

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

Citation: 2013 TMOB 26 Date of Decision: 2013-01-23

IN THE MATTER OF THREE OPPOSITIONS by Dollarama L.P. to application Nos. 1,330,827; 1,330,828; and 1,330,829 for the trade-marks DOLLAR GIANT NOTHING OVER A DOLLAR & Design in the name of Dollar Tree Stores Canada, Inc.

Application No. 1,330,827

[1] On January 10, 2007, Dollar Giant Store (B.C.) Ltd. (the Applicant) filed an application to register the trade-mark DOLLAR GIANT NOTHING OVER A DOLLAR & Design set out below (the Mark). The Mark was subsequently assigned to Dollar Tree Stores Canada, Inc.



The Mark includes the following colour claim:

Colour is claimed as a feature of the Trade Mark. The words DOLLAR GIANT are shown in green and outlined in yellow and black. The words NOTHING OVER A DOLLAR are shown in black and are contained within an oval having a yellow background. The oval is outlined in black.

[2] The application was filed on the basis of the Applicant's use in Canada since at least July 2001 in association with the operation of retail stores in the field of general merchandise (the Original Services). The Original Services were subsequently amended to:

The operation of retail stores in the field of general merchandise namely home décor products; home furnishings; household products; cookware, kitchen utensils and cutlery; linens and towels for the home; bedding; clocks and alarm clocks; floor coverings; general household hardware; home cleaning products; souvenirs; novelties; magnets; key chains; decorative ornaments; ceramics; gardening ornaments and gardenwares; giftwares, party supplies and decorations; wrapping paper gift bags, gift boxes and gift cards; paper products; sewing items; arts and crafts materials; candles, air fresheners and incense cones, sticks and sachets; stationery, agendas, personal organizers, diaries, binders, posters, greeting cards, colouring books, children's books, cartoon books, scrapbooks, books of all kinds, magazines, stickers, bookmarks, calendars and picture albums; drawing and writing pencils, decorative pensil top ornaments, pens, pen and pencil cases; picture frames; office supplies; computer supplies; school supplies; sundries; clothing, footwear, headwear and related accessories; jewellery and watches; handbags, backpacks, wallets and purses; leather goods namely bags, wallets, purses, key cases and clothing belts; eyewear and sunglasses; hair accessories; toiletries, fragrances and cosmetics; personal care products; umbrellas; toys, plush toys, inflatable water toys, games, puzzles, playing cards, card and board games, hobby kits and playthings; sporting and exercise articles; smoking articles; baby supplies; pet supplies; food and beverag products (the Services).

- [3] The application was advertised for opposition purposes in the *Trade-marks Journal* of November 14, 2007.
- [4] On January 14, 2008, Dollarama L.P. (the Opponent) filed a statement of opposition pleading the grounds summarized below:
 - (a) contrary to section 30(a) of the *Trade-marks Act*, RSC 1985, c T-13 (the Act), the application does not contain a statement in ordinary commercial terms of the Original Services;
 - (b) contrary to section 30(b) of the Act, the Applicant did not use the Mark in Canada with the Original Services since July 2001 or has abandoned the Mark by way of non-continuous use;

- (c) contrary to section 30(i) of the Act, the Applicant could not have been satisfied of its entitlement to use the Mark as it was aware or should have been aware of the Opponent's trade-marks;
- (d) contrary to section 12(1)(d) of the Act, the Mark is not registrable because it is confusing with the Opponent's trade-marks registered under Nos. TMA626,311; TMA673,081; TMA673,080; and TMA674,174;
- (e) contrary to section 16(1)(a) of the Act, the Applicant is not the person entitled to registration of the Mark because, at the date of first use alleged, the application was confusing with the Opponent's (or its predecessor in title) trade-marks above and other trade-marks of the Opponent using the colour green and yellow as distinctive features;
- (f) contrary to section 16(1)(c) of the Act, the Applicant is not the person entitled to registration of the Mark because, at the date of first used alleged, the Mark was confusing with the trade-name DOLLARAMA used by the Opponent or its predecessor in title; and
- (g) contrary to section 2 of the Act, the Mark is not and cannot be distinctive of the Services in that the Mark was not and is not adapted to distinguish and does not actually distinguish the Services from the services of the Opponent or its predecessor-in-title.
- [5] The Applicant filed and served a counter statement in which it denied the Opponent's allegations.

- [6] In support of its opposition, the Opponent filed the affidavits of Neil Rossy, Christian Bourque, Yvon Pelletier, Anton Stajrer, Véronique Gaumond-Carignan, and Stéphane Gonthier. Mr. Rossy and Mr. Bourque were cross-examined and the transcripts and answers to undertakings were filed.
- [7] In support of its opposition, the Applicant filed the affidavits of Joseph Calvano, Mark Arden and Dulce Campos. Mr. Calvano and Mr. Arden were cross-examined and the transcripts and answers to undertakings were filed.
- [8] Both parties filed a written argument and attended an oral hearing held on November 7, 2012.

Onus and Material Dates

- [9] 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 [*John Labatt Limited v. The Molson Companies Limited* (1990), 30 CPR (3d) 293 (FCTD) at 298].
- [10] The material dates with respect to the grounds of opposition are as follows:
 - sections 38(2)(a)/30 of the Act the filing date of the application [*Georgia-Pacific Corp v Scott Paper Ltd* (1984), 3 CPR (3d) 469 (TMOB) at 475], however, the application is to be assessed as subsequently amended [see, for example *Eaton Williams (Millback) Ltd v Nortec Air Conditioning Industries Ltd* (1982), 73 CPR (2d) 70 (TMOB) at 77].
 - sections 38(2)(b)/12(1)(d) of the Act the date of my decision [*Park Avenue Furniture Corporation v Wickes/Simmons Bedding Ltd and The Registrar of Trade Marks* (1991), 37 CPR (3d) 413 (FCA)];
 - sections 38(2)(c)/16(1) of the Act the date of first use in the application; and
 - sections 38(2)(d) of the Act the date of filing the opposition [Metro-Goldwyn-Mayer Inc v Stargate Connections Inc (2004), 34 CPR (4th) 317 (FC)].

Section 30(a) Ground of Opposition

- [11] The Opponent's initial evidential burden under section 30(a) is a light one. In fact, the Opponent may need only to present sufficient argument in order to meet its initial burden [McDonald's Corp v M.A. Comacho-Saldana International Trading Ltd (1984), 1 CPR (3d) 101 (TMOB) at 104].
- [12] The Opponent submits that the application for the Mark does not comply with the requirements of section 30(a) of the Act on the basis that the Original Services "the operation of retail stores in the field of general merchandise" can apply to almost any retail operation.
- [13] I am satisfied that the revised application filed with the Services successfully overcomes the Opponent's objection. The addition of the type of merchandise sold clearly specifies the area of operation of the retail stores. Based on the foregoing, I reject the ground of opposition based on section 30(a) of the Act.

Section 30(b) Ground of Opposition

- Turning now to the section 30(b) ground of opposition, the application for the Mark claims a first use date of July 2001 which is interpreted as July 31, 2001. Section 30(b) of the Act requires that there be continuous use of the applied for trade-mark in the normal course of trade from the date claimed to the date of filing of the application [Benson & Hedges (Canada) Ltd v Labatt Brewing Co (1996), 67 CPR (3d) 258 (FCTD) at 262].
- The initial burden on an opponent is light respecting the issue of non-conformance with section 30(b) of the Act, because the facts regarding an applicant's first use are particularly within the knowledge of an applicant [*Tune Masters v Mr P's Mastertune Ignition Services Ltd* (1986), 10 CPR (3d) 84 (TMOB) at 89]. This burden may be met by reference not only to the opponent's evidence but also to an applicant's [*Labatt Brewing Co v Molson Breweries, A Partnership* (1996), 68 CPR (3d) 216 (FCTD) at 230]. While an opponent may rely upon an applicant's evidence to meet its evidential burden in relation to this ground, an opponent must show that the applicant's evidence is "clearly" inconsistent with the claims in the application [*Ivy Lea Shirt Co v Muskoka Fine Watercraft & Supply Co* (1999), 2 CPR (4th) 562 (TMOB) at 565 -6, aff'd (2001), 11 CPR (4th) 489 (FCTD)].

I note that the Opponent's Written Argument sets out at para 6 the section 30(b) ground of opposition and at para 90 asks that the Registrar confirm that the Applicant did not use the Mark since July 2001 in association with all the Original Services mentioned in the application. No further submissions were made at the hearing with respect to this ground. In the circumstances, the Opponent has not met its burden as it has not filed any evidence with respect to this ground, nor has it shown the Applicant's evidence is clearly inconsistent with the claimed date of first use. This ground of opposition is rejected.

Section 30(i) Ground of Opposition

The section 30(i) ground alleges that the Applicant could not have been properly satisfied that it was entitled to use the Mark because the Applicant must have been aware of the Opponent's trade-marks. Where an applicant has provided the statement required by section 30(i), this ground should only succeed in exceptional cases such as where there is evidence of bad faith [Sapodilla Co v Bristol-Myers Co (1974), 15 CPR (2d) 152 (TMOB) at 155]. As the application includes the required statement and there is no allegation or evidence of bad faith or other exceptional circumstances, the section 30(i) ground is rejected.

Section 12(1)(d) Ground of Opposition

- [18] The Opponent has pleaded that the Mark is not registrable because it is confusing with one or more of the following trade-marks registered by the Opponent: registration Nos. TMA626,311; TMA673,080; TMA673,081; and TMA674,174. I have exercised my discretion and checked the register to confirm that each of these registrations is extant [*Quaker Oats Co of Canada v Menu Foods Ltd* (1986), 11 CPR (3d) 410 (TMOB)]. Therefore, the Opponent has met its initial burden with respect to this ground.
- [19] I now have to determine, on a balance of probabilities, if the Mark is likely to cause confusion with one or more of the Opponent's registered trade-marks. I consider that the Opponent's best case scenario is registration No. TMA673,081 for the DOLLARAMA Banner Design Trade-mark.



Colour is claimed as a feature of the trade-mark. The applicant claims the color as a characteristic of the trade-mark, namely the color yellow for the word DOLLARAMA, the number 1, the \$ symbol and the outside trim of the polygon figure and rectangle figure; and the color green for the background of the rectangle and polygon figure.

[20] The statement of services for this mark is:

Operation of retail discount stores specialized in the sale of householdwares, giftware, clothing, greeting cards, food, hardware, toileteries, office supplies, school supplies, arts and crafts materials, kitchen utensils, garden tools, pet food, candies and decorative ornaments.

- [21] The test to determine the issue of confusion is set out in section 6(2) of the Act where it is stipulated that the use of a trade-mark causes confusion with another trade-mark if the use of both trade-marks in the same area would likely lead to the inference that the wares and services associated with those trade-marks are manufactured, sold or leased by the same person, whether or not the wares and services are of the same general class. In making such an assessment, I must take into consideration all the relevant surrounding circumstances, including those listed in section 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 and 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.
- [22] These criteria are not exhaustive and different weight will be given to each one in a context specific assessment [*Mattel, Inc v 3894207 Canada Inc,* [2006] 1 SCR 772 (SCC) at para 54]. I also refer to *Masterpiece Inc v Alavida Lifestyles Inc,* (2011), 92 CPR (4th) 361 (SCC) at para 49, where the Supreme Court of Canada states that section 6(5)(e), the resemblance between the marks, will often have the greatest effect on the confusion analysis. The Supreme Court in

Masterpiece, supra, further advises that the preferable approach when comparing marks is to begin by determining whether there is an aspect of the trade-marks that are particularly striking or unique [para 64].

inherent distinctiveness of the trade-marks

- [23] The DOLLARAMA Banner Design Trade-mark has a certain degree of inherent distinctiveness. The colour design elements and the word DOLLARAMA are the most striking elements. Likewise, the Mark has a similar degree of inherent distinctiveness and DOLLAR GIANT and the colour design are the dominant features of this mark as NOTHING OVER A DOLLAR is descriptive of the Services.
- [24] While colour is not inherently distinctive when applied-to wares [see, for example, *Novopharm Ltd v Bayer Inc* (1999), 3 CPR (4th) 305 (FCTD) at 322], the inclusion of colour in a one dimensional design trade-mark is inherently distinctive so long as the colours are arbitrary and not descriptive of the associated wares and services [*Tommy Hilfiger Licensing Inc v Produits de Qualité IMD Inc* (2005), 37 CPR (4th) 1 (FCTD) at paras 101-102; *Melo's Food Centre Ltd v Borges Food Ltd* (1995), 63 CPR (3d) 289 (FCTD) at para 39].
- [25] Mr. Calvano, President and founder of the Applicant, states the following regarding the Applicant's choice of the colours yellow and green (at para 5):

... I chose the colour "yellow" because it is well known in the retail industry that consumers consider the colour "yellow" to connote discount merchandise or services. ... Examples of discount retail stores using the colour "yellow" are Giant Tiger, Best Buy Canada Ltd., No Frills (A Division of Loblaws Companies Ltd.), Sports Mart (A Division of the Forzani Group), Liquidation World, Buy Low Foods, Payless Shoe Source and Dollar Daze. I chose the colour "green" because it denotes the colour of money.

I do not find that this evidence or the evidence discussed in the *state of the register* and *state of the marketplace* sections of this decision support a finding that the colours yellow and green are not inherently distinctive as there is insufficient evidence to suggest that consumers find the combination of these colours to be descriptive of the sale of discount merchandise for money. In view of the fact that the adoption of the colours yellow and green appear to be arbitrary and the

word DOLLAR is closely linked to the fact that both the Opponent and Applicant operate dollar stores, the most distinctive components of each mark are the DOLLAR GIANT and DOLLARAMA components and the stylized design elements consisting of the colours yellow and green.

extent to which the trade-marks have become known

[26] This factor favours the Opponent. The evidence of Mr. Rossy, Director and Senior Vice-President of Merchandising of the Opponent, provides the following:

- The Opponent's predecessor-in-title began using the DOLLARAMA Banner & Design Trade-mark in 1993 (para 9). In 1993, it had approximately 44 stores (para 13). Since 1993, the Opponent has displayed the DOLLARAMA trade-mark and the DOLLARAMA Banner Design Trade-mark on exterior and interior signage, banners and windows (Exhibit NR-4). I consider the use of the DOLLARAMA Banner & Design Trade-mark with small variations including the lack of a yellow rectangular border or the addition of "all at" in front of the \$1 to be use of this mark as registered [Canada (Registrar of Trade Marks) v Cie internationale pour l'informatique CII Honeywell Bull, SA (1985), 4 CPR (3d) 523 (FCA)].
- The Opponent has become one of the largest operators of a dollar store in Canada (para 10) operating over 520 stores (para 13; Exhibit NR-3). The Opponent's Dollarama stores sell a broad assortment of every day merchandise at a fixed price of \$1.00 although some items are available for \$2.00 (cross-examination of Neil Rossy, Q 68).
- The Opponent's sales from 2001-2008 total more than \$5000 Million with at least \$300 Million sales occurring each year (para 22).

- [27] The evidence of Mr. Calvano is that the Applicant's first DOLLAR GIANT store opened on July 5, 2001 (para 7) and sales from July 1, 2001- June 30, 2008 are more than \$200 Million with yearly totals between 1 and 70 Million (para 11) and, as of October 2008, it had 67 retail stores (para 2). The evidence of Mark Arden, the Human Resources, Logistics, Administration and Construction Manager of the Applicant, shows that the Mark appears on signage on at least some of the Applicant's stores (for example, store nos. 10, 20, 21, 24, 29, 39, 43, 47, 51, 64, 70, and 72; answers to cross-examination of Mr. Arden).
- [28] Based on the above, I conclude that this factor favours the Opponent who has shown greater use of its DOLLARAMA Banner Design Trade-mark.

length of time each trade-mark has been in use

[29] This factor favours the Opponent. The Opponent claims use by itself and/or its predecessor-in-title since at least as early as 1993 (Rossy affidavit, para 9) and has included photographs of stores showing use of the DOLLARAMA Banner Design Trade-mark taken between June 24 and June 25, 2008 which it indicates are representative of use since 1993 (Exhibit NR-4). In contrast, the Applicant only claims use from 2001 onwards (Calvano affidavit, para 24) and has only shown use since 2003 as this is the year that store no. 10 opened (answers to cross-examination of Mark Arden).

nature of the wares, services, business or trade

[30] When considering the nature of the wares, services and trade, I must compare the Applicant's statement of services with the statement of services in the Opponent's registration [Esprit International v Alcohol Countermeasure Systems Corp (1997), 84 CPR (3d) 89 (TMOB) at 98-99]. However, these 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. The evidence of the parties' actual trades is useful in this respect [McDonald's Corp v Coffee Hut Stores Ltd (1996), 68 CPR (3d) 168 (FCA)]. Both parties operate dollar stores where most of the merchandise is a \$1.00 (although the Opponent also sells items for \$2.00; Rossy cross-examination, Q 68). Therefore, the nature of the services is identical. The nature of the trade is also identical. The Opponent states that it relies on brand

recognition of its DOLLARAMA design and green and yellow colour scheme to promote its services (Rossy cross-examination at 73) and that its stores are located in high-traffic areas such as strip malls and shopping centres (Rossy affidavit, para 14) and its customers are typically hurried (Rossy affidavit, para 12). The Applicant likewise indicates that it does not expend a large budget on advertising instead relying on ambience and image through store signage, locations with a high volume of foot traffic, merchandising, service, product selection/quality and price (Calvano affidavit, para 12). The nature of the trade may also increase the likelihood of confusion as it appears that both parties rely heavily on consumers in high traffic areas recalling their brands without significant additional advertising or promotion. As such, this factor favours the Opponent.

degree of resemblance between the trade-marks

- [31] I find that the Mark resembles the Opponent's DOLLARAMA Banner Design Trademark in appearance. The combination of the colours green and yellow in the Mark, one of the most distinctive and striking part of the parties' marks, is almost identical to the colour scheme of the Opponent's DOLLARAMA Banner Design Trade-mark. Further, the ideas suggested by each mark that goods would be sold for around or less than \$1 is also identical.
- [32] The Opponent relies on many cases where the differences between suffix components of marks beginning with the same commonly adopted prefix are distinguishable [see, for example, *Eddie Presente Sposa Bella 2001 Inc v 114243 Canada Ltee* (1985), 6 CPR (3d) 277 (FCTD); *Maximum Nutrition Ltd v Kellogg Salada Canada Inc* (1992), 43 CPR (3d) 519 (FCA); *Compulife Software Inc v CompuOffice Software Inc*, [2001] FCT 559 (FCTD)]. However, in none of these cases did the marks at issue share common colour features.
- [33] The Registrar has previously held that use of similar designs in similar colours results in marks which resemble each other. In *Canadian Assn of Blue Cross Plans v Medex Assistance Corp*; 1997 CarswellNat 2917 (TMOB) at para 21 the Registrar states:

With regard to the opponent's Cross Design mark, it is obviously similar to the applicant's in that both marks are predominantly crosses. However, to the extent that I acknowledged previously that crosses are quite commonly associated with medical

wares and services, this fact assumes less importance. The fact that both trade-marks make use of the colour blue is significant though, as this choice is totally arbitrary; there being no traditional relationship between medical services and the colour blue, and the opponent had already had a long history of using this colour in association with its cross design when the applicant first commenced use. With regard to the opponent's composite mark BLUE CROSS and Cross design, this shares some similarities with the applicant's in that crosses are used and words written in capital letters are placed near the crosses. The word MEDEX is distinctive, but nevertheless I find that the combination of the cross design, with words alone in capital letters, and the colour blue, makes the marks quite similar in appearance and in the ideas suggested.

[34] In this case, despite the differences between the DOLLARAMA and DOLLAR GENERAL components, I find that the marks share a significant degree of resemblance on the basis of the yellow and green colour scheme. As such, this factor favours the Opponent.

significance of Applicant's prior registrations

[35] The Applicant has also evidenced that it already owns registration No. TMA718,692 for the mark set out below and registration Nos. TMA638,946 and TMA639,232 for DOLLAR GIANT and DOLLAR GIANT NOTHING OVER A DOLLAR [Calvano affidavit, Exhibit D, E, and F].



Colour is claimed as a feature of the Trade Mark. The design consists of a concentric oval divided into two parts. The outermost oval is yellow. The innermost oval is green. The left-hand side of the circle contains the words HONEST! NOTHING OVER A... shown in yellow lettering with a green background. The word HONEST! is underlined in yellow. The right-hand side of the oval contains the dollar amount \$1.00 and a downward facing arrow shown in green with a yellow background.

However, this does not give it the automatic right to obtain any further registrations no matter how closely they may be related to the earlier registrations [see *American Cyanamid Co v Stanley Pharmaceuticals Ltd* (1996), 74 CPR (3d) 571 (TMOB) at 576].

surrounding circumstance – state of the register

- [36] As part of its evidence, the Applicant filed the affidavit of Ms. Dulce Campos, a trademark researcher. Ms. Campos performed a variety of searches for marks including the colour green, the colour yellow, representations of coins, currency symbols, and the word dollar including retail, discount, dollar and store in the statement of wares and services. I do not consider these searches to be relevant as it is the use of these elements in combination which would provide evidence as to whether consumers are accustomed to distinguishing between marks including two or more of these elements in combination.
- [37] Had I found that Ms. Campos' search for marks including the words DOLLAR and \$ were relevant, I would have found that they supported the Opponent's case. Specifically, that given that the words DOLLAR and the symbol \$ are commonly adopted with retail stores (and specifically dollar stores), that consumers are likely to rely on the colours of the marks to indicate source.
- [38] However, Ms. Campos' search for active applications including a colour claim for both green and yellow which are used with services in Class 35 and include retail, discount, dollar or store in the statement of wares and services (para 3(a) and Exhibit 2) are relevant. At para 260 of its Written Argument, the Applicant submits that Ms. Campos' search shows eight other trademarks including green and yellow. I find that the state of the register evidence does not assist the Applicant as Ms. Campos' search only identifies one relevant trade-mark [Kellogg Salada Canada Inc v Maximum Nutrition Ltd, supra]:

Trade-mark (and Colour Claim)	Owner	Wares and Services
	Reg No.	
	Metro Ontario Inc. TMA563,467	Operation of supermarkets and grocery stores.
Colour is claimed as a feature of the trade-mark. The trade mark is lined for the colours green and yellow. The word BASICS and the series of horizontal dashes thereunder is represented by the colour yellow. The word FOOD is represented by the colour white. The background is represented in the colour green.		

The remainder of the marks identified by Ms. Campos in her search for green and yellow are not relevant for the following reasons:

- Registration Nos. 616,125; TMA656,519; and TMA220,541 the services are significantly different in nature from the services of the Applicant and the Opponent [Camiceria Pancaldi & B Srl v Cravatte Di Pancaldi Srl; 2007 CarswellNat 5674 (TMOB) at para 38];
- Registration No. TMA718,692 this registration is owned by the Applicant and, therefore, is not to be included as state of the register evidence [Allergan Inc v Lancôme Parfums & Beauté & Cie, société en nom collectif (2007), 64 CPR (4th) 147 (TMOB) at para 66];
- Registration Nos. TMA656,122; TMA656,467 and TMA546,662 these trade-marks feature marks in which yellow and green are not a dominant component or are significantly different than the Mark and the Opponent's mark [RPM, A Partnership v American Biltrite Intellectual Properties (2011), 92 CPR (4th) 329 at para 44].

surrounding circumstance - state of the marketplace

- [39] The Applicant argues at paras 258-259 of its Written Argument that in the dollar store or discount store industry there are "strong motives to use the colour green as it is suggestive of a dollar (money) and the colour yellow is used to signify "discount", "low priced" or "on sale" and there are examples of other traders using a similar colour scheme. As above, I do not find the evidence in Ms. Campos' affidavit or Mr. Arden's affidavit of retailers that have adopted either yellow or green in association with their branding relevant as such evidence does not assist me in finding whether consumers can distinguish between marks that use these colours in combination.
- [40] While hearsay I give the Applicant's evidence showing the use of green and yellow signage and/or trade-marks on the web-sites such as Top Dollar Bargain Centre and Food Basics limited weight even though the appearance of trade-marks on the respective web-sites does not establish the extent nor length of time in use. I note that I do not find End of the Roll a discount carpet and floor retailer to be relevant (Campos affidavit, Exhibit 8) as the services of this retailer appear to be far removed from that of the Applicant and Opponent. I do not find the Applicant's evidence to be a significant surrounding circumstance as it does not show that consumers distinguish between marks featuring both green and yellow as dominant components in the dollar store or discount store sector.

surrounding circumstance - association of colours green and yellow with the Opponent

[41] In *United Artists Pictures Inc v Pink Panther Beauty Corp* (1998), 80 CPR (3d) 247 (FCA) at 264, the Federal Court of Appeal states that "get-up" may form a surrounding circumstance:

The get-up or the way a product is packaged and as a consequence the way the mark is presented to the public, is an important factor in determining whether confusion is likely.

Furthermore, in *Joseph E. Seagram & Sons Ltd v Seagram Real Estate Ltd*, (1990), 33 CPR (3d) 454 (FCTD) at para 38, the Federal Court directs that trade-marks are to be compared as they are

used in business.

- The Opponent seeks to rely on its long standing use of a green and yellow colour scheme and the adoption of identical shades of these colours by the Applicant as an additional surrounding circumstance. Mr. Rossy's affidavit establishes that the manner of actual use of the Opponent's DOLLARAMA Banner Design Trade-mark and the Mark enhances the likelihood for confusion. The Opponent's DOLLARAMA Banner Design Trade-mark appears on stores which include one or more of the following yellow signage (with green accents) such as the INTERAC Now Available sign and shelf talkers, green signage (with yellow accents), green and yellow stripes, yellow stripes, and green outdoor signage (Exhibit NR-6).
- [43] The Mark appears on stores with significant green signage (with yellow accents), yellow signage with green accents, and stores with green pillars and roof elements (answers to undertakings of Mark Arden, see store nos. 10, 20, and 47). Further, the shades of yellow and green adopted by the Applicant appear to be identical to or very close to those adopted by the Opponent. The use of such elements increases the likelihood that consumers would assume that product emanated from the same source as the Opponent's stores [*Diamondice Ltd v Blue Diamond Spring Water Ltd* (1993), 51 CPR (3d) 574 (TMOB)].
- [44] The Opponent also filed as part of its evidence the affidavit of Christian Bourque a survey expert. The Supreme Court in *Masterpiece* found that in trade-mark confusion cases, where the test for confusion is to be applied from the perspective of a casual consumer who is not particularly skilled or knowledgeable, expert testimony will generally not be necessary (at para 80). The Supreme Court held that where goods are marketed to the general public for ordinary use, as they are in the present case, the determination of confusion can be made by decision makers by giving effect to their own opinions as to the likelihood of confusion. Furthermore, the Supreme Court held that surveys can provide empirical evidence demonstrating consumer reactions in the marketplace, which would generally not be known by the decision maker. The Supreme Court held that in order to satisfy the *R v Mohan*, [1994] 2 SCR 9 (SCC) requirement of relevance the survey must be both reliable and valid.
- [45] In the present case, on the issue of relevance, I note that the Bourque affidavit provides evidence regarding consumer perceptions of various colour blocks including either green and

yellow, red and yellow or the Applicant's trade-mark No. 1,330,833 (this mark appears in the colours described below in the survey):



Colour is claimed as a feature of the Trade Mark. The design consists of a concentric circle. The innermost circle contains the dollar amount \$1 shown in yellow and it is outlined in black. The innermost circle has a green background and it is outlined in black. The outermost circle contains the words NOTHING OVER A DOLLAR in black lettering. The outermost circle has a yellow background and it is outlined in black.

[46] The Applicant submits that the survey is not relevant since it does not provide any findings with respect to confusion between the Mark and the Opponent's registered trade-marks. I agree. The survey does not assist me in making a determination regarding confusion since a determination of confusion as between the colour block yellow and green, or application No. 1,330,833 and the Mark is not necessarily a reliable indicator of the issue of confusion between the Mark and the DOLLARAMA Banner Design Trade-mark (or any of the Opponent's registered marks).

[47] The Opponent also drew my attention to the default judgment issued with respect to *Dollarama LP v Invasion du Dollar (Chateauguay)* November 10, 2012, T-1206-10 (FC). I do not consider this a relevant surrounding circumstance as I must make a decision based on the evidence of record.

surrounding circumstances - no evidence of actual confusion

[48] The evidence shows that the Applicant has used its Mark and the Opponent has used its DOLLARAMA Banner Design Trade-mark in stores in some of the same cities for at least a few years including Nanaimo, British Columbia; Edmonton, Alberta; Spruce Grove, Alberta; Calgary, Alberta; and Welland, Ontario. While no evidence of actual confusion has been presented, this is not determinative of the issue of confusion [*Mr. Submarine Ltd v Amandista*]

Investments Ltd (1987), 19 CPR (3d) 3 (FCA)]. Indeed, to require the opponent to supply evidence of actual confusion would be tantamount to a reversal of the onus in the issue of confusion between trade-marks [Mita Industrial Co v Mitac Inc (1992), 40 CPR (3d) 387 (FCTD]. Further, when Mr. Arden discusses confusion at paragraph 27 of his affidavit he discusses confusion between the trade-marks themselves as opposed to the source of the services as required by section 6(2) of the Act. Given, however, the extent of co-existence in at least some of the same cities I am affording this surrounding circumstance some limited weight.

conclusion

[49] Section 6(2) is not concerned with confusion between the marks themselves, but rather confusion as to the source of the goods or services. In this case, an assessment of confusion asks whether there would be confusion of the source of the Services, provided in association with the Mark, as emanating from, sponsored by, licensed by or approved by the Opponent. For example, in *Mr. Submarine Ltd v Amandista Investments Ltd, supra* the FCA explained:

In my view it is not unlikely that someone, whether vaguely or even precisely, familiar with MR. SUBMARINE on looking for it in a telephone directory whether it is not listed (examples are to be found at pp. 81, 83 and 89 of the case) and finding MR. SUBS'N PIZZA could mistakenly conclude that the name, if not indeed that of the appellant, was in some way associated with MR. SUBMARINE as licensee or otherwise. The same applies where they appear close together in ordinary telephone listings. It is also not unlikely that such a person would draw a similar conclusion from seeing MR. SUBS'N PIZZA on a sign whether in the original or the 29-minute version and in either case conclude as well that the business was that of MR. SUBMARINE or one of its licensees with a variation to indicate that at the particular outlet it had pizza for sale as well as submarine sandwiches. It follows in my view that the appellant's trade mark is infringed by the respondent's use of its trade marks and trade names.

[50] 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 similarities between the marks, services, trades of the parties and the manner in which the Opponent and Applicant have actually used their marks to date, the probabilities are evenly balanced between a finding of confusion between the marks in issue and a finding of no

confusion. Such a finding of confusion is based on the likelihood of consumers assuming the Services offered in association with the Mark were approved or licensed by the Opponent or that there was otherwise a business connection between the parties. I am, therefore, left in a state of doubt with respect to the issue of confusion and the Applicant has failed to satisfy the onus on it to show that its proposed mark is not confusing with the DOLLARAMA Banner Design Trademark. The ground of opposition based on section 12(1)(d) of the Act is therefore successful. I would have found differently had the Applicant shown sufficient evidence of third parties adopting trade-marks primarily consisting of green and yellow in combination in the same sector.

Section 16(1)(a) and Section 2 Grounds of Opposition

[51] The section 16(1)(a) and section 2 grounds of opposition also turn on a determination of the likelihood of confusion between the Mark and the Opponent's DOLLARAMA Banner Design Trade-mark. The Opponent's evidence discussed with the section 12(1)(d) ground of opposition is sufficient to meet its burden. I will not discuss these grounds of opposition in detail as they do not favour the Applicant any more than the section 12(1)(d) ground despite the earlier material dates. As such, these grounds of opposition are also successful.

Section 16(1)(c)

[48] Given that I have already found the Opponent successful with respect to three grounds of opposition, I will not discuss this ground of opposition.

Application No. 1,330,828

[52] Application No. 1,330,828 for the mark DOLLAR GIANT NOTHING OVER A DOLLAR & Design Yellow Rectangle Banner Trade-mark set out below was filed on January 10, 2007 based on use since at least July 2001. The trade-mark is for use in association with the Services.



Colour is claimed as a feature of the Trade Mark. The words DOLLAR GIANT are shown in green and outlined in yellow and black. The words NOTHING OVER A DOLLAR are shown in black and are contained within an oval outlined in black. The background is yellow

[53] The DOLLAR GIANT NOTHING OVER A DOLLAR & Design Yellow Rectangle Banner Trade-mark was advertised for opposition purposes on November 14, 2007 and was opposed by the Opponent on January 18, 2008. The grounds of opposition, the issues for decision and the evidence of record are substantially similar to the above case with the exception of the section 6(5) factors discussed in more detail below. I also consider the Opponent's best chance of success to be registration No. TMA673,081 for the DOLLARAMA Banner Design Trade-mark in respect of the section 12(1)(d) ground and its use of this trade-mark with respect to the section 16(1)(a) ground. The Applicant has evidenced use of this trade-mark in a number of its stores including store nos. 3, 8, 19, 23, 30, 31, 34, 37, 38, 40, 45, 53, 54, 59, 62, 63, and 65 (answers to cross-examination of Mark Arden).

[54] I find that this mark and the DOLLARAMA Banner Design Trade-mark resemble each other. The combination of the colours green and yellow in the Mark, one of the most distinctive and striking part of each mark, is identical to the colour scheme of the Opponent's DOLLARAMA Banner Design Trade-mark. Further, the ideas suggested by each mark that goods would be sold for around \$1 is also identical. I do not find the fact that the Opponent's mark consists of yellow script on green and the Applicant's mark consists of green script on yellow to result in a diminished degree of resemblance since the degree of resemblance is to be assessed as it would be by consumers with an imperfect recollection [Joseph E. Seagram & Sons Ltd v Seagram Real Estate Ltd, supra]. This factor significantly favours the Opponent.

- [55] The Applicant's use of the DOLLAR GIANT NOTHING OVER A DOLLAR & Design Yellow Rectangle Banner Trade-mark in identical or in very similar shades of green and yellow on many of its stores also favours the Opponent. Further favouring the Opponent is the fact that the Applicant uses this mark in conjunction with the same or similar elements to the Opponent: green roofing/awnings, green pillars and borders, and signage on a green background (see store Nos. 8, 19, 31, 37; answers to undertakings of Mark Arden).
- [56] While there is evidence that the stores of the parties bearing the respective marks at issue have been open in a number of the same cities for at least a few years including Surrey, BC; Brantford, Ontario; Kamloops, British Columbia; and Hamilton, Ontario for the reasons discussed with respect to the section 12(1)(d) ground of opposition, I find this factor only favours the Applicant to a limited extent.
- [57] Given the resemblance between the marks, how the respective marks are actually used and the overlapping services, In view of my conclusions above, and particularly in view of the similarities between the marks, services, trades of the parties and the manner in which the Opponent and Applicant have actually used their marks to date, the probabilities are evenly balanced between a finding of confusion between the marks in issue and a finding of no confusion. Such a finding of confusion is based on the likelihood of consumers assuming the Services offered in association with the DOLLAR GIANT NOTHING OVER A DOLLAR & Design Yellow Rectangle Banner Trade-mark were approved or licensed by the Opponent or that there was otherwise a business connection between the parties. I am, therefore, left in a state of doubt with respect to the issue of confusion and the Applicant has not discharged its burden to show that the marks at issue are not confusing. The grounds of opposition based on sections 12(1)(d) and 16(1)(a) succeed. I would have found differently had the Applicant shown sufficient evidence of third parties adopting trade-marks primarily consisting of green and yellow in combination in the same sector. Having already refused the application under two grounds, I will not discuss the remaining grounds of opposition with respect to this application.

<u>Application No. 1,330,829</u>

[58] Application No. 1,330,829 for the DOLLAR GIANT NOTHING OVER A DOLLAR Yellow Square Design Trade-mark set out below set out below was filed on January 10, 2007 on the basis of use since at least July 2001. The trade-mark is for use in association with the Services.



The words DOLLAR GIANT are shown in green and outlined in yellow and black. The words NOTHING OVER A DOLLAR are shown in black. The background is yellow.

- [59] The DOLLAR GIANT NOTHING OVER A DOLLAR Yellow Square Design Trademark was advertised for opposition purposes on November 14, 2007 and was opposed by the Opponent on January 14, 2008. The grounds of opposition, the issues for decision and the evidence of record are substantially similar to the above case with the exception of the section 6(5) factors discussed in more detail below. I also consider the Opponent's best chance of success to be its registration for the registration TMA673,081 for the DOLLARAMA Banner Design Trade-mark in respect of the section 12(1)(d) ground and its use of this trade-mark with respect to the section 16(1)(a) ground.
- [60] I find that this trade-mark and the DOLLARAMA Banner Design Trade-mark to resemble each other. The combination of the colours green and yellow in the Mark, one of the most distinctive and striking part of the parties' marks, is identical to the colour scheme of the Opponent's DOLLARAMA Banner Design Trade-mark. Further, the ideas suggested by each

party's marks that goods would be sold for around \$1 is also identical. I do not find the fact that the Opponent's mark consists of yellow script on green and the Applicant's mark consists of green script on yellow to result in a diminished degree of resemblance since the degree of resemblance is to be assessed as they would be by consumers with an imperfect recollection [Joseph E. Seagram & Sons Ltd v Seagram Real Estate Ltd, supra].

- [61] The Applicant has only provided one example of the DOLLAR GIANT NOTHING OVER A DOLLAR Yellow Square Design Trade-mark on store No. 52 in Surrey, British Columbia. While there is evidence that the stores of the parties bearing the respective marks at issue have been open in Surrey, BC for at least a few years for the reasons discussed with respect to the section 12(1)(d) ground of opposition, I find this factor only favours the Applicant to a limited extent.
- [62] Given the resemblance between the marks, how the parties use their respective marks and the overlapping services, the probabilities are evenly balanced between a finding of confusion between the marks in issue and a finding of no confusion. Such a finding of confusion is based on the likelihood of consumers assuming the Services offered in association with the DOLLAR GIANT NOTHING OVER A DOLLAR Yellow Square Design Trade-mark were approved or licensed by the Opponent or that there was otherwise a business connection between the parties. I am, therefore, left in a state of doubt with respect to the issue of confusion and the Applicant has not discharged its burden to show that the marks at issue are not confusing. The Applicant has not met its burden and the grounds of opposition based on sections 12(1)(d) and 16(1)(a) succeed. I would have found differently had the Applicant shown sufficient evidence of third parties adopting trade-marks primarily consisting of green and yellow in combination in the same sector. Having already refused the application under two grounds, I will not discuss the remaining grounds of opposition with respect to this application.

Disposition

[63] Pursuant to the authority delegated to me under section 63(3) of the Act, I refuse application Nos. 1,330,827; 1,330,828 and 1,330,829 pursuant to section 38(8) of the Act.

Natalie de Paulsen
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office