



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

**Citation: 2013 TMOB 131**  
**Date of Decision: 2013-08-13**

**IN THE MATTER OF AN OPPOSITION  
by M.C. College Group, Inc. to  
application No. 1,397,761 for the trade-  
mark MARVEL in the name of Russell L.  
Towle Enterprises Ltd.**

[1] On June 2, 2008, Russell L. Towle Enterprises Ltd. (the Applicant) filed an application to register the trade-mark MARVEL (the Mark) in association with the following services on the following bases:

- (1) Operation of a hairstyling school – based on use in Canada since at least as early as 1952; and
- (2) Operation of an esthetics school – based on use in Canada since at least as early as 1973.

[2] The application was advertised for opposition purposes in the *Trade-marks Journal* of April 15, 2009.

[3] On September 15, 2009, M.C. College Group, Inc. (the Opponent) filed a statement of opposition. The grounds of opposition can be summarized as follows:

- pursuant to sections 38(2)(a) and 30(b) of the *Trade-marks Act*, RSC 1985, c T-13 (the Act), at the date of filing the application and at all material times, the Applicant and/or its predecessors-in-title have not used the Mark with the services since the date of first use alleged in the application and, or in the alternative, have not continuously used the Mark with the services since the alleged dates of first use. Furthermore, the Applicant has failed to name its predecessors-in-title in the application;

- pursuant to sections 38(2)(a) and 30(i) of the Act, the Applicant was at all relevant dates aware that the Opponent (through its predecessors-in-title) had acquired the Edmonton and Calgary Marvel Beauty Schools and has used one or more of the Opponent's trade-marks/trade-names (MARVEL COLLEGE, MARVEL COLLEGE & DESIGN, MARVEL BEAUTY SCHOOL, MARVEL BEAUTY SCHOOL LTD., MARVEL HAIRSTYLING SCHOOL & Design, MARVEL TRADE AND BUSINESS COLLEGE & Design, MARVEL CAIRO, MARVEL CAIRO HAIR DESIGN CENTRE, OKANAGAN MARVEL & Design, MARVEL ESTHETICS SCHOOL & Design, OKANAGAN MARVEL SCHOOL OF HAIR AND ESTHETICS, OKANAGAN MARVEL COLLEGE, MARVEL GROUP, MARVEL GROUP OF COMPANIES, MARVEL TRADE AND BUSINESS COLLEGE INC.), and has used one or more of the Opponent's trade-marks/trade-names continuously in association with the Opponent's services (operation of a hairstyling school and spa and salon services since at least as early as 1975; operation of an esthetics school since at least as early as 1978 and operation of a fashion school since at least as early as 1987) and therefore could not have been satisfied as to its entitlement to use and register the Mark;
- pursuant to sections 38(2)(c) and 16(1)(a) of the Act, the Applicant is not entitled to registration of the Mark because the Mark as claimed in the application was at the date of filing and/or at any date of first use, likely to be confusing with the Opponent's MARVEL trade-marks previously used or made known in Canada by the Opponent and its predecessors and/or their licensees;
- pursuant to sections 38(2)(c) and 16(1)(c) of the Act – the Applicant is not entitled to registration of the Mark because the Mark was, at the date of filing the application and/or any date of first use confusing with the Opponent's trade-names previously used in Canada by the Opponent, its predecessors and/or their licensees; and
- pursuant to sections 38(2)(d) and 2, the Mark is not and cannot be distinctive of the Applicant. As of the material date, the Opponent's trade-marks and trade-names had been extensively used in Canada by the Opponent, its predecessors and their licensees. As the Opponent's trade-marks, trade-names, and/or domain names (i.e. *www.marvelcollege.com*) are confusing with the Mark; the Mark is not adapted to and does not distinguish the services from the Opponent's services. Furthermore, the Applicant has permitted unlicensed third party use of the Mark, or trade-marks and/or trade-names incorporating MARVEL, such that the Mark is no longer distinctive of the Applicant.

[4] The Applicant served and filed a counter statement in which it denied the Opponent's allegations and put the Opponent to the strict proof thereof.

[5] In support of its opposition, the Opponent filed three affidavits of Joe Cairo (two dated February 19, 2010 filed as its evidence in chief and one dated March 16, 2010 for which leave was granted pursuant to section 44 of the *Trade-marks Regulations* SOR/96-195 (the Regulations)) and an affidavit of Yvonne Stern (filed as reply evidence). Only Ms. Stern was cross-examined on her affidavit and the transcript forms part of the record. I note that one of the Cairo affidavits sworn February 19, 2010 attaches as an exhibit an affidavit of James Muir (the Chairman of the Board of the Applicant) that was filed in the context of a proceeding in the Federal Court of Canada.

[6] The Applicant filed an affidavit of James Muir in support of its application. In this affidavit, Mr. Muir confirmed the truth of the contents of his affidavit from the Federal Court proceeding which was attached as an exhibit to one of Mr. Cairo's affidavits. Hereinafter I will refer to the Muir affidavit attached to the Cairo affidavit as No. 1 and the one filed in the present opposition proceeding as No. 2.

[7] Both parties filed written arguments and were represented at an oral hearing.

#### Onus and Material Dates

[8] 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 [see *John Labatt Limited v The Molson Companies Limited* (1990), 30 CPR (3d) 293 (FCTD) at 298].

[9] The material dates that apply to the grounds of opposition are as follows:

- sections 38(2)(a)/30 - the date of filing the application [see *Georgia-Pacific Corp v Scott Paper Ltd* (1984), 3 CPR (3d) 469 at 475 (TMOB) and *Tower Conference Management Co v Canadian Exhibition Management Inc* (1990), 28 CPR (3d) 428 at 432 (TMOB)].
- sections 38(2)(c)/16(1) – the claimed dates of first use [see section 16(1) of the Act].
- sections 38(2)(d)/2 - the date of filing of the opposition [see *Metro-Goldwyn-Mayer Inc v Stargate Connections Inc* (2004), 34 CPR (4th) 317 (FC)].

### Preliminary Remark

[10] In coming to my decision I have considered all of the evidence and submissions made by the parties; however, only the portions of the evidence and submissions which are directly relevant to my findings will be discussed in the body of my decision.

### Non-distinctiveness Ground of Opposition

[11] This case is complicated by the existence of convoluted chains of title for the disputed trade-mark rights as well as alleged interrelationships between the parties. In fact, the better part of the oral hearing was spent walking through the parties' differing views on the channels through which the rights to the MARVEL name have flowed since the 1970s.

[12] Specifically, the parties dispute whether or not the Opponent (through its predecessors) acquired rights to the MARVEL name from an individual (or her company) who was somehow affiliated with the Applicant. The Opponent submits that this individual, Ms. Albrecht, owned a company operating under the name of MARVEL which she had acquired from the Applicant and subsequently transferred to the Opponent's predecessor. The Applicant submits that this individual did not have rights to the name MARVEL and thus the Opponent's subsequent acquisition and use of the MARVEL name was unauthorized.

[13] All of this being said, a high level overview of the case reveals that the issue really boils down to the fact that there have been at least two separate legal entities operating hairstyling and/or esthetics schools in different provinces in Canada in association with names incorporating the word MARVEL since the early 1970s. The evidence suggests that the Opponent (and/or its predecessors) have been operating the schools in Alberta and British Columbia under various MARVEL trade-marks and trade-names and that the Applicant has been operating the schools in Ontario, Manitoba and Saskatchewan, also under the MARVEL trade-mark.

[14] Whether or not the Opponent acquired rights to the MARVEL trade-mark from the Applicant, the fact remains that the Applicant has not objected to the use of the MARVEL trade-marks and trade-names in Alberta and British Columbia by entities other than itself since such use began in the late 1970s. In fact, it would seem that the parties (and/or their predecessors)

may have entered into some sort of understanding which permitted them to operate in separate geographical regions for all these years.

[15] The evidence demonstrates that the Applicant acquiesced in the face of many years of use of the MARVEL trade-marks and trade-names by the Opponent (and its predecessors) in the provinces of Alberta and British Columbia. Thus, in the particular circumstances of this case I do not consider it appropriate to accept the Applicant's submission that the Opponent should not be permitted to rely on this use on the basis that it was unauthorized.

[16] While the Applicant is under a legal onus to show that the Mark is adapted to distinguish or actually distinguishes its services from those of others throughout Canada, the Opponent is under an initial evidential burden to establish the facts relied upon in support of the ground of non-distinctiveness [see *Muffin Houses Inc v Muffin House Bakery Ltd* (1985), 4 CPR (3d) 272 (TMOB)]. Thus in the present case, the Opponent is under an obligation to show that, as of the filing date of the statement of opposition, one or more of its MARVEL trade-marks and/or trade-names had become known sufficiently to negate the distinctiveness of the Mark [see *Bojangles' International, LLC v Bojangles Café Ltd* (2004), 40 CPR (4th) 553, affirmed (2006), 48 CPR (4th) 427 (FC)].

[17] The evidence establishes that at least at the date of swearing the Cairo affidavit (February 19, 2010), the Opponent was operating five locations in Alberta and British Columbia which provided programs and training in the areas of hairstyling, esthetics and fashion design. These locations were all operating under trade-marks and trade-names incorporating the word MARVEL.

[18] The evidence also establishes that since at least February 1997 the Opponent and its predecessors-in-title have owned the domain name *www.marvelcollege.com* which links to the Opponent's website *www.mccollege.ca*.

[19] Mr. Cairo also provides photographs showing the interior and exterior signage for the Edmonton location of the Opponent's school which features the trade-mark MARVEL COLLEGE (Exhibit A to one of the Cairo affidavits sworn February 19, 2010). Mr. Cairo confirmed that the signage shown in the photographs had been displayed at that location since at

least 1995 and was still on display at the date of swearing his affidavit. Mr. Cairo also made the sworn statement that, prior to 1995 the trade-mark MARVEL appeared by itself or as part of the name displayed on the signage used at this location.

[20] Mr. Cairo provides photographs of the Calgary location as well (Exhibit B to one of the Cairo affidavits sworn February 19, 2010). Mr. Cairo confirmed that this signage, which displays the trade-mark MARVEL COLLEGE, was displayed from about 1987 to 2009 (paragraph 10). Mr. Cairo also provides a photograph displaying the exterior signage used at the Calgary location from August 2008 onwards (Exhibit C to one of the Cairo affidavits sworn February 19, 2010). I note that this particular photograph is of poor quality such that it is difficult to make out the words on the signage. However, in the text of his affidavit Mr. Cairo makes the sworn statement that the word MARVEL is displayed at the bottom of the sign below the words MC COLLEGE (paragraph 10). Taking this sworn statement in combination with the photograph, I am satisfied that the post-August 2008 signage also displays the trade-mark MARVEL. Mr. Cairo also makes the sworn statement that prior to 1987 the trade-mark MARVEL appeared on interior and exterior signage at this location on its own or as part of the name.

[21] Mr. Cairo also provides photographs of the exterior signage for the Red Deer, Alberta location (Exhibit D to one of the February 19, 2010 Cairo affidavits). Mr. Cairo states that this signage was displayed from approximately 1987 to February 2009 (paragraph 11). The signage displays the mark MARVEL COLLEGE. Mr. Cairo states that the signage at the Red Deer location at the date of swearing his affidavit was the same as that displayed at the Calgary location (and thus featuring the trade-mark MARVEL).

[22] Mr. Cairo also attaches to this affidavit photographs showing exterior signage for the Kelowna, BC location which he states was displayed from about 1997 to February 2009 (see para 12 and Exhibit E). I note that the trade-mark MARVEL COLLEGE is displayed on the signage. Mr. Cairo states that the current signage at the Kelowna location is the same as that displayed at the Calgary location; thus I am satisfied that as of the date of swearing his affidavit the signage featured the trade-mark MARVEL.

[23] Mr. Cairo attaches to this affidavit a photograph showing the exterior signage for the Vancouver BC location which he states was displayed from about 2000 – 2006 (see para 13 and Exhibit F). I note that the signage features the trade-mark MARVEL B.C.

[24] Mr. Cairo provides annual enrolment figures for the Opponent and its predecessors' hairstyling and esthetics schools for the years 1995 to 2010 (paragraph 18). The figures are significant.

[25] Mr. Cairo also provides telephone listings for "Marvel College" that appeared in the Edmonton and area Telus white pages for 2008/2009 and 2009/2010 (Exhibit J). This clearly evidences the fact that a MARVEL COLLEGE was being operated in Edmonton in 2008/2009 and 2009/2010.

[26] Based on the foregoing, the Opponent has established that as of the material date for this ground of opposition there were hairstyling and/or esthetics schools operating in at least Edmonton, Calgary and Red Deer, Alberta and Kelowna, BC in association with the Opponent's MARVEL trade-marks (e.g. MARVEL COLLEGE, MARVEL B.C., MC COLLEGE MARVEL). Furthermore, the evidence establishes that the Opponent's MARVEL trade-marks (e.g. MARVEL COLLEGE, MARVEL B.C., MC COLLEGE MARVEL) had developed significant reputation in association with these hairdressing and/or esthetics schools in at least Edmonton, Calgary and Red Deer, Alberta and Kelowna, BC as of the material date. As the Opponent has met its evidentiary burden at least with respect to its MARVEL trade-marks, I will not consider whether or not the Opponent had also developed a sufficient reputation for its claimed trade-names and domain name as of the material date.

[27] Since I am satisfied that the Opponent's evidence establishes that its MARVEL trade-marks had become sufficiently known as of September 15, 2009 to negate the distinctiveness of the Mark, the issue becomes whether the Applicant has satisfied its legal onus to show that the Mark was not reasonably likely to cause confusion with the Opponent's MARVEL trade-marks.

[28] The Opponent's trade-marks (e.g. MARVEL COLLEGE, MARVEL B.C., MC COLLEGE MARVEL), all incorporate the Mark in its entirety as the most striking and unique element such that the degree of resemblance between the marks is high [see *Masterpiece Inc v*

*Alavida Lifestyles Inc* (2011), 96 CPR (4th) 361 (SCC) at para 64 where the SCC states: “While the first word may, for purposes of distinctiveness, be the most important in some cases, I think a preferable approach is to first consider whether there is an aspect of the trade-mark that is particularly striking or unique.”]. Furthermore, the nature of the associated services is identical. As a result, I am not satisfied that the Applicant has discharged its legal onus of establishing that the Mark, as of September 15, 2009, was not reasonably likely to create confusion with the Opponent’s MARVEL trade-marks in accordance with the test for confusion set out in section 6 of the Act [see sections 6(2) and 6(5) of the Act].

[29] Based on the foregoing, the non-distinctiveness ground of opposition is successful to the extent that it is based upon confusion with the Opponent’s trade-marks MARVEL COLLEGE, MARVEL B.C., MC COLLEGE MARVEL.

### Section 30 Grounds of Opposition

#### *Section 30(b) of the Act*

[30] The Opponent submits that the evidence does not establish continuous use of the Mark since the claimed dates of first use. While this may be true with respect to Services (1), I note that the Applicant is not under an obligation to evidence continuous use of the Mark since the claimed dates unless the Opponent meets its evidential burden. Where the opponent relies on the applicant’s evidence to meet its evidential burden, it must establish that the applicant’s evidence is clearly inconsistent with the claimed dates of first use.

[31] In his affidavits, Mr. Muir provides evidence to support a finding that the Applicant has offered services in association with the Mark since 1952. Detailed information regarding the Applicant’s income from its MARVEL schools in Toronto, Hamilton, Ottawa, Windsor, Winnipeg, Regina and Saskatoon for the years 1949 – 1980 are provided in the Muir affidavit No. 1. The Applicant also provided evidence of enrollment numbers for its hairstyling and esthetics schools in Ontario, Manitoba and Saskatchewan for the years 1992 – 2010 (paragraphs 19 – 21 of the Muir affidavit No. 1 and paragraph 3 of the Muir affidavit No. 2).



[32] The Applicant submits that the Mark is used extensively at the Applicant's schools on signage, promotional materials and materials such as instructional guides and textbooks in order to indicate that the services emanate from the Applicant. Mr. Muir attaches to affidavit No. 1 a collection of photographs of graduating classes from the MARVEL Hairdressing School for the years 1952 – 1970 (Exhibit L). Some of these photographs show the Mark on signage outside the schools. However, I note that the photographs which display the Mark are not dated. Mr. Muir also attaches to his first affidavit a collection of articles and promotional material for the Applicant's MARVEL Hairdressing and Esthetics Schools ranging from 1969 to 1997 as well as the Marvel Textbook of Cosmetology (Exhibit W) which Mr. Muir states was used by staff and students from about 1968 – 1978 (see paragraph 26 of Muir No. 1).

[33] The Applicant also provides evidence of Yellow Pages advertisements for its hairstyling and esthetics schools in Ontario, Manitoba and Saskatchewan. The Applicant submits that some of these advertisements pre-date 1969.

[34] While the evidence does not provide a clear example of use of the Mark in accordance with section 4(2) of the Act in association with hairstyling school services in 1952, there is nothing in the evidence which is clearly inconsistent with a finding that such use was occurring. Specifically, there are sworn statements from Mr. Muir that the Applicant was offering those services in association with the Mark at that date along with revenue figures from that time. Furthermore, the evidence clearly establishes use in accordance with section 4(2) of the Act back at least as far as 1969. I have no reason to doubt that the Applicant was using the Mark in a similar manner back in 1952.

[35] Additionally, the evidence is clear that the Applicant has been using the Mark since at least 1973 in association with esthetics school services.

[36] Based on the evidence of record and in the absence of cross-examination of Mr. Muir, I find that the Opponent has failed to meet its evidential burden with respect to this ground of opposition and it is dismissed accordingly.

[37] One final note on the section 30(b) ground of opposition. The Opponent also included an allegation that the Applicant failed to name its predecessors-in-title in the application for the

Mark. However, the Opponent made no submissions in support this allegation either in its written argument or at the oral hearing. The Applicant points to the Muir affidavit No. 1 (see paras 2-9) as support for a finding that the different entities are all related by way of amalgamations such that the same entity has owned the Mark and there are no predecessors-in-title to be named. I see no reason doubt the Applicant's submissions and thus this allegation is also dismissed.

#### *Section 30(i) of the Act*

[38] Based on the evidence of record, it appears that the Applicant was aware of the Opponent and the MARVEL hairstyling and esthetics schools operating in Alberta and British Columbia when it filed the application for the Mark on June 2, 2008. However, the Opponent has not pled or submitted that the Applicant's actions constituted bad faith.

[39] Where an applicant has provided the statement required by section 30(i), a section 30(i) ground should only succeed in exceptional cases such as where there is evidence of bad faith on the part of the applicant [see *Sapodilla Co Ltd v Bristol-Myers Co* (1974), 15 CPR (2d) 152 (TMOB) at 155]. The Applicant has provided the necessary statement and this is not an exceptional case; the section 30(i) ground is accordingly dismissed.

#### Non-entitlement Grounds of Opposition

[40] Despite the onus of proof on the Applicant to establish, on a balance of probabilities, that there is no reasonable likelihood of confusion between the Mark and the Opponent's MARVEL trade-marks and trade-names, the Opponent has the initial onus of proving that one or more of the trade-marks and trade-names alleged in support of its ground of opposition based on section 16(1) of the Act was used or made known in Canada prior to the claimed dates of first use (1952 for Services (1) and 1973 for Services (2)) and had not been abandoned at the date of advertisement of the application for the Mark (April 15, 2009) [section 16(5) of the Act].

[41] The Opponent's evidence only establishes use by the Opponent or its predecessors-in-title of a trade-mark or trade-name incorporating the word MARVEL as of 1975 and thus the

Opponent has failed to meet its evidential burden with respect these grounds of opposition. As a result, the non-entitlement grounds are dismissed.

Disposition

[42] Pursuant to the authority delegated to me under section 63(3) of the Act, I refuse the application for the Mark pursuant to section 38(8) of the Act.

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Andrea Flewelling  
Member  
Trade-marks Opposition Board  
Canadian Intellectual Property Office