

IN THE MATTER OF AN OPPOSITION by JUBITZ CORPORATION to application No. 854,990 for the trade-mark DRIVE LINE filed by CANADIAN TIRE CORPORATION, LIMITED

On September 2, 1997, the applicant, CANADIAN TIRE CORPORATION, LIMITED, filed an application to register the trade-mark DRIVE LINE based on proposed use of the trade-mark in Canada by the applicant itself or through a licensee or by the applicant itself and through a licensee in association with an “automotive newsletter”.

The present application was advertised for opposition purposes in the *Trade-marks Journal* of September 16, 1998 and the opponent, JUBITZ CORPORATION, filed a statement of opposition on December 23, 1998, a copy of which was forwarded to the applicant on February 3, 1999. The applicant served and filed a counter statement in response to the statement of opposition on March 2, 1999. The opponent submitted as its evidence the affidavit of Klara Rajda while the applicant filed as its evidence the affidavits of Joanne Grison and Alexandra Scott. Both parties submitted written arguments and the applicant alone was represented at an oral hearing.

The following are the grounds of opposition asserted by the opponent in its statement of opposition:

- a) The applicant is not the person entitled to registration of the applied for trade-mark in that, at the date of filing of the present application, the applicant’s trade-mark DRIVE LINE was confusing with the opponent’s trade-marks DRIVELINE and DRIVELINE PLUS which had previously been used in Canada since prior to the filing date of the present application in association with “Prepaid telecommunication services for use by truck operators” and “Prepaid telecommunication services for use by truck operators in the nature of long distance telephone services” respectively.

b) The applied for trade-mark is not registrable because it is confusing with the opponent's registered trade-marks DRIVELINE and DRIVELINE PLUS, registration Nos. 439,284 and 498,909, as applied to "Prepaid telecommunication services for use by truck operators" and "Prepaid telecommunication services for use by truck operators in the nature of long distance telephone services".

c) The present application does not comply with the provisions of section 30 of the *Trade-marks Act* in that:

i) the present application fails to comply with the provisions of paragraph (e) of section 30 of the *Trade-marks Act* in that the applicant did not intend to use the applied for trade-mark in association with the wares specified in the application;

ii) the present application fails to comply with the provisions of paragraph (a) of section 30 of the *Trade-marks Act* in that the application does not state in ordinary commercial terms the specific wares or services in association with which the trade-mark has been or is proposed to be used;

iii) the present application fails to comply with the provisions of paragraph (i) of section 30 of the *Trade-marks Act* in that the applicant could not have been satisfied that it is entitled to use the applied for trade-mark in Canada in association with the wares covered in the application, having regard to the opponent's use of its trade-marks DRIVELINE and DRIVELINE PLUS as set out above and its registered trade-marks as set out above;

iv) the present application fails to comply with the provisions of section 30 of the *Trade-marks Act* in that the applicant did not intend to use the term DRIVE LINE as a trade-mark.

d) The applied for trade-mark is not distinctive within the meaning of section 2 of the *Trade-marks Act* and does not actually distinguish the wares in association with which it is proposed to be used from the wares and services of others and in particular the services provided by the opponent in association with the trade-marks DRIVELINE and DRIVELINE PLUS as set out above, nor is it adapted so to distinguish them.

The first ground is based on paragraph 16(3)(a) of the *Trade-marks Act*, the opponent alleging that the applicant is not the person entitled to registration of the trade-mark DRIVE LINE in view of the opponent's prior use of the trade-marks DRIVELINE and DRIVELINE PLUS. The opponent has not adduced any evidence of use of its trade-marks in Canada and has therefore failed to meet the burden on it under subsections 16(5) and 17(1) of the *Trade-marks Act* in relation to the paragraph 16(3)(a) ground. I have therefore dismissed the first ground of opposition.

Considering next the third ground of opposition, the opponent has alleged that the present

application does not comply with section 30 of the *Trade-marks Act*. While the legal burden is on the applicant to show that its application complies with section 30 of the *Trade-marks Act*, there is an initial evidential burden on the opponent to establish the facts relied upon by it in support of its section 30 ground [see *Joseph E. Seagram & Sons Ltd. et al v. Seagram Real Estate Ltd.*, 3 C.P.R.(3d) 325 at pp.229-330; and *John Labatt Ltd. v. Molson Companies Ltd.*, 30 C.P.R.(3d) 293]. Further, the material time for considering the circumstances respecting the issues of non-compliance with section 30 of the *Act* is the applicant's filing date [see *Georgia-Pacific Corp. v. Scott Paper Ltd.*, 3 C.P.R.(3d) 469 at p.475].

No evidence has been furnished by the opponent to show that the applicant did not intend to use the term DRIVE LINE as a trade-mark or to use the trade-mark DRIVE LINE in association with the wares specified in the application. Thus, the first and fourth aspects of the section 30 ground are unsuccessful. Further, no evidence or argument has been presented by the opponent in support of its allegation that the applicant's wares are not in compliance with subsection 30(a) of the *Trade-marks Act*. In any event, the applicant's "automotive newsletter" appears to be in ordinary commercial terms and also appears to be specific as to the wares associated with the applicant's mark. I have therefore dismissed the second aspect of the section 30 ground.

With respect to the third aspect of the section 30 ground, the opponent alleged that the applicant could not have been satisfied that it was entitled to use the trade-mark DRIVE LINE in Canada, having regard to the opponent's use and registration of its trade-marks DRIVELINE and DRIVELINE PLUS. However, no evidence has been furnished by the opponent to show that the

applicant could not have been satisfied that it was entitled to use its trade-mark DRIVE LINE in Canada. In any event, the success of this ground is contingent upon a finding that the applicant's trade-mark is not registrable or not distinctive, or that the applicant is not the person entitled to registration of the trade-mark DRIVE LINE, as alleged in the remaining grounds of opposition. Thus, the determination of those grounds will effectively decide the subsection 30(i) ground. I will therefore consider the remaining grounds of opposition.

The second ground is based on paragraph 12(1)(d) of the *Trade-marks Act*, the opponent alleging that the applicant's trade-mark DRIVE LINE is confusing with its registered trade-marks DRIVELINE and DRIVELINE PLUS, registration Nos. 439,284 and 498,909, certified copies of which have been introduced into evidence by way of the Rajda affidavit. With respect to this ground, the legal burden is on the applicant to establish that there would be no reasonable likelihood of confusion between its trade-mark and the opponent's registered trade-marks as of the date of decision, the material date for considering the paragraph 12(1)(d) ground [see *Park Avenue Furniture Corp. v. Wickes/Simmons Bedding Ltd. et al*, 37 C.P.R. (3d) 413 (F.C.A.)]. Further, in determining whether or not there would be a reasonable likelihood of confusion between the trade-marks at issue, the Registrar must have regard to all the surrounding circumstances including, but not limited to, those specifically enumerated in subsection 6(5) of the *Act*.

With respect to the inherent distinctiveness of the trade-marks at issue [para.6(5)(a)], the Scott affidavit establishes that the word "driveline" is defined in The Random House Dictionary of the English Language as "the components of the power train of an automotive vehicle that are

between the transmission and the differential, and generally consisting of the drive shaft and universal joint”. Nevertheless, the opponent’s registered trade-marks DRIVELINE as applied to “Prepaid telecommunication services for use by truck operators” and DRIVELINE PLUS as applied to “Prepaid telecommunication services for use by truck operators in the nature of long distance telephone services” both possess some measure of inherent distinctiveness. Likewise, the applicant’s trade-mark DRIVE LINE possesses some measure of inherent distinctiveness even though the element DRIVE suggests some association with driving a motor vehicle and the element LINE may suggest to some consumers an association with a publication.

Considering next the extent to which the trade-marks at issue have become known [para.6(5)(a)] and the length of time the marks have been in use [para.6(5)(b)], neither party has adduced evidence relating to use of their trade-marks. Consequently, these criteria do not favour either party.

As for the nature of the wares and services of the parties [para.6(5)(c)] and the nature of the trade associated with those wares and services [para.6(5)(d)], it is the applicant’s statement of wares and the statements of services covered in the opponent’s registrations which must be considered in assessing the likelihood of confusion in relation to the paragraph 12(1)(d) ground [see *Mr. Submarine Ltd. v. Amandista Investments Ltd.*, 19 C.P.R.(3d) 3 at pp.10-11 (F.C.A.); *Henkel Kommanditgesellschaft v. Super Dragon*, 12 C.P.R.(3d) 110 at p.112 (F.C.A.); and *Miss Universe, Inc. v. Dale Bohna*, 58 C.P.R.(3d) 381 at pp.390-392 (F.C.A.)]. Furthermore, in determining whether there would be a reasonable likelihood of confusion between the trade-marks at issue in

relation to the paragraph 12(1)(d) ground, the Registrar must have regard to the channels of trade which would normally be considered as being associated with the wares set forth in the applicant's application and the services covered in the opponent's registrations.

In the present case, the applicant's "automotive newsletter" bears no similarity to either the opponent's "Prepaid telecommunication services for use by truck operators" or its "Prepaid telecommunication services for use by truck operators in the nature of long distance telephone services". However, since the applicant's wares are directed to operators of motor vehicles which would include truck drivers who might use the opponent's prepaid telecommunication services, there is to that extent arguably a potential overlap in the respective channels of trade associated with the applicant's wares and the opponent's services.

As for the degree of resemblance between the trade-marks at issue [para.6(5)(e)], the applicant's trade-mark DRIVE LINE is very similar in appearance and is identical in sounding to the opponent's registered trade-mark DRIVELINE. Further, the applicant's mark is very similar in appearance and sounding to the opponent's registered trade-mark DRIVELINE PLUS. Further, to the extent that the trade-marks at issue suggest an association with a motor vehicle or the operation thereof, there is some similarity in the ideas suggested by the trade-marks at issue.

As a further surrounding circumstance in this opposition, the applicant submitted at the oral hearing that the failure of the opponent to attend the hearing indicates that the opponent is no longer interested in the outcome of the present opposition. However, the opponent submitted a written

argument and filed at least some evidence in support of its opposition. I am therefore not prepared to draw any negative inference from the opponent's failure to attend the oral hearing. The applicant also submitted that since no objection was raised at the examination stage based on the opponent's registrations, the Registrar should likewise find that there would be no reasonable likelihood of confusion between its trade-mark DRIVE LINE and the opponent's registered trade-marks in the present opposition. However, the applicant's submission ignores the fact that there is a legal burden on the applicant in an opposition proceeding to satisfy the Registrar that there would be no reasonable likelihood of confusion between its mark and an opponent's registered trade-mark in relation to a paragraph 12(1)(d) ground whereas no similar burden exists on the applicant at the examination stage.

As yet a further surrounding circumstance in assessing the likelihood of confusion between the trade-marks at issue, the applicant has relied upon the Grison affidavit which introduces into evidence the results of a CD NameSearch investigation conducted by the affiant to locate registered trade-marks containing the word or prefix DRIVE. State of the register evidence is only relevant insofar as one can make inferences from it about the state of the marketplace [see *Ports International Ltd. v. Dunlop Ltd.*, 41 C.P.R.(3d) 432 and *Del Monte Corporation v. Welch Foods Inc.*, 44 C.P.R.(3d) 205 (F.C.T.D.)]. Also, the decision of the Federal Court of Appeal in *Kellogg Salada Canada Inc. v. Maximum Nutrition Ltd.*, 43 C.P.R.(3d) 349 (F.C.A.) 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.

The results of the Grison search revealed the existence of about twenty relevant registrations and two official marks standing in the names of third parties for various marks including the element DRIVE as applied to a variety of wares and services related to motor vehicles including *inter alia* leasing and rental services, automotive lubricants, vehicle parts, advertising vehicles for sale, extended warranty services, operating a parking lot for the sale of vehicles, transportation of goods and parcels by land, alcohol breath testers, automotive insurance services and driveway repair materials. Given the number of relevant registrations disclosed by the Grison search, I am prepared to infer that at least a few of these marks are in use in the marketplace in Canada and that the wares and services covered by these marks are at least as closely related to the opponent's prepaid telecommunication services as is the applicant's automotive newsletter.

In summary, the applicant's trade-mark DRIVE LINE and the opponent's registered trade-mark DRIVELINE are very similar in appearance and in the ideas suggested, as well as being identical in sounding. Further, there may be some overlap in the respective channels of trade associated with the applicant's automotive newsletter and the opponent's prepaid telecommunication services even though these wares and services differ. On the other hand, I am prepared to infer that there is some use of a few third party marks including the element DRIVE as applied to various wares and services which are at least as closely related to the opponent's prepaid telecommunication services as is the applicant's "automotive newsletter" although none of the third party marks bears the same degree of resemblance to the opponent's mark as does the applicant's trade-mark. Having regard to the foregoing, I find that I am in doubt in relation to the issue of confusion between the trade-marks of the parties. In this regard, I would note the following comments of Mr. Justice

Cattanach in *Conde Nast Publications Inc. v. Union des Editions Modernes*, 46 C.P.R. (2d) 183 at p.188:

“If there is doubt whether the registration of a trade mark would cause confusion with a prior mark the doubt must be resolved against the newcomer. In this instance the result is that the doubt must be resolved in favour of the appellant.

Also, it is well settled that the onus of proving that there is no reasonable probability of deception is cast upon the applicant for the registration of the mark.”

Moreover, the applicant's trade-mark application is based upon proposed use of the trade-mark DRIVE LINE in Canada and, in this regard, I would refer to the following comments of Mr. Justice Gibson in *Sunway Fruit Products, Inc. v. Productos Caseros, S.A.*, 42 C.P.R. 93 at p. 98, 27 Fox Pat. C. 173 at p.178, as follows:

“I am further of the view that in arriving at this conclusion no hardship results to the respondent. The respondent has sold no products in Canada, and can easily obtain another non-confusing mark to use in marketing its products in Canada when it decides to so market them.”

As a result, I find that the applicant has failed to meet the legal burden on it of satisfying the Registrar that there would be no reasonable likelihood of confusion between its trade-mark DRIVE LINE and the registered trade-mark DRIVELINE. Accordingly, the applicant's trade-mark DRIVE LINE is not registrable in view of paragraph 12(1)(d) of the *Trade-marks Act*. Thus, the second ground of opposition is successful.

The final ground relates to the alleged non-distinctiveness of the applicant's trade-mark. The material date for considering this ground is as of the date of filing of the opposition [see *Re Andres Wines Ltd. and E. & J. Gallo Winery*, 25 C.P.R.(2d) 126 at p.130 (F.C.A.) and *Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd.*, 37 C.P.R.(3d) 412 at p.424 (F.C.A.)]. Further, 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.*, 4 C.P.R.(3d) 272 (T.M.O.B.)]. As this ground turns on the issue of confusion, my conclusions respecting the paragraph 12(1)(d) ground are largely also applicable here. Thus, I find that I am in doubt as to whether or not the applicant's trade-mark DRIVE LINE was confusing with the opponent's mark DRIVELINE as of the filing of the opposition and therefore the final ground is also successful.

Having been delegated by the Registrar of Trade-marks by virtue of subsection 63(3) of the *Trade-marks Act*, I refuse the applicant's application pursuant to subsection 38(8) of the *Trade-marks Act*.

DATED AT HULL, QUEBEC THIS 18th DAY OF JANUARY, 2002.

G.W.Partington,
Hearing Officer,