



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

Citation: 2015 TMOB 79
Date of Decision: 2015-04-28

**IN THE MATTER OF AN OPPOSITION
by Orchard Yarn and Thread Company,
Inc., DBA Lion Brand Yarn to
application No. 1,540,891 for the trade-
mark HOMESPUN KNITWEAR in the
name of Darrin Bachinski operating as
Standard Design**

[1] On August 23, 2011, Darrin Bachinski operating as Standard Design (the Applicant) filed application no. 1,540,891 for the trade-mark HOMESPUN KNITWEAR (the Mark). The application is based upon use in Canada since as early as March 31, 2010 in association with “mens and boys shirts” and since at least as early as 2008 in association with “wholesale sales of clothing”.

[2] The application was advertised for opposition purposes in the *Trade-marks Journal* of March 20, 2013 and on May 21, 2013, Orchard Yarn and Thread Company, Inc. DBA Lion Brand Yarn Company (the Opponent) opposed it under section 38 of the *Trade-marks Act*, RSC 1985, c T-13 (the Act).

[3] The grounds of opposition are based upon sections 30(i), 12(1)(b), 12(1)(d), 16(3)(a) and 2 (distinctiveness) of the Act.

[4] The Applicant denied each of the allegations set out in the statement of opposition in a counterstatement dated July 30, 2013.

[5] As evidence in support of its opposition, the Opponent filed the affidavit of Edward F. Cooke, sworn December 16, 2013 (the Cooke affidavit), as well as a certified copy of registration No. TMA843,958 for the trade-mark HOMESPUN.

[6] As evidence in support of its application, the Applicant filed the affidavit of Darrin Bachinski, sworn April 7, 2014 (the Bachinski affidavit) and the affidavit of Heather Young, sworn April 7, 2014 (the Young affidavit).

[7] Only the Applicant filed a written argument and no hearing was held.

[8] For the reasons which follow, the opposition is unsuccessful.

Onus

[9] 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].

Grounds of Opposition Summarily Dismissed

Non-compliance - Section 30(i)

[10] The Opponent has pleaded that the application for the Mark does not comply with section 30(i) of the Act as the Applicant could not have been satisfied that it was entitled to use the Mark in view of the Opponent's registered trade-mark.

[11] Where an applicant has provided the statement required by section 30(i), a ground of opposition based upon this section 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].

[12] The Applicant has provided the necessary statement and the Opponent has not demonstrated that this is an exceptional case.

[13] Accordingly, this ground is summarily dismissed.

Non-Registrability - Section 12(1)(b)

[14] The Opponent has pleaded that the Mark is not registrable, as it is either clearly descriptive or deceptively misdescriptive of the character or quality of the wares in association with which it is used or of the conditions of or the persons employed in their production or of their place of origin.

[15] A statement of opposition must set out the grounds of opposition in sufficient detail to enable the applicant to reply thereto [see section 38(3)(a) of the Act; *Faber-Gastell Can Inc v Binney & Smith Inc* (1991), 36 CPR (3d) 388 (TMOB); and *Benson and Hedges (Canada) Ltd v Imasco Ltd* (1976), 25 CPR (2d) 269 (FCTD)]. A pleading which merely reproduces the language of section 12(1)(b) of the Act and therefore merely pleads a conclusion of law, is insufficient for not providing any supporting allegations of fact [see *Faber-Gastell, supra*].

[16] I am therefore summarily dismissing this ground on the basis that it has been improperly pleaded. I note that even if I had found this ground to be properly pleaded, it still would have been summarily dismissed as the Opponent did not make any submissions or file any evidence in support of it in order to meet its initial evidential burden.

Analysis of Remaining Grounds of Opposition

Non-Registrability - Section 12(1)(d)

[17] The Opponent has pleaded that the Mark is not registrable because it is confusing with its trade-mark HOMESPUN, which is the subject of registration No. TMA843,958.

[18] The material date to assess the section 12(1)(d) ground of opposition is the date of my decision [*Park Avenue Furniture Corporation v Wickes/Simmons Bedding Ltd and The Registrar of Trade Marks* (1991), 37 CPR (3d) 413 (FCA)].

[19] The Opponent has filed a certified copy of its registration and I have exercised my discretion and checked the register to confirm that the Opponent's registration is extant [*Quaker*

Oats Co of Canada v Menu Foods Ltd (1986), 11 CPR (3d) 410 (TMOB)]. Therefore, the Opponent has met its initial burden with respect to this ground.

[20] As the Opponent's evidentiary burden has been satisfied, the Applicant must therefore establish on a balance of probabilities, that there is no reasonable likelihood of confusion between its trade-mark and the Opponent's trade-mark.

[21] 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.

[22] 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 [*Mattel, Inc v 3894207 Canada Inc* (2006), 49 CPR (4th) 321 (SCC) and *Masterpiece Inc v Alavida Lifestyles Inc* (2011), 92 CPR (4th) 361 (SCC)].

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

[23] The Opponent's trade-mark consists solely of the ordinary dictionary term HOMESPUN and the Mark is comprised of that same term, along with the word KNITWEAR, which is also an ordinary dictionary term.

[24] The word "homespun" is defined in the online version of the *Canadian Oxford Dictionary* (2d) as: *adjective* 1. (of cloth) made of yarn spun at home; (of yarn) spun at home. 2. plain, simple, unsophisticated, homely. *noun* 1. homespun cloth. 2. anything plain or homely. The word "knitwear" is simply defined as "knitted garments".

[25] In view of the somewhat descriptive nature of these words, I find that the parties' trade-marks possess a low degree of inherent distinctiveness.

[26] The strength of a trade-mark may be increased by means of it becoming known in Canada through promotion or use.

[27] Evidence pertaining to the Opponent's promotion and use of its trade-mark can be found in the Cooke affidavit. Mr. Cooke is the Chief Administrative Officer for the Opponent [Cooke affidavit, paras 1 and 2]. According to Mr. Cooke, the Opponent has used its trade-mark in Canada since at least as early as May of 1998 in association with "yarns" [Cooke affidavit, para 4]. Mr. Cooke states that products bearing its HOMESPUN trade-mark have been sold in Michael's arts and craft specialty stores [Cooke affidavit, para 5].

[28] In paragraph 6 of his affidavit, Mr. Cooke provides sales figures for sales of the Opponent's products bearing the trade-mark HOMESPUN in Canada from 2007 up until 2011. Mr. Cooke states that these sales figures were the most recent available at the time he swore his affidavit [Cooke affidavit, para 5]. Sales of the Opponent's products bearing the trade-mark HOMESPUN in Canada ranged from CDN\$526,891 to CDN\$786,137 and the total units sold ranged between 63,640 and 187,387 during these years [Cooke affidavit, para 5].

[29] Attached as Exhibit "B" to Mr. Cooke's affidavit are print-outs of pages from the Michael's website which Mr. Cooke attests show the Opponent's HOMESPUN products being offered for sale in Canada [Cooke affidavit, para 9]. The print-outs show the Opponent's yarn products with its trade-mark prominently displayed thereon.

[30] Evidence pertaining to the promotion and use of the Mark can be found in the Bachinski affidavit. Mr. Bachinski states that the Applicant's business is as a wholesale vendor of clothing and in particular, men's shirts [Bachinski affidavit, para 2]. Attached as Exhibit "B-1" to Mr. Bachinski's affidavit, is a blog article which Mr. Bachinski states provides information on the Applicant's products [Bachinski affidavit, para 6]. While print-outs from the internet generally cannot be taken as evidence of the truth of their contents, given that Mr. Bachinski is the Applicant and that he has indicated that the article provides information about his products, I am prepared to consider this evidence. According to the article, HOMESPUN KNITWEAR was

founded in 2009 as a spin-off of Standard Design and has been produced locally in Vancouver ever since.

[31] Attached as Exhibit “B-2” is an example of a HOMESPUN KINTWEAR shirt which appears to have been taken from a website which offers the shirts for sale [Bachinski affidavit, para 6]. The Applicant’s trade-mark is not visible thereon. Mr. Bachinski states that the HOMESPUN KNITWEAR shirts are sold by retail clothing stores at a suggested retail price ranging from \$80.00 to \$145.00 U.S. dollars, with a average retail price of \$110.00 U.S. dollars [Bachinski affidavit, para 3]. Attached as Exhibits “A-1” to “A-7” are photos of the interiors of retail clothing stores which are the Applicant’s customers [Bachinski affidavit, para 5]. The stores are located in Vancouver, Edmonton, Toronto and Calgary. According to Mr. Bachinski, they primarily sell designer men’s clothing and they are not in the craft supply business nor do they offer bundles of knitting yarn [Bachinski affidavit, paras 4 and 5].

[32] According to Mr. Bachinski, the Applicant’s products are advertised in Inventory Magazine, which is published twice a year and distributed through high end menswear retailers and sold on newsstands for \$20.00 U.S. [Bachinski affidavit, para 13]. Mr. Bachinski does not state whether these magazines are distributed in Canada.

[33] Given that Mr. Bachinski has not provided any sales or advertising figures, it is difficult to assess the extent to which the Applicant’s trade-mark has become known in Canada. By contrast, based upon the evidence which has been filed by the Opponent and in particular, its sales figures and the availability of its products at Michael’s craft stores, I am able to conclude that its trade-mark has become known to some extent in Canada.

[34] Overall, I therefore find that this factor favors the Opponent.

Section 6(5)(b) – the length of time each has been in use

[35] The application for the Mark is based upon use in Canada since as early as March 31, 2010 in association with “mens and boys shirts” and since at least as early as 2008 in association with “wholesale sales of clothing”. However, the Applicant has not provided any invoices, sales figures or photographs showing use of the Mark on or in association with “shirts”,

nor has it provided any evidence showing use of the trade-mark in the advertising or performance of its services. By contrast, the Opponent has shown at least some use of its trade-mark and provided sales figures dating back to 2007.

Sections 6(5)(c) and (d) – the nature of wares, services or business and trade

[36] When considering sections 6(5)(c) and (d) of the Act, it is the statement of goods in the application for the Mark and the statement of goods in the Opponent's registration that govern the assessment of the likelihood of confusion under section 12(1)(d) of the Act [see *Henkel Kommanditgesellschaft auf Aktien v Super Dragon Import Export Inc* (1986), 12 CPR (3d) 110 (FCA) and *Mr Submarine Ltd v Amandista Investments Ltd* (1987), 19 CPR (3d) 3 (FCA)].

[37] The statement of goods in the Opponent's registration covers "yarns" and the application for the Mark covers "mens and boys shirts" and "wholesale sales of clothing". The parties' goods are only related to the extent that yarn can potentially be used to make articles of clothing. Aside from that connection, they differ entirely.

[38] With respect to the channels of trade, both of the parties have put forward evidence.

[39] In the Cooke affidavit, Mr. Cooke makes a statement that he is aware that Michael's, the store in which the Opponent's yarn is sold in Canada, also sells clothing [Cooke affidavit, para 10]. Attached as Exhibit "C" to his affidavit is a printout from the Michael's website which shows various articles of clothing. The articles of clothing primarily fall under the categories of "Apparel Crafting" and "Crafts for Kids" and are advertised as being for various craft related activities (e.g. fabric paint, tie-dyes, iron-on embellishments or appliques, sewn embellishments, etc.).

[40] Similar evidence was put forward in the Bachinski affidavit, as Mr. Bachinski also visited the Michael's website and printed out screen shots from the "Apparel Crafting" category of products [Bachinski affidavit, para 8]. These screen shots are attached as Exhibits "C-1" to "C-13" of his affidavit. In addition, Mr. Bachinski visited a Michael's store and took photographs of various displays relating to clothing for crafting [Bachinski affidavit, para 9]. The photographs

which he took during his visit are attached as Exhibits “D-1”-“D-6”. They show, for example, t-shirts being advertised at 2 for 7\$.

[41] The Applicant also put forward the Young affidavit. Ms. Young identifies herself as an instructor in the fashion program at Kwantlen University, with a Masters of Design in Fashion and Textiles [Young affidavit, para 2]. She states that as a professional in the area of textile design and a textile craft enthusiast, she is very familiar with the Michael’s retail chain and that if she were shopping for balls of yarn, she would not go to a men’s clothing store. She also states that if she were shopping for men’s shirts, she would not go to Michael’s. In addition, she provides an opinion on the likelihood of confusion in this case [Young affidavit, paras 3-7].

[42] In my view, Ms. Young’s affidavit does not contain enough detail for me to assess whether she may be properly qualified as an expert. Moreover, the likelihood of confusion is an issue that I am required to assess and it is not one that requires expert evidence.

[43] Overall, the parties’ evidence does establish that yarn and clothing may be sold in the same retail outlets. However, as the Applicant has pointed out, there is a difference between the fashion apparel, which it sells and the apparel that is sold at Michael’s which is essentially crafting apparel. The Applicant submits that no consumer is going to go to a craft store to buy fashion related apparel and no consumer is going to go to the retail store in which he distributes his clothing to buy yarn for their craft projects.

[44] I note that the clothing in the application for the Mark has not been restricted to “fashion apparel” and there is no indication in the Opponent’s registration that the sale of its yarn is restricted to craft stores. That being said, it has been held that the statement of goods and services in an application or registration 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 and that evidence of the parties’ actual trades can be useful in this respect [*McDonald’s Corp v Coffee Hut Stores Ltd* (1996), 68 CPR (3d) 168 (FCA); *Procter & Gamble Inc v Hunter Packaging Ltd* (1999), 2 CPR (4th) 266 (TMOB); and *American Optical Corp v Alcon Pharmaceuticals Ltd* (2000), 5 CPR (4th) 110 (TMOB)].

[45] Based upon the evidence which has been put forward in the present case, I find it reasonable to conclude that the Applicant's clothing and related services would generally not be directed to the same consumer as the yarns which are sold by the Opponent through craft stores.

Section 6(5)(e) – degree of resemblance between the trade-marks

[46] In its judgment in *Masterpiece* the Supreme Court of Canada clearly indicated that the most important factor amongst those listed under section 6(5) of the Act is often the degree of resemblance between the trade-marks [*Masterpiece supra* at para 49].

[47] When considering the degree of resemblance, the law is clear that the trade-marks must be considered in their totality. The appropriate test is not a side by side comparison but an imperfect recollection in the mind of a consumer of an opponent's trade-mark.

[48] Furthermore, while the first portion of a trade-mark is usually the most important for the purpose of distinguishing (see *Conde Nast Publications Inc v Union des Editions Modernes* (1979), 46 CPR (2d), 183 (FCTD) at 188), the Supreme Court of Canada in *Masterpiece* stated that the preferable approach when comparing trade-marks is to begin by determining whether there is an aspect of the trade-mark that is particularly striking or unique [*Masterpiece supra* at para 64].

[49] In view of the descriptive nature of the terms HOMESPUN and KNITWEAR in the parties' trade-marks, I do not find that there is any aspect of them which is particularly striking or unique. Since the parties' trade-marks both contain the term HOMESPUN, there is a high degree of resemblance between them. However, the Mark does differ slightly in appearance, sound and connotation, as a result of the inclusion of the word KNITWEAR, which reinforces the idea that the goods and services associated with the Mark relate to knitted garments.

Conclusion on the Likelihood of Confusion

[50] Having considered all of the surrounding circumstances, I find that the Applicant has satisfied its onus to show that, on a balance of probabilities, confusion between the parties' trade-marks is unlikely. Although there is a relatively high degree of resemblance between the parties' trade-marks they possess a low degree of inherent distinctiveness, and while the Opponent has

demonstrated some use and reputation in its trade-mark, the fact remains that the nature of the parties' goods differs substantially and based upon the evidence before me, there are also differences in their associated channels of trade.

[51] The section 12(1)(d) ground of opposition is therefore unsuccessful.

Non-Entitlement – Section 16(3)(a)

[52] The Opponent has pleaded that the Applicant is not the person entitled to registration of the Mark under section 16(3)(a) of the Act, in view of its prior use in Canada of its trade-mark HOMESPUN in association with yarns.

[53] Despite the burden 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 trade-mark, the Opponent has the initial onus of proving that its trade-mark was in use prior to the August 23, 2011 filing date of the application for the Mark and had not been abandoned as of the March 20, 2013 date of advertisement for the Mark [section 16(5) of the Act].

[54] As discussed in greater detail above in my analysis of the non-registrability ground of opposition, I am satisfied that the Opponent has established use of its HOMESPUN trade-mark and non-abandonment as of the relevant dates.

[55] However, the difference in material dates is insignificant and thus for the same reasons as identified above in my analysis of the section 12(1)(d) ground of opposition, I am satisfied that the Applicant has discharged its burden of showing, on a balance of probabilities that there is no reasonable likelihood of confusion between the parties' trade-marks.

[56] Accordingly, this ground of opposition is also unsuccessful.

Non-Distinctiveness – Section 2

[57] The Opponent has pleaded that the Mark is not distinctive having regard to section 2 of the Act, in that it does not distinguish the Applicant's goods from those of others and more particularly, those of the Opponent.

[58] While there is a legal onus on the Applicant to show that the Mark is adapted to distinguish or actually distinguishes its goods from those of others throughout Canada there is an initial evidential burden on the Opponent to establish the facts relied upon in support of the ground of non-distinctiveness [see *Muffin Houses Incorporated v The Muffin House Bakery Ltd.* (1985), 4 CPR (3d) 272 (TMOB)],.

[59] Pursuant to its evidential burden, the Opponent is under an obligation to show that, as of the filing of the statement of opposition, its HOMESPUN trade-mark 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)].

[60] As discussed more fully in the analysis of the section 12(1)(d) ground of opposition, the Opponent was successful in establishing that its HOMESPUN trade-mark had become known to some extent in association with its goods, as of the date of filing the statement of opposition. Overall, I find the Opponent's evidence sufficient for it to meet its evidential burden in respect of this ground of opposition.

[61] However, as was the case with the non-entitlement ground of opposition, the difference in material dates does not materially affect my conclusion under the section 12(1)(d) ground above.

[62] Accordingly, this ground of opposition is also unsuccessful.

Disposition

[63] In view of the foregoing, pursuant to the authority delegated to me under section 63(3) of the Act, I reject the opposition pursuant to section 38(8) of the Act.

Lisa Reynolds
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office