

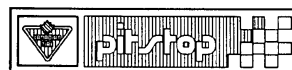
**IN THE MATTER OF AN OPPOSITION
by Canadian Tire Corporation, Limited
to application no. 740,184 for the trade-mark
CRUISERS PIT STOP DINER filed by Ralph Peake**

On November 1, 1993, the applicant, Ralph Peake, filed an application to register the trade-mark CRUISERS PIT STOP DINER based on intended use in Canada in association with the services

operation of a restaurant.

The application disclaims the right to the exclusive use of the word DINER apart from the mark as a whole. The subject application was advertised for opposition purposes in the *Trade-marks Journal* issue dated July 6, 1994 and was opposed by Canadian Tire Corporation, Limited on August 26, 1994. A copy of the statement of opposition was forwarded to the applicant on October 18, 1994. The applicant responded by filing and serving a counter statement.

The first ground of opposition alleges that the applied for mark is not registrable, pursuant to paragraph 12(1)(d) of the *Trade-marks Act*, because it is confusing with one, or more, of the opponent's registered marks namely, the word mark PIT-STOP, registration no. 170,014; PIT-STOP & CHECKERS Design, regn. no. 216,435; and PIT-STOP & TRIANGLE Design, regn. no. 349,031. The opponent's design marks are illustrated below.



I will refer to the opponent's above mentioned marks collectively as PIT STOP marks. Each of the opponent's PIT STOP marks are registered for services, namely

operating a gas bar and automotive service department,

and for wares, namely

gasoline, and automotive chemicals, namely, rust inhibitors, water pump lubricants, automatic transmission sealers, upper cylinder lubricants, cooling system sealers, carburetor cleaners and brake fluid.

The second ground of opposition alleges that the applicant is not entitled to register the applied for mark, pursuant to paragraph 16(3)(a) of the *Act* because, at the date of filing the application on November 1, 1993, the applied for mark was confusing with one or more of the opponent's above mentioned marks which had previously been used in Canada. The third ground of opposition alleges that the applied for mark is not adapted to distinguish the applicant's services from the opponent's services.

The opponent's evidence consists of three affidavits sworn by Stephen William Manzie, dated July 13, 1995 (evidence in chief); July 10, 1996 (additional evidence permitted under leave); November 16, 1995 (reply evidence). The applicant's evidence consists of the affidavit of Ralph Peake. Both parties submitted a written argument and both parties were represented at an oral hearing.

Mr. Manzie's evidence may be summarized as follows. The opponent began to use the word mark PIT STOP in association with gas bars and automotive facilities in 1971 and began use of its two design marks in 1976. Gross sales revenues from the operation of gas bars and automotive facilities operating under the PIT STOP marks amounted to \$65 million in 1980; \$86 million in 1981; about \$167 million annually for the period 1982-1984 inclusive; and about \$143 million annually for the period 1985-1988 inclusive. Mr. Manzie states that the opponent's PIT STOP marks have become associated with the opponent's retail stores as the opponent's gas bars and automotive facilities are located contiguous to Canadian Tire retail stores.

As of 1989, the opponent restricted its use of the PIT STOP marks to the operation of automotive service departments and since then sales under the opponent's PIT STOP marks have averaged about \$18 million annually. From my inspection of exhibit material attached to Mr. Manzie's affidavit dated July 15, 1995, it would appear that the automotive service offered by the opponent is a drive through bay where the customer purchases an automobile service package consisting of a "complete lubrication, motor oil change, filter replacement, 20 point check." Ancillary services such as rad flushes and computer diagnosis of the car's performance are also available. As of November 1993 the opponent operated 42 such service departments across

Canada; as of August 1994 there were 30 such facilities; and as of July 1995 there were 24 such facilities.

Judging from the exhibit material referred to earlier, it would appear that the mark most often associated with the opponent's automotive services, that is, at the service bays themselves and in advertising, is the mark PIT STOP & CHECKERS Design, regn. no. 216.435. Of course, use of the mark PIT STOP & CHECKERS Design also qualifies as use of the word mark PIT STOP *per se*: see *Nightingale Interloc v. Prodesign Ltd.* (1984), 2 C.P.R.(3d) 535 at 538 under the heading *Principle 1* (TMOB). Nevertheless, as far as I am able to determine from the evidence before me, the typical consumer would be more familiar with the opponent's mark PIT STOP & CHECKERS Design in its entirety than with the opponent's two other PIT STOP marks. The issue for decision, from the opponent's perspective, is stated by Mr. Manzie at paragraph 12 of his affidavit:

. . . the use of the applicant's trade-mark will likely lead to the inference that the applicant's services are offered by Canadian Tire or associated with it. More specifically, users of roadside services seeing the words "PIT STOP" will immediately assume a connection with Canadian Tire.

Mr. Peake's evidence filed on behalf of the applicant may be summarized as follows. The applicant has been operating two restaurants in British Columbia, one in Langley since September 1993 and one in Chilliwack since October 1994, under the mark CRUISERS PIT STOP DINER. I note in passing that the applicant has evidenced use of its "proposed use" mark prior to the date of filing the trade-mark application. Thus, it would appear that the application does not conform to the requirements of Section 30 of the *Trade-marks Act*: see, for example, *Manifatture Casucci Di Caucci Ugo & C. S.a.s. v. Casucci Clothes Inc.* (1993), 52 C.P.R. (3d) 250 (TMOB). However, the opponent did not plead such a ground of opposition although it might have requested leave to do so after examining Mr. Peake's evidence. As the matter stands now, and as acknowledged by counsel for the opponent at the oral hearing, I do not have jurisdiction to consider a ground of opposition not pleaded: see *Imperial Developments Ltd. v. Imperial Oil Limited* (1984), 79 C.P.R. (2d) 12 (F.C.T.D.).

The opponent's restaurants sell car theme T-shirts and souvenirs in addition to prepared

meals and beverages. Gross combined sales for the two restaurants are about \$135,000 monthly.

The issue for decision, from the applicant's perspective, is stated by Mr. Peake at paragraph 19 of his affidavit:

. . . the services offered in the restaurants in conjunction with the name Cruisers Pit Stop Diner are so far removed from those of Canadian Tire, I believe there is no likelihood whatsoever that users of the services of Canadian Tire would assume that the restaurants were associated with Canadian Tire.

The determinative issue for decision is whether the applied for mark CRUISERS PIT STOP DINER is confusing with one or more of the opponent's PIT STOP marks. The material dates to assess the issue of confusion are the date of my decision with respect to the first ground of opposition pursuant to paragraph 12(1)(d) of the *Act*; the date of filing the application (that is, November 1, 1993) with respect to the second ground of opposition pursuant to paragraph 16(3)(a); and the date of opposition (that is, August 26, 1994) with respect to the last ground of opposition alleging non-distinctiveness of the applied for mark.

In the circumstances of this case, I do not believe that anything turns on which material date is chosen to assess the issue of confusion. Nevertheless, the opponent's case is strongest at the earliest material date, that is, before the applicant can rely on use of, or an acquired reputation for, its mark CRUISERS PIT STOP DINER. Also, as discussed earlier, the public would be more familiar with the opponent's mark PIT STOP & CHECKER Design than with the opponent's two other PIT STOP marks. Thus, a consideration of the issue of confusion at the earliest material date as between the applied for mark and the opponent's mark PIT STOP & CHECKER Design will effectively decide the outcome of this proceeding.

The legal onus is on the applicant to show that there would be no reasonable likelihood of confusion, within the meaning of subsection 6(2), between the applied for mark CRUISERS PIT STOP DINER and the opponent's mark PIT STOP & CHECKER Design. The presence of an onus on the applicant means that if a determinate conclusion cannot be reached once all the evidence is in, then the issue must be decided against the applicant: see *John Labatt Ltd. v. Molson Companies Ltd.* (1990) 30 C.P.R.(3d) 293 at 297-298 (F.C.T.D.). The test for confusion

is one of first impression and imperfect recollection. Factors to be considered, in making an assessment as to whether two marks are confusing, are set out in subsection 6(5) of the *Act*: the inherent distinctiveness of the marks and the extent to which they have become known; the length of time each has been in use; the nature of the wares, services or business; the nature of the trade; the degree of resemblance in appearance or sound of the marks or in the ideas suggested by them. This list is not exhaustive; all relevant factors are to be considered. All factors do not necessarily have equal weight. The weight to be given to each depends on the circumstances: see *Gainers Inc. v. Tammy L. Marchildon and The Registrar of Trade-marks* (1996), 66 C.P.R.(3d) 308 (F.C.T.D.).

The parties' marks in issue possess relatively low degrees of inherent distinctiveness. In this respect, the term "pit stop" refers to a brief stop in motor racing for the purposes of refuelling and/or vehicle maintenance. Thus, the opponent's mark, considered in its entirety, is strongly suggestive of the type of automobile maintenance services provided at the opponent's service bays. As discussed earlier, the opponent had used its PIT STOP marks extensively prior to 1989 and to a less extensive extent after 1989. Thus, the opponent's PIT STOP marks, and in particular the mark PIT STOP & CHECKER Design, had at all material times acquired a fair reputation in Canada for automobile services commonly referred to as "oil, lube and filter." Further, it would appear that the only food items sold at gas bars adjacent to the opponent's service bays consists of a selection of candies and chocolate bars: see paragraph 10 of Mr. Peake's affidavit.

The applied for mark CRUISERS PIT STOP DINER is of course suggestive of restaurant services in general and in particular the mark is suggestive of a road-side restaurant suitable for the motoring public. The subject application is based on proposed use in Canada and therefore the applicant cannot rely on any reputation acquired by use at the earliest material time.

The length of time that the marks have been in use favours the opponent as its mark PIT STOP & CHECKER Design has been in use since 1976 and the public would have become familiar with the word portion of the mark as early as 1971. The nature of the parties' services and of the parties' trades are different; the opponent services automobiles while the applicant operates

restaurants. The marks in issue resemble each other most in the ideas that they suggest namely, the idea of a “pit stop”; there is less resemblance between the marks aurally and the overall visual impression of the applied for mark is quite different from the opponent’s mark PIT STOP & CHECKER Design.

Although I am assessing the issue of confusion as of November 1, 1993, nevertheless I may have regard to matters arising after the material date to the extent that I may draw inferences as to the situation existing as of the material date; see *Speedo Knitting Mills Pty. Ltd. v. Beaver Knitwear (1975) Ltd.* (1985), C.P.R.(3d) 176 at pp. 184-185 (TMOB). In this regard, I note that there have been significant sales under the applicant’s mark and that the opponent has not evidenced any instances of actual confusion with any of the opponent’s marks. Of course, the opponent is under no obligation to do so and the absence of such evidence does not raise any presumptions unfavourable to the opponent nor is it in any way determinative of the issue of confusion. For example, in *Mr. Submarine Ltd. v. Amandista Investments Ltd.* (1987), 19 C.P.R. (3d) 3 (F.C.A.), the Court found that the defendant’s marks MR. SUBS’N PIZZA and MR. 29 MIN. SUBS’N PIZZA were confusing with the plaintiff’s mark MR. SUBMARINE although there was no evidence of actual confusion despite 10 years of contemporaneous use of the parties’ marks in the area of Dartmouth. The absence of evidence of actual confusion is one circumstance among the many to be considered.

Considering the relatively low inherent distinctiveness of the opponent’s marks, the differences between the parties’ marks in their entireties, the differences in the parties’ services and types of businesses, and taking into account the level of reputation accruing to the opponent’s marks, particularly from 1989 on, I find that, on a balance of probabilities, the average consumer is not reasonably likely to believe that the applicant’s services sold under its mark CRUISERS PIT STOP DINER are connected with the opponent who offers automotive services under its mark PIT STOP & CHECKER Design.

For essentially the same reasons as discussed above, I also find that the applied for mark is not confusing with the opponent’s mark PIT STOP or with PIT-STOP & TRIANGLE Design.

In my view, the opponent's evidence is far from convincing that its PIT STOP marks are entitled to an ambit of protection so wide as to encompass the applied for mark used in association with restaurant services.

In view of the above, the opponent's opposition is rejected.

DATED AT HULL, QUEBEC, THIS 8th DAY OF OCTOBER, 1998.

Myer Herzig,
Member,
Trade-marks Opposition Board