



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

Citation: 2014 TMOB 32
Date of Decision: 2014-02-12

IN THE MATTER OF AN OPPOSITION
by Compagnie Générale des
Établissements Michelin to application
No. 1,483,763 for the trade-mark ROADX
in the name of Sailun Co., Ltd.

[1] Compagnie Generale des Établissements Michelin (the Opponent) brought an opposition under section 38 of the *Trade-marks Act*, RSC 1985, c T-13 (the Act) Act against an application originally filed by Dynamic Tire Corp. for the registration of the trade-mark ROADX (the Mark) in association with “tires”.

[2] The application currently stands in the name of Sailun Co., Ltd. further to an assignment from Dynamic Tire Corp. I shall use the term “Applicant” throughout to refer to the owner of the Mark at the relevant time.

[3] The application is based upon proposed use of the Mark in Canada,

[4] Most of the grounds of opposition are premised on allegations of confusion between the Mark and the Opponent’s trade-mark X. The grounds of opposition are summarized in Schedule “A” to my decision.

[5] Both parties filed evidence. The Opponent filed a certified copy of its registration No. TMA190,064 for the trade-mark X. The Applicant filed three affidavits of Lavinia McElwee, each sworn on June 12, 2012. Ms. McElwee was not cross-examined.

[6] Both parties filed written arguments and were represented at a hearing.

[7] For the reasons that follow, the opposition shall be rejected.

Legal Onus and Evidential Burden

[8] The legal onus is on the Applicant to show that the application does not contravene the provisions of the Act as alleged in the statement of opposition. This means that if a determinate conclusion cannot be reached once all the evidence is in, then the issue must be decided against the Applicant. However, there is also an evidential burden on the Opponent to prove the facts inherent to its pleadings. The presence of an evidential burden on the Opponent means that in order for a ground of opposition to be considered at all, there must be sufficient evidence from which it could reasonably be concluded that the facts alleged to support that ground of opposition exist [see *John Labatt Ltd v Molson Companies Ltd* (1990), 30 CPR (3d) 293 (FCTD); *Dion Neckwear Ltd v Christian Dior, SA et al* (2002), 20 CPR (4th) 155 (FCA); and *Wrangler Apparel Corp v The Timberland Company* (2005), 41 CPR (4th) 223 (FC)].

Grounds of Opposition Summarily Dismissed

[9] Besides restricting its evidence to a certified copy of its registration for the trade-mark X, the Opponent restricted its submissions, be it in writing or at the hearing, to the ground of opposition raised under section 12(1)(d) of the Act.

[10] Accordingly, I summarily dismiss each of the grounds of opposition raised under sections 38(2)(a), (c) and (d) of the Act for the reasons that follow.

[11] First, the grounds of opposition alleging that the application does not conform to the requirements of sections 30(e) and (i) appear to be “boilerplate” pleadings. It has been said that those pleadings are to be discouraged because, among other things, they distract from a party’s legitimate concerns [see *3103-2964 Quebec Inc v Philhobar Design Canada Ltd*, 2009 CanLII 90469 (TMOB)]. In any event, assuming that each of these grounds of opposition is properly pleaded, they are dismissed for the Opponent’s failure to meet its evidential burden.

[12] Second, the non-entitlement ground of opposition based upon the introductory paragraph of section 16(3) of the Act is dismissed for being improperly pleaded. The introductory paragraph of section 16(3) does not form the basis of a ground of opposition, as defined in section 38(2) of the Act since section 16(3) of the Act as a whole relates to the entitlement grounds of opposition.

[13] Third, the non-entitlement ground of opposition based upon section 16(3)(a) of the Act is dismissed for the Opponent's failure to show that its alleged trade-mark X had been used or made known in Canada before the filing date of the application for the Mark, namely June 4, 2010.

[14] Fourth, the first part of the non-distinctiveness ground of opposition is dismissed for the Opponent's failure to meet its evidential burden. More particularly, the Opponent has failed to show that its alleged trade-mark X had become known sufficiently in Canada as the filing date of the statement of opposition, namely April 26, 2011, to negate the distinctiveness of the Mark [see *Metro-Goldwyn-Mayer Inc v Stargate Connections Inc* (2004), 34 CPR (4th) 317 (FC); *Motel 6, Inc v No 6 Motel Ltd* (1981), 56 CPR (2d) 44 (FCTD); and *Bojangles' International LLC v Bojangles Café Ltd* (2006), 48 CPR (4th) 427 (FC)].

[15] Finally, the second and third parts of the non-distinctiveness ground of opposition also appear to be "boilerplate" pleadings. In any event, I find that they do not contain any allegations of facts and so they are dismissed for being insufficiently pleaded. If I am wrong in so finding, then they should be dismissed for the Opponent's failure to meet its evidential burden.

[16] I now turn to the sole issue that remains to be decided in the opposition.

Is the Mark Registrable as of Today's Date

[17] This issue arises from the ground of opposition alleging that the Mark is not registrable under section 12(1)(d) of the Act because it is confusing with the Opponent's trade-mark X registered under No. TMA190,064 in association with "*enveloppes et chambre à air pour pneumatiques*" (in English, tire casings and inner tubes).

[18] The material date for considering the section 12(1)(d) ground of opposition is the date of my decision [see *Park Avenue Furniture Corporation v Wickes/Simmons Bedding Ltd and The Registrar of Trade Marks* (1991), 37 CPR (3d) 413 (FCA)]. I have exercised the Registrar's discretion to confirm the existence of registration No. TMA190,064; the registration is in good standing.

[19] Since the Opponent has met its evidential burden, the question becomes whether the Applicant has met its legal onus to show, on a balance of probabilities, that the Mark is not likely to cause confusion with the Opponent's registered trade-mark X.

[20] The test for confusion is one of first impression and imperfect recollection. Section 6(2) of the Act indicates that use of a trade-mark causes confusion with another trade-mark if the use of both trade-marks in the same area would be likely to lead to the inference that the wares or services associated with those trade-marks are manufactured, sold, leased, hired or performed by the same person, whether or not the wares or services are of the same general class.

[21] In applying the test for confusion, the Registrar must have regard to all the surrounding circumstances, including those specifically enumerated in section 6(5) of the Act, namely: (a) the inherent distinctiveness of the trade-marks and the extent to which they have become known; (b) the length of time each has been in use; (c) the nature of the wares, services or business; (d) the nature of the trade; and (e) the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them. These enumerated factors need not be attributed equal weight. [See *Mattel, Inc v 3894207 Canada Inc* (2006), 49 CPR (4th) 321 (SCC); *Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée et al* (2006), 49 CPR (4th) 401 (SCC); and *Masterpiece Inc v Alavida Lifestyles Inc* (2011), 92 CPR (4th) 361 (SCC) for a thorough discussion of the general principles that govern the test for confusion.

Section 6(5)(a) – the inherent distinctiveness of the trade-marks and the extent to which they have become known

[22] I disagree with the Opponent's contention that the trade-marks at issue possess the same degree of inherent distinctiveness. Indeed, the Opponent's mark comprises only the letter "x". It is trite law that a trade mark consisting only of letters is a trade mark that lacks inherent

distinctiveness; it is characterized as a “weak mark” [see *GWS Ltd v Great West Steel Industries Ltd* (1975) 22 CPR (2d) 154 (FCTD)].

[23] By comparison the Mark is a coined word and so it is inherently more distinctive than the Opponent’s mark. That being said, the term “road” in the Mark for “tires” is suggestive of “a path or way with a specially prepared surface, used by motor vehicles, cyclists, etc.” [see *The Canadian Oxford Dictionary*].

[24] There is no evidence to conclude that either party’s mark has become known in Canada through promotion or use. Also, the mere existence of the Opponent’s registration can establish no more than minimal use and cannot give rise to an inference of significant and continuous use of the mark [see *Entre Computer Centers, Inc v Global Upholstery Co* (1991), 40 CPR (3d) 427 (TMOB)].

Section 6(5)(b) – the length of time the trade-marks have been in use

[25] There is no debate that this factor is not a material circumstance in the instant case.

Sections 6(5)(c) and (d) – the nature of the wares and business; the nature of the trade

[26] There is obviously an overlap between the wares associated with the Mark and the Opponent’s registered wares. Therefore, in the absence of evidence to the contrary, I find that there is potential for overlap in the nature of the trade.

Section 6(5)(e) – the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them

[27] In *Masterpiece, supra*, the Supreme Court of Canada stated that the degree of resemblance between trade-marks, although the last factor listed in section 6(5) of the Act, is often likely to have the greatest effect on the confusion analysis.

[28] When considering the degree of resemblance, the law is clear that the trade-marks must be considered in their totality; it is not correct to lay them side by side and compare and observe similarities or differences among the elements or components of the trade-marks. In this regard,

the first portion of a trade-mark is usually considered more important for assessing the likelihood of confusion [see *Conde Nast Publications v Union des Editions Modernes* (1979), 46 CPR (2d) 183 at 188 (FCTD)].

[29] The Opponent submits that there is a significant degree of resemblance between the trade-marks because they both include the letter “x”. The Opponent also submits that the word “road” does not assist in distinguishing the Mark because this word describes the place where the Applicant’s wares will be used. Finally, at the hearing, the Opponent pointed out that nothing would prevent the Applicant to highlight the letter “x” and give the element “road” less prominence when using or advertising the Mark.

[30] The Opponent’s submissions do not convince me that the marks cannot be distinguished because they both include the letter “x”.

[31] For one thing, any potential uses of the Mark with emphasis on the letter “x” would have no impact on the degree of resemblance between the trade-marks when sounded. In any event, it is not appropriate to analyze each portion of a mark alone. I agree with the Applicant that, when considered as a whole, the prefix “road” allows distinguishing the Mark from the trade-mark “X” when viewed and sounded. Likewise, I agree with the Applicant that the marks are distinguishable in terms of ideas suggested. The Mark is suggestive of a “path” or a “way”, which is not an idea suggested by the Opponent’s mark.

Additional surrounding circumstance: state of the register and of the marketplace

[32] The Applicant submits that the evidence introduced through the three affidavits of Ms. McElwee supports a finding of no likelihood of confusion between the marks. More particularly, the Applicant submits that its evidence establishes common adoption and widespread use in Canada of the letter “x” as an element of trade-marks for tires.

[33] In a nutshell, the evidence introduced by Ms. McElwee consists of:

- the results of her searches of the Canadian Trade-marks Database for trade-marks that incorporate the letter “x” in association with “tire”, including copies of the applications and registrations located by her searches;

- printouts of website pages located through her search of the Internet; and
- photographs of tires, tire stickers and advertisement accurately depicting tires that she viewed when she attended three tire retail locations in Calgary, Alberta, as well as copies of brochures available to the public at one of these retail locations.

[34] For the reasons that follow, I find that the state of the register evidence provided by Ms. McElwee favours the Applicant. That said, while the state of the register evidence advances the Applicant's case, it is not necessary to rely on state of the register evidence to apply the principle that small differences may serve to distinguish trade-marks that have a low degree of distinctiveness.

[35] State of the register evidence is introduced to show the commonality or distinctiveness of a mark or portion of a mark in relation to the register as a whole. Evidence of the state of the register is only relevant insofar as inferences may be made on it concerning the state of the marketplace, and inferences about the state of the marketplace can only be drawn when a significant number of pertinent registrations are located [see *Ports International Ltd v Dunlop Ltd* (1992), 41 CPR (3d) 432 (TMOB); *Welch Foods Inc v Del Monte Corp* (1992), 44 CPR (3d) 205 (FCTD); and *Maximum Nutrition Ltd v Kellogg Salada Canada Inc* (1992), 43 CPR (3d) 349 (FCA)].

[36] In paragraph 32 of its written argument, the Applicant provides a table that "sets out a selection of word marks which include the letter 'X' which are associated with tires and that are registered by traders other than the Opponent". At the hearing, the Opponent argued that the trade-marks cited in the Applicant's written argument are not relevant because they significantly differ from the trade-marks at issue. In reply, the Applicant reiterated its position concerning the relevancy of these trade-marks.

[37] Having only considered the copies of the registrations provided with the affidavit, I conclude that the Applicant relies on 20 trade-marks owned by 10 distinct entities as evidence of common adoption of the letter "x" as an element of trade-marks for tires.

[38] In the end, I am satisfied that there are sufficient relevant registrations for me to draw an inference favourable to the Applicant. In other words, I conclude that the state of the register for

trade-marks including the letter “x” for “tires” effectively dilutes the scope of protection to which the Opponent’s mark is entitled, as argued by the Applicant.

[39] In view of the above, I find it unnecessary to consider the affidavits of Ms. McElwee concerning the results of her Internet search and her attendance at tire retail locations.

Conclusion on the likelihood of confusion

[40] In applying the test for confusion, I have considered it as a matter of first impression and imperfect recollection. I conclude that the Applicant has discharged the legal onus resting upon it to show that confusion between the Mark and the Opponent’s registered trade-mark X is not likely.

[41] Indeed, the differences between the trade-marks in appearance, in sound and in ideas suggested significantly advance the Applicant’s case. Further, the Opponent’s mark is a weak mark and does not benefit from acquired distinctiveness. Thus, despite the overlap between the nature of the wares and the potential for overlap in the nature of the trade, I am satisfied that the differences between the trade-marks, when considered as a whole, are sufficient to shift the balance of probabilities in favour of the Applicant, even more so when the state of the register evidence is factored in.

[42] Accordingly, the section 12(1)(d) ground of opposition is dismissed.

Disposition

[43] Having dismissed every ground of opposition, pursuant to the authority delegated to me under section 63(3) of the Act, I reject the opposition under section 38(8) of the Act.

Céline Tremblay
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office

Schedule “A”

Summary of the Grounds of Opposition

- (a) Pursuant to section 38(2)(a) of the Act, the application does not conform to the requirements of section 30(e) of the Act since at the filing date of the application:
 - (i) the Applicant used, or had used, the Mark in Canada in association with the wares;
 - (ii) the trade-mark proposed to be used is not the Mark; and
 - (iii) alternatively or cumulatively, the Applicant did not intend to use the Mark in Canada by itself, through a licensee or by itself and through a licensee.

- (b) Pursuant to section 38(2)(a) of the Act, the application does not comply to the requirements of section 30(i) of the Act in that the Applicant falsely made the statement that it is entitled to use the Mark in Canada because of the allegations contained in the statement of opposition, including the Applicant’s knowledge of the Opponent’s rights, since:
 - (i) the use of the Mark infringes the Opponent’s rights;
 - (ii) the use of the Mark is contrary to the provisions of section 22 of the Act; and
 - (ii) the adoption and use of the Mark is contrary to section 7(b) of the Act.

- (c) Pursuant to section 38(2)(b) of the Act, the Mark is not registrable under section 12(1)(d) of the Act because it is confusing with Opponent’s trade-mark X of registration No. TMA190,064.

- (d) Pursuant to section 38(2)(c) of the Act, the Applicant is not the person entitled to registration of the Mark under section 16 of the Act since:
 - (i) contrary to section 16(3)(a) of the Act, at the relevant time, the Mark was confusing with the Opponent’s trade-mark X previously used or made known in Canada in association with products for vehicles, including inner tubes and tires; and
 - (ii) contrary to the introductory paragraph of section 16(3) of the Act: (1) the application does not conform to section 30 of the Act; (2) the Mark is not a proposed use one but rather a used one; and (3) the Mark is not registrable.

Schedule "A" (cont'd)

- (e) Pursuant to section 38(2)(d) of the Act, the Mark is not distinctive under section 2 of the Act since:
 - (i) it does not distinguish the Applicant's wares from the Opponent's wares;
 - (ii) the Applicant has allowed third parties to use the Mark in Canada outside the scope of the licensed use provided by section 50 of the Act; and
 - (iii) as a result of a transfer of the Mark more than one person had rights into the Mark and exercised them contrary to section 48(2) of the Act.