

**IN THE MATTER OF AN OPPOSITION
by Keystone Supplies Company, a partnership
to application No. 1,214,770 for the trade-mark
KEYSTONE filed by Ecolab Inc.**

On April 27, 2004, the applicant, Ecolab Inc., filed an application to register the trade-mark KEYSTONE for “warewashing detergents, pot and pan presoaks, lime removers and degreasers” based on use in Canada since August 1, 1996. The application was advertised for opposition purposes on November 27, 2004.

The opponent, Keystone Supplies Company, a partnership, filed a statement of opposition on April 18, 2005, a copy of which was forwarded to the applicant on April 26, 2005. 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 the opponent’s trade-mark KEYSTONE registered under No. 123,435 for “wiping rags or cloths and waste for industrial cleaning purposes.”

The second ground of opposition is that the applicant is not the person entitled to registration pursuant to Section 16(1)(a) of the Act because, as of the applicant’s claimed date of first use, the applied for mark was confusing with the trade-mark KEYSTONE previously used in Canada by the opponent with “cleaning products, including wiping rags or cloths, cotton waste and brooms.” The third ground is that the applicant is not entitled to registration pursuant to Section 16(1)(b) of the Act because, as of the applicant’s claimed date of first use, the applied for mark was confusing with the trade-mark KEYSTONE for which an application

(No. 261,894) had previously been filed.

The fourth ground of opposition is that the applicant is not the person entitled to registration pursuant to Section 16(1)(c) of the Act because, as of the applicant's claimed date of first use, the applied for trade-mark was confusing with the trade-name Keystone Supplies Company previously used in Canada by the opponent with "cleaning products, including wiping rags or cloths, cotton waste and brooms." The fifth ground is that the applicant's mark is not distinctive in that it is not adapted to distinguish the wares in association with which it is used from the wares of the opponent.

The applicant filed and served a counter statement generally denying the allegations of fact and grounds of opposition in the opponent's statement of opposition. In particular, the applicant states that the opponent's third ground is not a proper ground of opposition in view of the provisions of Section 16(4) of the Act. Given that application No. 261,894 was not pending as of the applicant's advertisement date, I agree with the applicant's position. Thus, the third ground of opposition is unsuccessful.

As its evidence, the opponent submitted the affidavits of Alan Adirim and Penelope Brady. As its evidence, the applicant submitted an affidavit of Bill Fitzpatrick. Both parties filed a written argument but neither requested an oral hearing.

THE OPPONENT'S EVIDENCE

In her affidavit, Ms. Brady identifies herself as a paralegal employed by the firm acting as the opponent's trade-mark agent. She conducted on-line searches investigating the use of the trade-mark KEYSTONE by the applicant. Appended as exhibits to her affidavit are copies of some of the results of her searches including the applicant's 1997 annual report, printouts from the applicant's website and copies of web pages from a site for a company called Sysco.

In his affidavit, Mr. Adirim identifies himself as a partner of the opponent. Mr. Adirim states that the opponent was formed in 1979 as a successor to Keystone Supplies Ltd. which was originally founded as N. Adirim & Sons Ltd. on November 19, 1959. The opponent is the current owner of registration No. 123,436 for the trade-mark KEYSTONE.

Mr. Adirim states that the opponent is involved in the manufacture and wholesale of various goods including cleaning products, boom tools and supplies, chain and wire rope supplies, rope and cordage and wood cutting and handling tools. A review of the opponent's catalogue appended as Exhibit D to the Adirim affidavit suggests that the opponent is primarily in the business of supplying wares to be used in the logging or lumber industry. The inside cover of that publication lists seven third party product lines carried by the opponent which suggests that the opponent is a distributor of the goods of others rather than a manufacturer of such goods. The catalogue contains no reference to goods bearing the trade-mark KEYSTONE.

Although Mr. Adirim states that his partnership has used the trade-mark KEYSTONE in association with various wares, he provided no supporting evidence. Furthermore, he provided no specific evidence to indicate that the mark was not abandoned as of the applicant's advertisement date.

Mr. Adirim also states that the opponent has used the trade-name Keystone Supply Company in association with its business and, in particular, with "cleaning products, including wiping rags or cloths, cotton waste and brooms." Appended as Exhibit C to his affidavit are photographs of boxes of wiping cloths marked with the opponent's trade-name. Mr. Adirim states that those boxes are representative of the boxes that have been sold "in at least the last 15 years." However, he did not provide specific evidence that the trade-name had been used prior to the applicant's claimed date of first use nor did he evidence non-abandonment of that name as of the applicant's advertisement date.

Exhibit F to the Adirim affidavit comprises representative discount sheets from 1994 and 1996 from the opponent to its customers. However, those sheets do not bear the opponent's registered trade-mark. Furthermore, although they bear the opponent's trade-name, they do not specifically evidence any sales made or business conducted. Mr. Adirim identifies Exhibit G as comprising sales records in respect of wiping cloths and cleaning supplies from October of 1993 to February of 1995. Again, there is no reference to the trade-mark KEYSTONE on those documents. Although each page is headed with the opponent's trade-name, there is nothing on the sheets indicating to whom those sales were made. It may

be that these are simply internal bookkeeping records regarding transfers of goods to related entities.

THE APPLICANT'S EVIDENCE

In his affidavit, Mr. Fitzpatrick identifies himself as the Canadian Business Manager for the Canadian Pest Elimination Division of Ecolab Co. which he describes as a marketer and distributor of the applicant's products. He describes the applicant, Ecolab Inc., as the leading global developer and marketer of cleaning, sanitizing, maintenance and repair products and services for a variety of markets including the hospitality, commercial, institutional, industrial and retail consumer markets. According to Mr. Fitzpatrick, Ecolab Inc.'s Canadian sales for the period 1996 to 2005 were approximately \$920 million (US).

Mr. Fitzpatrick states that the applicant's KEYSTONE products are distributed in Canada by Ecolab Co. and its distributor Sysco Food Corporation. Sales of KEYSTONE products have been made in Canada since August 1, 1996 with total Canadian sales for the period 2001 to January of 2007 being greater than \$14 million (CAD). Mr. Fitzpatrick provides copies of sales invoices as well as photographs of KEYSTONE products such as detergents, cleaners, delimers and sanitizers.

According to Mr. Fitzpatrick, the applicant's primary market for its KEYSTONE line of cleaning products comprises independent operators in the hospitality and institutional trades. His company provides posters, pamphlets and the like in association with the

KEYSTONE products to help instruct customers' employees in the use of the products with institutional cleaning machinery. Exhibit F to the Fitzpatrick affidavit is a training guide used to train sales representatives of KEYSTONE products.

THE GROUNDS OF OPPOSITION

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, both marks are inherently distinctive since they have no obvious meaning in relation to the goods of either party. However, given the somewhat laudatory meaning of the word KEYSTONE, it cannot be said to be an inherently strong mark.

As noted, the opponent failed to evidence any use of, or reputation for, its registered trade-mark. Thus, I must conclude that it has not become known at all in Canada. On the other hand, the applicant has evidenced extensive sales of its KEYSTONE line of products for

a number of years in Canada. Thus, I am able to conclude that its mark KEYSTONE has become known in this country at least within the hospitality and institutional trades.

As for Section 6(5)(b) of the Act, the length of time the marks have been in use actually favors the applicant. Although the opponent's registration claims use of its mark since 1961, the Adirim affidavit evidences no use of the mark since then. In contrast, the applicant has evidenced fairly extensive use of its mark in Canada since 1996.

As for Sections 6(5)(c) and 6(5)(d) of the Act, it is the applicant's statement of wares and the statement of wares in the opponent's registration 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.).

In a broad sense, there is a connection between the wares at issue since they all appear to qualify as cleaning products. However, cleaning cloths, cotton waste and brooms are quite different in nature from the various liquid cleaning products sold by the applicant. More importantly, the evidence of record suggests that the trades of the parties are distinct. The

applicant sells its various cleaning liquids through distributors directly to institutional customers. The opponent, on the other hand, sells the goods of others through stores which cater to those in the lumber or logging industry. Furthermore, it would appear that the applicant's institutional customers are fairly sophisticated and typically make large scale purchases which would mitigate any possibility of confusion.

As for Section 6(5)(e) of the Act, the marks at issue are identical in all respects.

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 differences in the wares and trades of the parties, the inherent weakness of the marks and the absence of any reputation for the opponent's mark in Canada, I find that the applicant has satisfied the onus on it to show that there is no reasonable likelihood of confusion. The first ground of opposition is therefore unsuccessful.

As for the second ground of opposition, there was an initial burden on the opponent to evidence use of its mark prior to the applicant's claimed date of first use and non-abandonment of that mark as of the applicant's advertisement date. As noted, the opponent has failed to evidence any use of its trade-mark KEYSTONE at any time and the evidence does not show non-abandonment of that mark as of November 17, 2004. Thus, the second ground is also unsuccessful.

As previously noted, the third ground is unsuccessful. As for the fourth ground, the opponent has failed to clearly evidence use of its trade-name prior to August 1, 1996 and non-abandonment of that name as of the applicant's advertisement date. Thus, the fourth ground is also unsuccessful. Even if the Adirim affidavit can be taken to have established prior use and non-abandonment of the trade-name Keystone Supplies Company, the applicant's mark would not be confusing with that name as of August 1, 1996. In this regard, my conclusions respecting the first ground of opposition are, for the most part, also applicable to this ground.

As for the fifth ground of opposition, the material time for considering the circumstances respecting the issue of distinctiveness is as of the filing of the opposition. The onus or legal burden is on the applicant to show that its applied for trade-mark actually distinguishes or is adapted to distinguish its wares from those of others throughout Canada. There is, however, an evidential burden on the opponent to prove its supporting allegations of fact.

As noted, the opponent has failed to evidence use of its trade-mark KEYSTONE in Canada. The evidence also fails to clearly establish use of the trade-name Keystone Supplies Company. Thus, the opponent has failed to meet its evidential burden and the fifth ground is therefore also unsuccessful. Even if the Fitzpatrick affidavit can be viewed as having established some minor use of the opponent's trade-name in association with cleaning wipes, the applicant's mark would not be confusing with that name as of the filing of the opposition for essentially the same reasons that applied to the first ground.

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 GATINEAU, QUEBEC, THIS 26th DAY OF NOVEMBER, 2008.

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