



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

Citation: 2014 TMOB 204
Date of Decision: 2014-09-25

**IN THE MATTER OF AN OPPOSITION
by RAB DESIGN LIGHTING INC. to
application No. 1,534,012 for the trade-
mark VXBRLLED in the name of RAB
LIGHTING INC.**

[1] On June 30, 2011, RAB LIGHTING INC. (the Applicant) filed application No. 1,534,012 to register the trade-mark VXBRLLED (the Mark). The application is based upon proposed use in Canada in association with lighting fixtures, electric lighting fixtures and LED (light emitting diode) lighting fixtures and claims a June 24, 2011 priority filing date based upon the Applicant's corresponding United States of America application No. 85355409.

[2] RAB DESIGN LIGHTING INC. (the Opponent) has opposed the application under section 38 of the *Trade-marks Act*, RSC 1985, c T-13 (the Act). The grounds of opposition are based upon sections 30(i), 16(2)(a), 16(3)(a) and 2 of the Act.

[3] In support of its opposition, the Opponent filed the affidavit of David Beron, sworn October 9, 2012 (the first Beron affidavit). In support of its application, the Applicant filed the affidavit of Ross Barna, sworn February 7, 2013 (the Barna affidavit). As evidence in reply, the Opponent filed the affidavit of David Beron, sworn March 11, 2013 (the second Beron affidavit). As additional evidence, the Applicant filed the affidavit of Ross Barna, sworn June 20, 2013 (the second Barna affidavit). No cross-examinations took place.

[4] Both parties submitted a written argument and attended a hearing.

Onus

[5] 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 CPR (3d) 293 (FCTD) at 298].

Grounds of Opposition Withdrawn

[6] At the hearing, the Opponent withdrew the grounds of opposition based upon sections 30(i) and 16(2)(a). It is therefore no longer necessary to consider these grounds.

Analysis of the Remaining Grounds of Opposition

Background

[7] Although the parties in this proceeding are not related or affiliated companies, they are not strangers to one another [first Beron affidavit, para 18].

[8] The evidence establishes that the Opponent purchased products from the Applicant in the United States for importation into Canada from 2002 to 2008 [first Beron affidavit, para 16; first Barna affidavit, para 7].

[9] According to the Opponent, it began selling its own VX and VXBR products in Canada in 2007, in addition to those of the Applicant [first Beron affidavit, para 6].

[10] In November of 2008, the Applicant stopped selling its products (including its VX and VXBR products) to the Opponent in the United States for importation into Canada and in April of 2010, it began selling its VX and VXBR products in Canada through another related distributor [first Barna affidavit, para 10].

[11] Information pertaining to the estimated value of sales of the Applicant's VX and VXBR products to the Opponent in the United States, for importation into Canada for the years of 2006 to 2008 has been provided. Although there were discrepancies in the evidence which was

initially put forward, those discrepancies were rectified by way of further evidence and the parties now appear to be in agreement regarding the sales figures, as well as the years in which the Applicant sold its products to the Opponent [first Barna affidavit, para 9; second Beron affidavit, paras 2 to 5; second Barna affidavit, paras 3 to 6].

[12] What the parties are not in agreement about, is whether the Applicant is entitled to register the Mark in Canada and whether or not the Mark is distinctive.

Non-Entitlement – Section 16(3)(a)

[13] The Opponent has pleaded that the Applicant is not the person entitled to registration of the Mark under section 16(3)(a) of the Act in view of the Opponent's prior use and making known in Canada of its "VX and VXBR series of trade-marks", collectively and individually, since at least 2007, in association with a series of vapour proof commercial and industrial lighting fixtures. The Opponent's "VX and VXBR series of trade-marks" has been defined in the statement of opposition as "the designations VX2, VX1F, VX2F, VXBR2, VXBR1F, VXBR2F, VX1 LED, VX2 LED, VXBR1 LED and VXBR2 LED".

[14] Despite the burden of proof on the Applicant to establish, on a balance of probabilities, that there is no reasonable likelihood of confusion between the Mark and the Opponent's trade-marks, the Opponent has the initial onus of proving that at least one of its trade-marks was in use or had been made known prior to the June 24, 2011 priority filing date of the application for the Mark and had not been abandoned as of the February 8, 2012 date of advertisement for the Mark [section 16(5) of the Act].

[15] The definition of "made known" is set out in section 5 of the Act and the Opponent's evidence is insufficient to show that its trade-marks have been "made known" within such definition. Therefore, we are left with the question of whether the Opponent's evidence shows that its trade-marks were previously used in Canada pursuant to section 4 of the Act.

[16] The word "use" is a legal term which is specifically defined in section 4 of the Act and one must look at the evidence filed in order to determine if in fact there has been use of a trade-

mark in association with wares within the meaning of section 4. I have reproduced the wording of section 4 of the Act below:

4. (1) A trade-mark is deemed to be used in association with wares if, at the time of the transfer of the property in or possession of the wares, in the normal course of trade, it is marked on the wares themselves or on the packages in which they are distributed or it is in any other manner so associated with the wares that notice of the association is then given to the person to whom the property or possession is transferred.

[17] In its written arguments and at the hearing, the Applicant submitted that the Opponent has not shown “use” in association with its wares within the meaning of section 4 of the Act. In the alternative, the Applicant submitted that the Opponent has not used VX and VXBR as trade-marks (i.e. as source identifiers), but rather, only as part of alphanumeric sequences to designate particular product models (i.e. as product identifiers).

[18] The first Beron affidavit provides us with information regarding the Opponent, its business and its trade-marks.

[19] Mr. Beron is the Vice-President Market Operations of the Opponent and states that he has held this position since 2008 [first Beron affidavit, para 1]. He explains that the Opponent is a family owned business that designs, manufactures, assembles and distributes commercial and industrial lighting and related products through a national network of over 700 Canadian electrical distributors and lighting showrooms [first Beron affidavit, para 1]. The Opponent acquired its business from a predecessor in December of 2001 [first Beron affidavit, para 3].

[20] Mr. Beron states that the Opponent and its predecessor have been selling and manufacturing vapour proof lighting fixtures for more than 40 years [first Beron affidavit, para 5]. According to Mr. Beron, in 2007, the Opponent began manufacturing and selling a particular series of lighting fixtures under the brands VX and VXBR under product designations VX1, VX2, VXBR1 and VXBR2 [first Beron affidavit, para 6]. In 2010, the Opponent subsequently introduced LED versions of its VX and VXBR brand lighting fixtures under the product designations VXBR1 and VX1 [first Beron affidavit, para 8].

[21] Mr. Beron states that the VX1 and VX2 products were available as compact fluorescent ceiling mount fixtures designated the VX1F and VX2F products and high-intensity discharge

lamps (HID) designated the VX2 HID product. The VXBR1 and VXBR2 products were available as compact fluorescent wall mount fixtures designated the VXBR1F and VXBR2F products and high-intensity discharge lamps (HID) designated the VXBR2 HID product [first Beron affidavit, para 6].

[22] Attached as Exhibits “3” to “8” to Mr. Beron’s first affidavit, are product specification sheets for products sold under the aforementioned product designations. Attached as Exhibit “9”, is a copy of a sales sheet which Mr. Beron states is related to sales of the Opponent’s LED versions of its products which were later introduced in 2010 [first Beron affidavit, para 7].

[23] The terms VX and VXBR appear in Exhibits “3” to “9” as part of overall designations for the Opponent’s products (for example, VX1F [Exhibit “3”], VX2F CFL [Exhibit “4”], VXBR1F CFL [Exhibit “5”], VXBR2F CFL [Exhibit “6”], VX2 HID [Exhibit “7”], VXBR2 HD [Exhibit “8”] and VXBR1 and VX1 [Exhibit “9”]).

[24] There is no indication that the specification sheets (Exhibits “3”-“8”) and sales sheets (Exhibit “9”) are used by customers to place orders or that they are provided to customers at the time of purchase. In other words, it is unclear how or if these sheets are associated with the goods at the time of transfer.

[25] Mr. Beron states that the Opponent’s VX and VXBR brand series of lighting fixtures have been advertised in its product catalogue since 2008 and in its on-line catalogue which is updated regularly [first Beron affidavit, para 9].

[26] Attached as Exhibit “10” to Mr. Beron’s affidavit, is a copy of the Opponent’s 2008 product catalogue. In the catalogue, there is a brief statement that the “VX series is suitable for wet locations and comes in a variety of colours and globe options” (see pages 118 and 119). All other references to VX and VXBR in the catalogue attached as Exhibit “10” appear to be as part of an overall product designation such as VX100, VXBR100, etc.

[27] Attached as Exhibit “11” is a copy of the relevant pages of the Opponent’s on-line catalogue as it existed in April of 2011, which Mr. Beron states shows the Opponent’s VX and VXBR brand series of vapour proof commercial and industrial lighting fixtures [Beron affidavit, para 9]. Exhibit “11”, also contains a brief statement that the “VX series is suitable for wet

locations and comes in a variety of colours and globe options”. All other references to VX in Exhibit “11” are part of an overall product designation such as VX1F, VXBR1F, VX2, etc. and again, there is no reference to VXBR on its own. Mr. Beron states that both the Opponent’s distributors and its customers have access to its on-line catalogue [Beron affidavit, para 9].

[28] There is no indication that the Opponent’s catalogues are used by customers to place orders or that they are provided to customers at the time of transfer. In fact, Mr. Beron simply states that the Opponent’s products “have been advertised” in its catalogues [Beron affidavit, para 9].

[29] According to Mr. Beron, the specification sheets (Exhibits “3”-“8”) are made available to customers on the Opponent’s website and its specification sheets (Exhibits “3” to “8”), sales sheets (Exhibit “9”) and catalogues (Exhibit “10”), together with samples of its VX and VXBR brand series of lighting fixtures, are provided to its national network of distributors and showrooms who in turn provide the specification sheets to customers and display samples of the products on their premises [first Beron affidavit, paras 9 and 10].

[30] I do not consider Exhibits “3” to “11” of the first Beron affidavit to show “use” of any of the Opponent’s trade-marks within the meaning of section 4 of the Act. Although advertising can constitute “use” of a trade-mark in connection with services, the same is not true of wares and there is no indication that any of the Exhibit “3” to “11” materials were somehow associated with the wares at the time of transfer such that notice of association would be given to the purchaser[section 4 of the Act]. At the hearing, the agent for the Opponent conceded this point and instead relied upon other aspects of Mr. Beron’s first affidavit to assert that “use” has been shown.

[31] In particular, the Opponent relies upon paragraphs 11 and 12 and Exhibits “12” and “13” of the first Beron affidavit. In paragraph 11 of the first Beron affidavit, Mr. Beron states that the Opponent “currently” offers approximately 115 SKU’s for its VX and VXBR brand series of vapour proof commercial and industrial lighting fixtures. Mr. Beron explains that its fixtures are sold in plain brown box packaging bearing the product label for that SKU and that the LED versions of the VX and VXBR brand series of fixtures are sold in colour packaging. Attached as Exhibit “12” to Mr. Beron’s affidavit are representations of the labels that appear on the brown

box packaging for the Opponent's VX and VXBR brand series of lighting fixtures. Attached as Exhibit "13" are representation of the coloured packaging for the Opponent's VX and VXBR brand series of VX1 and VXBR1 LED lighting fixtures [Beron affidavit, para 12].

[32] All of the labels attached as Exhibits "12" and "13" feature VX and VXBR as part of overall product designations, such as VX2LED24-RGL, VXBR2F42-CFL-CL, VXBR1F26B-CFL, VXBR1LED14 (Exhibit "12") and VX1 and VXBR1 (Exhibit "13"). The term LED appears underneath or above VX1 and VXBR1 on the packaging shown in Exhibit "13".

[33] Notably, paragraphs 11 and 12 of the first Beron affidavit are worded in the present tense and Mr. Beron has not provided any indication as to how long the labels shown in Exhibit "12" have appeared in this manner on boxes or how long the packaging shown in Exhibit "13" has been used. Since the Opponent did not introduce the LED versions of its VX and VXBR brand fixtures under the product designations VXBR1 and VX1 until 2010 [first Beron affidavit, para 8], presumably it was sometime after that when the Opponent commenced use of its Exhibit "13" packaging.

[34] In paragraph 13 of his affidavit, Mr. Beron states that since the Opponent launched its VX and VXBR brand series of VX1, VX2, VXBR1 and VXBR2 vapour proof commercial and industrial lighting fixtures in June of 2007 to June of 2011, the Opponent's sales in Canada have totalled in excess of \$200,000. Sales in Canada from July 2011 thru to the end of August 2012 were in excess of \$130,000.

[35] Attached as Exhibit "14" are representative invoices for sales of the Opponent's VX and VXBR brands of products [Beron affidavit, para 15]. The invoices cover sales of VXBR1F13, VX1F26, VX2F32, VXBR2F26, VXBR200DG/F22, VXBRF42, VX2F42VXBR2F32, VXBR1F13, VX1LED14, VXBR1LED14, for example. There is no indication that the invoices accompany the goods at the time of transfer.

[36] As mentioned previously, under its section 16(3)(a) ground of opposition, the Opponent has the initial onus of proving that at least one of its trade-marks was in use prior to the June 24, 2011 priority filing date of the application for the Mark and had not been abandoned as of the February 8, 2012 date of advertisement for the Mark [section 16(5) of the Act].

[37] It is possible that the labels and packaging shown in Exhibits “12” and “13” of the first Beron affidavit, when taken into account in conjunction with the invoices (Beron affidavit, Exhibit “14”) and sales figures (Beron affidavit, para 13), could be considered to constitute “use” in association with wares within the meaning of section 4 of the Act. However, as mentioned previously, Mr. Beron has provided no indication as to when the Opponent began using the labels and packaging which are shown in these exhibits. At the hearing, I queried the Opponent about the absence of this information in Mr. Beron’s affidavit and the Opponent’s response was simply that it was unfortunate and that the affiant must not have been thinking about dates at the time that he swore his affidavit.

[38] In my view, dates are of critical importance here, as the Opponent is attempting to prevent the Applicant’s registration of the Mark based upon *prior use* of its own trade-marks. I am not prepared to draw an inference regarding that prior use based upon the evidence before me. The Opponent must establish the facts upon which it relies [see *Provigo Distribution Inc v Max Mara Fashion Group SRL*, 2005 FC 1550 at para 27(CanLII)] and it has failed to do so here.

[39] As I am unable to conclude that the Opponent has shown use of its trade-marks within the meaning of section 4 of the Act prior to the material date, I therefore conclude that the Opponent has not discharged its initial evidential burden in support of its section 16(3)(a) ground of opposition.

[40] In light of this conclusion, I do not consider it necessary to address the second aspect of the Applicant’s submissions, namely, that the Opponent has not used its trade-marks as trade-marks (i.e. as source indicators), but rather, simply as a component of various different alphanumeric arrangements which refer to a particular product (i.e. product identifiers).

[41] Accordingly, the section 16(3)(a) ground of opposition is unsuccessful.

Non-distinctiveness – Section 2

[42] The Opponent has pleaded that the Mark is not distinctive in that it cannot distinguish and is not adapted to distinguish the Applicant's wares from the wares associated with its "VX and VXBR series of trade-marks".

[43] The material date to assess this ground of opposition is the filing date of the statement of opposition, namely, April 5, 2012 [see *Metro-Goldwyn-Mayer Inc v Stargate Connections Inc* (2004), 34 CPR (4th) 317 (FC)].

[44] In order to meet its initial evidentiary burden in respect of this ground, the Opponent must establish that at least one of its trade-marks had become known sufficiently in Canada as of April 5, 2012, to negate the distinctiveness of the Mark [see *Motel 6, Inc v No 6 Motel Ltd* (1981), 56 CPR (2d) 44 (FCTD); *Bojangles' International, LLC and Bojangles Restaurants, Inc v Bojangles Café Ltd* (2006), 48 CPR (4th) 427 (FC)].

[45] At the hearing, the Opponent submitted that even if I were to find that it has not met its initial burden in respect of its section 16(3)(a) ground of opposition, I am not precluded from finding in favour of the Opponent under its non-distinctiveness ground of opposition.

[46] Pursuant to section 2 of the Act, "distinctive", in relation to a trade-mark, means a trade-mark that actually distinguishes the wares or services in association with which it is used by its owner from the wares or services of others or is adapted to so to distinguish them.

[47] The Opponent argues that there is no requirement under section 2 of the Act that a trade-mark be non-distinctive as a result of "use" within the meaning of section 4 or as a result of trade-mark use at all. Section 2 of the Act simply provides that a trade-mark will be "distinctive" as long as it distinguishes or is adapted to distinguish the wares and/or services of the applicant from those of others. The Opponent submits that it is therefore open to it to rely upon the use that it has shown of its trade-marks to negate the distinctiveness of the Mark, regardless of whether that use constituted "use" within the meaning of section 4 of the Act or whether it was in fact use in a trade-mark sense, rather than in some other product designation sense.

[48] However, the Opponent is restricted to what it has pleaded and in this case, the Opponent has pleaded non-distinctiveness as a result of its own use of its “VX and VXBR series of trade-marks”. In my view, this language makes it clear that the Opponent is relying on *trade-mark use*. If the Opponent wished to rely on something other than its own trade-mark use to support its non-distinctiveness ground of opposition, it should have clearly set this out in its pleading.

[49] Section 38(3)(a) of the Act requires that grounds of opposition be set out in sufficient detail to enable the applicant to reply thereto and it is an elementary condition of fairness that each party be adequately informed of the case it has to meet [*Carling Breweries Ltd. v Molson Cos* (1984), 1 CPR (3d) 191 at 194 (FCTD); affirmed (1988), 19 CPR (3d) 129 (FCA)].

[50] It is true that the sufficiency of pleadings should be assessed having reference to the evidence of record [see *Novopharm Ltd v Astra AB* (2002), 21 CPR (4th) 289 (FCA)]. However, in the present case, it is not, in my view, reasonable to expect that the Applicant would have assumed from the evidence of record that the Opponent intended to rely upon anything other than its own trade-mark use in support of its non-distinctiveness ground of opposition. Even the Opponent’s written argument was devoid of any clear indication of this. The Opponent’s non-distinctiveness ground of opposition therefore cannot, at the oral hearing stage, be broadened to enable the Opponent to rely on something other than its use of its “VX and VXBR series of trade-marks”, as pleaded.

[51] My findings with respect to the Opponent’s section 16(3)(a) ground of opposition are therefore equally applicable at this later material date (i.e. April 5, 2012).

[52] Accordingly, this ground of opposition is also unsuccessful.

Disposition

[53] In view of the foregoing, pursuant to the authority delegated to me under section 63(3) of the Act, I reject the opposition pursuant to section 38(8) of the Act.

Lisa Reynolds
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office