales of MEDI DATA jewelry prior to the middle of 1985 did not constitute use of the trade-mark by the opponent. However, the Karpman affidavit does evidence sales in late 1985 and in 1986 by his registered user Medi-Data Inc. Thus, I am able to ascribe a limited reputation in Canada for the opponent's mark.

The length of time the marks have been in use is not a material circumstance in this case. The wares of the parties are virtually identical as are their trades. In fact, there appears to be an overlap in the retailers who do, or will, purchase the products of the parties.

The marks of the parties bear a fairly high degree of visual and phonetic resemblance. Both marks comprise two four letter components, the first of which is the component MEDI. The ideas suggested by the two marks are almost the same.

The applicant submitted state of the register evidence to support its case. The McDonald affidavit lists over 400 marks of record in the Trade-marks Office which include the component "medi." However, apart from the applications and registrations of the applicant and the opponent, Ms. McDonald located only two registrations for trade-marks commencing with the letters MEDI for wares similar to those at issue in the present case. In the absence of evidence of fairly extensive use of those two marks, I am unable to

conclude that consumers would be aware of other MEDI-prefixed marks in the jewelry field such that they would be more likely to distinguish such marks on the basis of their other components. Thus, the state of the register evidence does not assist the applicant in this case.

In applying the test for confusion, I have considered that it is a matter of first impression and imperfect recollection. In view of my findings above, and particularly in view of the similarities between the wares, trades and marks of the parties, I find that the applicant has failed to satisfy the burden on it to show that its trade-mark MEDI INFO is not confusing with the opponent's registered mark MEDI DATA. The first ground of opposition is therefore successful and it is unnecessary to consider the third ground.

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

DATED AT HULL, QUEBEC, THIS 29<sup>TH</sup> DAY OF MAY 1992.

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