

**IN THE MATTER OF AN OPPOSITION
by Max Mara Fashion Group S.r.l. to
application No. 691,699 for the trade-mark
L.A. BLUES Design filed by Jay-Gur Import
Inc. (now Jay-Gur International Inc.)**

On October 18, 1991, the applicant, Jay-Gur Import Inc. (now Jay-Gur International Inc.), filed an application to register the trade-mark L.A. BLUES Design (shown below) based on use in Canada since 1988 with the following wares:

jeans, underwear, socks, sweaters, T-shirts, blouses, shirts, jackets, shorts, all pants; all of the above should apply for boys, girls, infants, men and ladies.

The application was amended to include a disclaimer to the word BLUES and was advertised for opposition purposes on July 21, 1993.

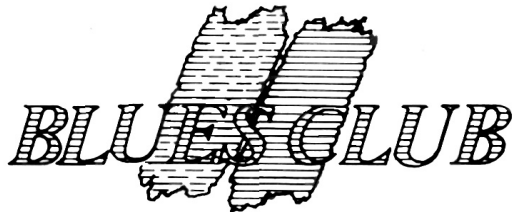
The logo for 'L.A. Blues' is written in a stylized, handwritten font. The letters are black and have a slightly irregular, cursive appearance. The 'L' and 'A' are connected, and the 'B' is larger and more prominent. The word 'Blues' is written in a similar style, with a slight upward curve at the end.

The opponent, Max Mara Fashion Group S.r.l., filed a statement of opposition on December 17, 1993, a copy of which was forwarded to the applicant on February 23, 1994. 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 four registered trade-marks owned by the opponent. The first trade-mark is I BLUES registered under No. 267,680 for “clothing for women, namely blouses, belts, sweaters and skirts.” The second trade-mark is BLUES CLUB registered under No. 325,396 for the following wares:

clothing and articles of clothing, namely, suits, dresses, jackets, blazers, coats, raincoats, shirts, skirts, jumpers, sweaters, vests, pants, slacks, jeans, shorts, dustcoats, trousers, T-shirts, housecoats, dressing gowns, slips, panties, brassieres, hosiery, shawls, scarves, neckties, bow ties, veils, corsets, camisoles, hats and caps, bathing suits, bathing caps, slippers, shoes, boots, sandals, belts, suspenders and gloves, fur clothes, accessories, namely, handbags and purses, cosmetics, namely, perfume, eau de cologne, lipsticks, toilet soaps.

The third trade-mark is BLUES CLUB Design (shown below) registered under No. 339,753 for the following wares:

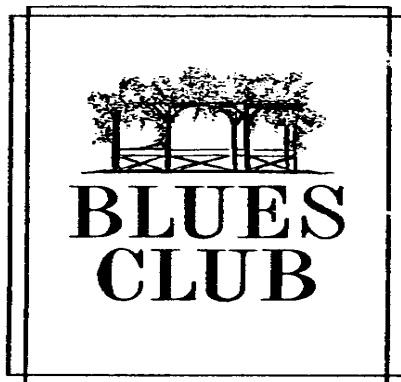
(1) clothing and articles of clothing, namely, suits, dresses, jackets, blazers, coats, raincoats, shirts, skirts, jumpers, sweaters, vests, pants, slacks, jeans, shorts, dustcoats, trousers, T-shirts, housecoats, dressing gowns, slips, panties, brassieres, hosiery, shawls, scarves, neckties, bow ties, veils, corsets, camisoles, stockings, hats and caps, bathing suits, bathing caps, slippers, shoes, boots, sandals, belts, suspenders and gloves, fur clothes namely fur jackets, fur neck wraps, and fur coats; (2) accessories, namely, handbags and purses.



The fourth trade-mark is BLUES CLUB & Design (shown below) registered under No. 369,224

for the following wares:

(1) clothing and articles of clothing, namely, suits, dresses, jackets, blazers, coats, raincoats, shirts, skirts, jumpers, sweaters, vests, pants, slacks, jeans, shorts, dustcoats, trousers, T-shirts, housecoats, dressing gowns, slips, panties, brassieres, hosiery, shawls, scarves, neckties, bow ties, veils, corsets, camisoles, stockings, hats and caps, bathing suits, bathing caps, slippers, shoes, boots, sandals, belts, suspenders and gloves, fur clothes, namely, fur jackets, fur neck wraps, and fur coats; accessories, namely, handbags and purses;
(2) clothing and articles of clothing, namely, dresses, jackets, shirts, skirts, vests, shorts, trousers, T-shirts, scarves, camisoles, hats, belts, gloves; accessories, namely, handbags and purses.



The second ground of opposition is that the applicant is not the person entitled to registration pursuant to Section 16(1) of the Act because, as of the applicant's claimed date of first use (i.e. - December 31, 1988), the applied for trade-mark was confusing with the four trade-marks noted above previously used in Canada by the opponent. The third ground is that the applied for trade-mark is not distinctive because it is confusing with the opponent's four trade-marks.

The applicant filed and served a counter statement. The opponent's evidence consists of the affidavit of Barry Weinberg. Mr. Weinberg was cross-examined on his affidavit and the transcript of that cross-examination forms part of the record of this proceeding. A number of undertakings were given during the cross-examination and the opponent apparently provided the applicant with replies subsequent to the applicant's deadline for completing the cross-examination. The applicant did not request an extension of that deadline in order to submit the replies and neither party sought leave to file the replies as additional evidence pursuant to Rule 44(1) of the Trade-marks Regulations. Thus, the replies to undertakings given during the Weinberg affidavit do not form part of the evidence of record and negative inferences may be drawn as a consequence of their absence.

The applicant's evidence comprises the affidavits of Jonathan Gurman, Danielle Chandler, Carolyn Knobel and Karen Ardis Messer. Both parties filed a written argument and an oral hearing was conducted at which both parties were represented.

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, the opponent's four registered trade-marks are inherently distinctive in relation to clothing, accessories and cosmetics. In his affidavit, Mr. Weinberg identifies himself as the President of Torontomax Inc. which he describes as the exclusive sales agent and a licensed retail distributor of the opponent since 1985. Mr. Weinberg purports to give information about the corporate history of the opponent, its

advertising activities and its sales in Canada of I BLUES clothing items since 1980 and of clothing bearing the trade-marks BLUES CLUB and BLUES CLUB & Design since 1989. On cross-examination, however, it became apparent that Mr. Weinberg had no direct knowledge of the activities and history of the opponent and was not the best person to be providing evidence in this case. The cross-examination established that much of the Weinberg affidavit is inadmissible hearsay.

In view of the above, the Canadian sales figures provided by Mr. Weinberg are not entirely reliable. However, given the fact that Mr. Weinberg's company has operated a retail outlet in Toronto selling the opponent's wares for a number of years, I am able to conclude that there have been at least some sales of clothing items bearing the trade-marks I BLUES, BLUES CLUB and BLUES CLUB & Design. Thus, I am able to conclude that those three marks have become known to a limited extent in the Toronto area. No evidence of use of the registered mark BLUES CLUB Design was provided.

The applicant's trade-mark L.A. BLUES Design is also inherently distinctive when used with clothing. The Gurman affidavit establishes that the applicant has sold more than \$30 million worth of clothing in Canada in association with its mark for the period 1988 to 1995. Thus, I am able to conclude that the applicant's mark has become known to some extent in Canada.

As for the length of time the marks have been in use, this factor is of little importance in the instant case. There is no evidence that the opponent's mark BLUES CLUB Design has been used at all in Canada. As for the trade-marks BLUES CLUB and BLUES CLUB & Design, Mr. Weinberg was only able to attest to sales commencing after the applicant's first use of its mark in 1988. As for the trade-mark I BLUES, Mr. Weinberg's company only started selling such wares in 1985 and his statements about earlier use are hearsay and are not reliable.

As for the wares and trades of the parties, it is the applicant's statement of wares and

the opponent's statements of wares in its four registrations 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 the decision in McDonald's Corporation v. Coffee Hut Stores Ltd. (1996), 68 C.P.R.(3d) 168 at 169 (F.C.A.).

The wares at issue are similar since the statements of wares all include various clothing items. In fact, there is a direct overlap since some of the specific items in the applicant's statement of wares appear in the opponent's statements of wares. Presumably, there could also be an overlap in the trades of the parties. The applicant contended that the trades of the parties are distinct since the opponent only sells "high end" merchandise. However, none of the statements of wares under consideration contain any such restrictions.

As for Section 6(5)(e) of the Act, I consider that there is some resemblance in all respects between the applicant's mark and each of the opponent's registered marks. However, that resemblance is due solely to the common use of the component BLUES.

As an additional surrounding circumstance, the applicant has relied on the state of the register evidence provided by the Knobel and Messer affidavits. State of the register evidence is only relevant insofar as one can make inferences from it about the state of the marketplace: see the opposition decision in Ports International Ltd. v. Dunlop Ltd. (1992), 41 C.P.R.(3d) 432 and the decision in Del Monte Corporation v. Welch Foods Inc. (1992), 44 C.P.R.(3d) 205 (F.C.T.D.). Also of note is the decision in Kellogg Salada Canada Inc. v. Maximum Nutrition Ltd. (1992), 43 C.P.R.(3d) 349 (F.C.A.) which is support for the proposition that 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.

In the present case, the Knobel and Messer affidavits evidence over 40 third party registrations for trade-marks for clothing which include the component BLUES. Thus, I am able to conclude that a number of those marks are in active use and that consumers have become familiar with them. Thus, consumers would be likely to differentiate such marks based on the elements other than the word BLUES. It is also noteworthy that the overwhelming majority of the third party registered marks located are ones where, unlike three of the opponent's marks, the word BLUES is the final component. Furthermore, many of them are similar to the applicant's mark in that they have a geographical connotation. This underscores the likelihood that consumers would differentiate the applicant's mark from the opponent's marks based on their non-BLUES components.

The applicant also sought to rely on the results of a business telephone directory search conducted by Ms. Knobel regarding business names which include the word BLUES. However, many of the entries located by Ms. Knobel do not include the word BLUES alone but rather words such as Bluestar, Blueshield and Bluestone. More importantly, the entries give little or no indication of the nature of the associated businesses. Thus, the results of Ms. Knobel's directory search do not by themselves help the applicant's case.

However, on January 10, 1997, Ms. Knobel telephoned eleven of the businesses she located during her search and spoke to individuals who stated that they sold clothing. Ordinarily, the hearsay nature of such evidence would not allow me to make an inference that a particular business name is in active use in association with certain goods. However, where a significant number of such enquiries are made, I consider that it is reasonable to infer that at least some of the business names canvassed are in active commercial use. Thus, in the present case, I am able to conclude that at least several businesses trading under names which include the word BLUES were actively engaged in the business of selling clothing in early 1997.

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 limited use of the opponent's registered marks, the reputation associated with the applicant's mark, the common use of BLUES marks in the clothing trade and notwithstanding the overlap in the wares and trades of the parties and the resemblance between the marks at issue, I find that the applicant's mark is not confusing with any of the opponent's four registered trade-marks. Thus, the first ground of opposition is unsuccessful.

As for the second ground of opposition, the opponent has failed to evidence use in Canada of its three trade-marks BLUES CLUB, BLUES CLUB Design and BLUES CLUB & Design prior to the applicant's priority date of December 31, 1988. Thus, the second ground is unsuccessful insofar as it is based on those three marks. Since the Weinberg affidavit has evidenced use of the trade-mark I BLUES in Canada by the opponent prior to December 31, 1988, that aspect of the second ground remains to be decided on the issue of confusion as of that date.

Many of my conclusions respecting the first ground of opposition are also applicable here. One difference of note is that the applicant's mark had not become known in Canada to any great extent as of December 31, 1988. However, the opponent's evidence does not establish a measurable reputation in Canada for its mark I BLUES either as of that date. Thus, given the common use of third party BLUES trade-marks in the clothing trade and the fact that the degree of resemblance between I BLUES and L.A. BLUES is not high, I find that the marks were not confusing as of the applicant's claimed date of first use and the final aspect of the second ground is also unsuccessful.

As for the third ground of opposition, the onus or legal burden is on the applicant to show that its mark is adapted to distinguish or actually distinguishes its wares from those of others throughout Canada: see Muffin Houses Incorporated v. The Muffin House Bakery Ltd. (1985), 4 C.P.R.(3d) 272 (T.M.O.B.). Furthermore, the material time for considering the circumstances respecting this issue is as of the filing of the opposition (i.e. - October 18, 1991): see Re Andres Wines Ltd. and E. & J. Gallo Winery (1975), 25 C.P.R.(2d) 126 at 130 (F.C.A.)

and Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd. (1991), 37 C.P.R.(3d) 412 at 424 (F.C.A.).

The third ground essentially turns on the issue of confusion between the opponent's trade-marks for which use has been shown as of the material time. The Weinberg affidavit evidences minor use of three of the opponent's registered trade-marks in the Toronto area as of that date. Thus, my conclusions respecting the first ground of opposition are, for the most part, applicable to the third ground as well. I therefore find that the marks at issue were not confusing as of the filing of the opposition and the third ground is 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 opponent's opposition.

DATED AT HULL, QUEBEC, THIS 10th DAY OF NOVEMBER, 1999.

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