

IN THE MATTER OF AN OPPOSITION by Potter, Kinnaird Ltd. to application
No. 882,775 for the trade-mark WATERBRIDGE filed by Timex Corporation

On June 26, 1998, the applicant, Timex Corporation, filed an application to register the trade-mark WATERBRIDGE based on proposed use in Canada by itself and/or through a licensee. The application, as amended, covers the following wares: “watch straps and watch bands; leather straps”. The application was advertised for opposition purposes on July 28, 1999.

The opponent, Potter, Kinnaird Ltd., filed a statement of opposition on December 24, 1999. The first ground of opposition is that the mark is not registrable pursuant to s.12(1)(d) of the Trade-Marks Act, R.S.C. 1985, c. T-13 (“the Act”), because it is confusing with the opponent’s WATERBRIDGE mark, Registration No. TMA 466,635. The second, third and fourth grounds of opposition are that the applicant is not the person entitled to registration of the mark in view of the provisions of Sections 16(3)(a), (b) and (c). The opponent asserts that the alleged trade-mark is confusing with the opponent’s WATERBRIDGE mark and name that it has used in Canada since at least as early as November, 1993, in association with various confectionery products and with its previously filed trade-mark application for the same mark.

The applicant filed and served a counter statement on February 8, 2000, in which it generally denied the allegations asserted by the opponent in its statement of opposition. As its evidence, the opponent submitted the affidavit of Brian Hicks, President of Potter Kinnaird, Ltd. An order for the cross-examination of Mr. Hicks was given but the applicant did not proceed with the cross-examination. The applicant did not file any evidence. Only the opponent filed a written argument and an oral hearing was not held.

With respect to the third ground of opposition (i.e. Section 16(3)(b)), I note that the opponent’s application for the mark WATERBRIDGE had proceeded to registration in Canada

as of November 29, 1996, and therefore was not pending as of the date of advertisement of the present application (i.e. June 26, 1998). Thus, as the opponent has not met the burden on it under s.16(4) of the Act in relation to its s.16(3)(b) ground, this ground is unsuccessful.

The Section 12(1)(d) ground and the Section 16(3)(a) grounds of opposition turn on the issue of confusion between the applicant's WATERBRIDGE mark and the opponent's WATERBRIDGE trade-mark, as registered and previously used in Canada in association with various types of confectionery products. With respect to the ground of opposition based on s.12(1)(d) of the Act, the material date is the date of my decision (see **Park Avenue Furniture Corp. v. Wickes/Simmons Bedding Ltd.** (1991), 37 C.P.R. (3d) 413 (F.C.A.), while the material date for assessing the non-entitlement ground is the applicant's filing date (i.e. June 26, 1998). Nothing turns on which material date is used in the present case.

In applying the test for confusion set forth in s.6(2) of the Act, consideration is to be given to all of the surrounding circumstances, including, but not limited to, the following specifically set forth in s.6(5) of the Act: (a) the inherent distinctiveness of the trade-marks and the extent to which the trade-marks have become known; (b) the length of time the trade-marks have 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. The weight to be given to each relevant factor may vary, depending on the circumstances (**Clorox Co. v. Sears Canada Inc.** (1992), 41 C.P.R. (3d) 483 (F.C.T.D.); **Gainers Inc. v. Tammy L. Marchildon and The Registrar of Trade-Marks** (1996), 66 C.P.R. (3d) 308 (F.C.T.D.)). While the opponent has an initial evidential burden to provide facts in support of its grounds of opposition, the Registrar must bear in mind that the legal burden is on the applicant to establish that there would be no reasonable likelihood of confusion between the trade-marks of the parties as of the material dates noted above.

With respect to Section 6(5)(a) of the Act, both the opponent's mark and the applicant's mark are inherently distinctive as they are both coined words that have no meaning in relation to the parties' wares. As for the extent to which the trade-marks have become known, the applicant's mark is based on proposed use in Canada and the applicant has not furnished any evidence of use in Canada. The opponent, on the other hand, has shown extensive use and promotion of its mark in Canada since 1993. In this regard, Mr. Hicks states that since its inception in 1993, the opponent has sold in excess of \$15 million in retail value of WATERBRIDGE products. In the same time period, the opponent has also spent in excess of \$1 million in advertising and promotional costs and materials. This factor therefore favours the opponent.

As for Section 6(5)(b) of the Act, the opponent's mark has been in use since 1993 while the applicant has not shown any use of its mark. This factor therefore also favours the opponent.

As for the wares, services and trades of the parties (Sections 6(5)(c) and (d)), it is the applicant's statement of wares and the opponent's statement of wares in registration No. TMA 466,635 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 page 169 of the decision of the Federal Court of Appeal in **McDonald's Corporation v. Coffee Hut Stores Ltd.** (1996), 68 C.P.R. (3d) 168.

With respect to the nature of the wares, I find the applicant's "watch straps and watch

bands; leather straps” to be quite different from the opponent’s “confectionery products, namely candies, winegums, ju-jubes and licorice”. As for the parties’ channels of trade, however, the opponent has shown that the parties’ channels of trade would presumably overlap. In this regard, Mr. Hicks explains that the channels of trade through which the opponent’s WATERBRIDGE products are sold include mass merchandisers, department stores, food stores (supermarkets), discount stores, club stores, drug stores, convenience/variety stores and bulk stores. He further states that the applicant’s watch and watchband products have been sold in stands or display units in virtually all of the retail channels of trade where the opponent’s WATERBRIDGE products are sold, and have often been displayed for sale in close proximity to the opponent’s products in such stores. Attached as Exhibits F and G to Mr. Hicks’ affidavit are photographs of the opponent’s WATERBRIDGE products on display in “end-aisle locations” (locations which the opponent prefers because of their high consumer visibility and thus ability to increase consumer recognition) in various stores and the close proximity of these products to the applicant’s watch and watch band products sold in the same stores.

With respect to Section 6(5)(e) of the Act, the marks are identical in appearance, sound and idea suggested.

In view of the above, and in particular the inherent distinctiveness of the parties’ marks, the extent to which the opponent’s mark has become known, the potential for overlap in the parties’ channels of trade, the high degree of resemblance between the marks at issue, and the fact that the applicant did not take any active steps in this proceeding beyond the filing of its counter statement, I find that the applicant has not satisfied the onus on it with respect to the s.12(1)(d) and s.16(3)(a) grounds of opposition. The first and second grounds of opposition are therefore successful.

In view of the foregoing, I do not propose to consider the fourth ground of opposition.

Accordingly, and with the authority delegated to me under s. 63(3) of the Act, I refuse the applicant's application pursuant to s.38(8) of the Act.

DATED AT HULL, QUEBEC, THIS 28th DAY OF October, 2002.

C. R. Folz
Member,
Trade-Marks Opposition Board