

**IN THE MATTER OF AN OPPOSITION by ERA CLOTHING
INC./ LES VÊTEMENTS ERA INC. to application No. 805,973
for the trade-mark HOLLYWOOD SHORTS filed by David L.
Burton**

On March 5, 1996, the applicant, David L. Burton, filed an application to register the trade-mark HOLLYWOOD SHORTS based on proposed use of the trade-mark in Canada in association with “underwear clothing”. The applicant amended his application at the examination stage to cover “Clothing, namely shorts and shirts” and to disclaim the right to the exclusive use of the word SHORTS apart from his trade-mark.

The present application was advertised for opposition purposes in the *Trade-marks Journal* of April 2, 1997 and the opponent, ERA CLOTHING INC./ LES VÊTEMENTS ERA INC., filed a statement of opposition on June 2, 1997, a copy of which was forwarded to the applicant on June 27, 1997. The applicant served and filed a counter statement in response to the statement of opposition. The opponent submitted as its evidence the affidavit of Joe Biello, together with certified copies of the following trade-marks:

<u>Trade-mark</u>	<u>Registration No.</u>	<u>Wares</u>
HOLLYWOOD ERA	296,550	Mens', ladies', girls' and boys' jeans. Men's, ladies' and children's pants, jackets, coats, vests, jumpsuits, dresses, shirts, blouses, shorts, T-shirts, sweat pants and sweat tops.
HOLLYWOOD JEANS & Design	403,987	Mens, ladies, girls and boys jeans. Mens, ladies and childrens pants, jackets, coats, vests, jumpsuits, dresses, shirts, blouses, shorts, T-shirts, sweat pants and sweat tops.
HOLLYWOOD THE JEAN PEOPLE & Design	425,905	Men's, ladies' and children's pants, jackets, coats, vests, jeans, jean jackets, jean vests, jumpsuits, dresses, shirts, blouses, shorts, T-shirts, sweat pants and sweat tops.
HJ & Design	426,147	Men's, ladies' and children's pants, jackets, coats, vests, jeans, jean jackets, jean vests, jumpsuits, dresses, shirts, blouses, shorts, T-shirts, sweat pants and sweat tops.
HOLLYWOOD THE JEAN PEOPLE	479,151	Men's, women's and children's jackets, coats, vests, shirts, blouses, T-shirts,

sweat tops, sweat pants, pants, jumpsuits, dresses, shorts, skirts, jeans and clothing made of denim, namely: jackets, vests, shirts, jumpsuits, dresses, skirts and shorts.

The applicant submitted as his evidence the affidavit of David L. Burton who was cross-examined on his affidavit, the transcript of the cross-examination and the exhibits to the cross-examination forming part of the opposition record. Both parties filed written arguments and both were represented at an oral hearing.

During the opposition proceeding, the applicant submitted a revised application in which the statement of wares was amended to cover “undershorts”. The opponent submitted in its written argument that this amendment ought not to have been accepted by the Opposition Board without the opponent being given an opportunity to make its submissions concerning the amendment. In particular, the opponent noted that it considered the amendment to be contrary to Rule 32(e) of the *Trade-marks Regulations*. However, the Opposition Board does not normally invite an opponent to make submissions concerning an amended application prior to ruling on the acceptability of the amendment. Moreover, there does not appear to be an error in law or a clear error in the interpretation of the facts surrounding the acceptance by the Board of the amendment made by the applicant to his application. There is therefore no justification for my now reviewing the Board’s ruling concerning the amendment made by the applicant to his statement of wares during the opposition proceeding.

The applicant also submitted the following amendment to his statement of wares subsequent to the oral hearing:

“The Trade-mark, **HOLLYWOOD SHORTS**, affixed to the product, (novelty boxer shorts) will be marketed and distributed through novelty stores as a novelty product.”

The opponent filed a written submission in respect of the above amendment and the applicant submitted a reply to the opponent’s written submission. While the amendment to the statement of wares might have been worded more clearly, I have interpreted the amended statement of wares as covering: novelty boxer shorts marketed and distributed through stores as a novelty product.

The opponent in its written submission has argued that the inclusion of the channels of trade

in the amended statement of wares is contrary to subsection 30(a) of the *Trade-mark Act* since subsection 30(a) requires that an application contain a statement in ordinary commercial terms of the “specific wares” in association with which the mark is proposed to be used. However, I do not read subsection 30(a) as precluding such a limitation in a statement of wares. Moreover, such a limitation clarifies the scope of a monopoly being requested by an applicant in relation to its trade-mark. The opponent also argued that allowing the applicant to amend his application after the oral hearing would be procedurally unfair to the opponent as it prepared its evidence and written argument on the basis of the statement of wares covered in the application as advertised in the *Trade-marks Journal*. However, section 30 of the *Trade-marks Regulations* specifically provides that an application for the registration of a trade-mark may be amended either before or after the application has been advertised except as provided in sections 31 and 32 of the *Regulations*. Further, subsection 32(e) of the *Regulations* precludes the amendment of the statement of wares subsequent to the advertisement of the application in the *Trade-marks Journal* so as to be broader than the statement of wares contained in the application at the time of advertisement. Since the applicant’s amended statement of wares is not broader than the statement of wares as advertised in the *Journal*, the applicant’s amendment is not contrary to subsection 32(e) of the *Regulations* and is therefore permissible under section 30 of the *Regulations*.

Having regard to the foregoing, I have accepted the amendment made by the applicant to his application. Furthermore, in view of the delays already occasioned in this case to date, and considering the conclusions I have reached in this case based on the pleadings and the evidence of record, I have found it unnecessary to invite the opponent either to amend its statement of opposition or to request leave of the Registrar to adduce further evidence as a consequence of the acceptance of the applicant’s amended application.

The following are the grounds of opposition asserted by the opponent in its statement of opposition:

- a) The present application does not comply with the requirements of subsection 30(e) of the *Trade-marks Act* in that the applicant has no intention of using the applied for trade-mark.
- b) The present application does not comply with the requirements of subsection 30(i)

of the *Trade-marks Act* in that the applicant was or ought to have been, at the time of the application, aware of the opponent's trade-marks identified in the statement of opposition as applied to the wares covered in the opponent's registrations, the opponent's trade-names and the opponent's unregistered trade-mark and trade-name HOLLYWOOD as applied to clothing including shorts and shirts, and the extent of their wide use and making known by the opponent in association with its wares which predates the applicant's application. The applicant could not have been satisfied as to his entitlement to use the applied for trade-mark in Canada in association with the wares covered in the present application.

c) The applied for trade-mark is not registrable having regard to the provisions of paragraph 12(1)(d) of the *Trade-marks Act* in that it is confusing with the opponent's registered trade-marks: HOLLYWOOD ERA, registration No. 296,550; HOLLYWOOD JEANS & Design, registration No. 403,987; HOLLYWOOD THE JEAN PEOPLE & Design, registration No. 425,905; and HJ & Design, registration No.426,147.

d) The applicant is not the person entitled to registration of the applied for trade-mark having regard to the provisions of paragraphs 16(3)(a) and (c) of the *Trade-marks Act* in that, at the date of the application, the applicant's trade-mark was confusing with the opponent's trade-marks and trade-names HOLLYWOOD ERA, HOLLYWOOD JEANS & Design, HOLLYWOOD THE JEAN PEOPLE & Design, HJ & Design and HOLLYWOOD THE JEAN PEOPLE and its unregistered trade-mark and trade-name HOLLYWOOD which have been widely used and made known by the opponent in Canada in association with its clothing including shorts and shirts.

e) The applicant is not the person entitled to registration of the applied for trade-mark having regard to the provisions of paragraph 16(3)(b) of the *Trade-marks Act* in that, at the date of the application, the applicant's trade-mark was confusing with the opponent's trade-mark HOLLYWOOD THE JEAN PEOPLE, application No. 787,217, in respect of which an application for registration had been previously filed in Canada by the opponent.

f) The applied for trade-mark is not distinctive of the applicant's wares and cannot be distinctive of the applicant's wares in that, as of the date of the statement of opposition, the applicant's mark was not and is not adapted to distinguish and does not actually distinguish the applicant's wares from the opponent's wares, in association with which the opponent's trade-marks, trade-names, unregistered trade-mark and trade-name HOLLYWOOD have been widely used and made known by the opponent in Canada prior to the applicant's application. Since the applicant's trade-mark and the opponent's trade-marks, trade-names, unregistered trade-mark and trade-name HOLLYWOOD are confusing, the applicant's mark is not adapted to distinguish the applicant's wares from the opponent's wares.

The first two grounds of opposition are based on subsections 30(e) and 30(i) of the *Trade-marks Act*. While the legal burden is upon the applicant to show that his application complies with section 30 of the *Act*, there is an initial evidential burden on the opponent in respect of its section 30 grounds [see *Joseph E. Seagram & Sons Ltd. et al v. Seagram Real Estate Ltd.*, 3 C.P.R. (3d) 325, at pp. 329-330]. To meet the evidential burden upon it in relation to a particular issue, the opponent must adduce sufficient admissible evidence from which it could reasonably be concluded that the facts alleged to support that issue exist. Further, the material time for considering the section 30

grounds is the filing date of the present application [see *Georgia-Pacific Corp. v. Scott Paper Ltd.*, 3 C.P.R.(3d) 469, at p.475].

Apart from the above, the evidential burden on the opponent respecting the issue of the applicant's non-compliance with subsection 30(e) of the *Act* is a relatively light one [see, in this regard, *Canadian National Railway Co. v. Schwauss*, 35 C.P.R. (3d) 90, at pp.94-95]. Furthermore, the opponent's evidential burden can be met by reference not only to the opponent's evidence and the transcripts of any cross-examinations, but also to the applicant's evidence [see *Labatt Brewing Company Limited v. Molson Breweries, a Partnership*, 68 C.P.R.(3d) 216, at p. 230]. Also, while the opponent may rely on the applicant's evidence to meet its evidential burden in relation to this ground, the opponent must show that the applicant's evidence is 'clearly' inconsistent with the claims set forth in the present application.

With respect to the subsection 30(e) ground, the Burton affidavit and the transcript of Mr. Burton's cross-examination point to the fact that the applicant is an entrepreneur who creates new ideas and concepts and licenses them to various companies. However, the transcript of Mr. Burton's cross-examination confirms that, as of the filing date of the present application, the applicant was uncertain as to whether he would use the trade-mark HOLLYWOOD SHORTS himself or would license its use to a third party [see transcript of Burton cross-examination, Qs.163-170, and responses thereto]. Thus, the evidence of record does not establish that, as of the filing date of the present application, the applicant had no intention of using the applied for trade-mark. As a result, I have dismissed the first ground of opposition.

As for the second ground, the fact that the opponent may have previously used or made known its marks in Canada does not, by itself, preclude the applicant from making the statement required by subsection 30(i) of the *Trade-marks Act*. While the opponent alleged that the applicant was aware of the opponent's marks as of the filing date of the present application, Mr. Burton states during his cross-examination that he first became aware of the opponent when he received a letter from the Trade-marks Office concerning the present opposition proceeding [see transcript of Burton cross-examination, Qs.52-57, and responses thereto]. Furthermore, to the extent that the subsection 30(i)

ground is founded on allegations set forth in the remaining grounds of opposition, the success of this ground is contingent upon a finding that the applicant's trade-mark is not registrable or not distinctive, or that the applicant is not the person entitled to registration of the trade-mark HOLLYWOOD SHORTS, as alleged in those grounds [see *Consumer Distributing Co. Ltd. v. Toy World Ltd.*, 30 C.P.R. (3d) 191, at p.195; and *Sapodilla Co. Ltd. v. Bristol-Myers Co.*, 15 C.P.R. (2d) 152, at p.155]. I will therefore consider the opponent's remaining grounds of opposition.

The third ground turns on the issue of confusion between the applicant's trade-mark HOLLYWOOD SHORTS as applied to the wares covered in the applicant's amended application and one, or more, of the opponent's registered trade-marks identified above. In determining whether there would be a reasonable likelihood of confusion between the trade-marks at issue, the Registrar must have regard to all the surrounding circumstances including, but not limited to, the criteria which are specifically enumerated in subsection 6(5) of the *Trade-marks Act*. Further, 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 his trade-mark HOLLYWOOD SHORTS and one, or more, of the opponent's registered trade-marks as of the date of my decision, the material date for considering the paragraph 12(1)(d) ground [see *Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd. and The Registrar of Trade Marks*, 37 C.P.R. (3d) 413 (F.C.A.)].

Considering initially the inherent distinctiveness of the trade-marks at issue [para.6(5)(a)], the applicant's trade-mark HOLLYWOOD SHORTS possesses relatively little inherent distinctiveness in that the word HOLLYWOOD is the name of a district of Los Angeles, California while the word SHORTS is descriptive of the applicant's wares and has been disclaimed by the applicant apart from his trade-mark. The opponent's registered trade-marks HOLLYWOOD JEANS & Design, HOLLYWOOD THE JEAN PEOPLE & Design, and HJ & Design possess some inherent distinctiveness when considered in their entireties despite the geographic significance of the word HOLLYWOOD in that each mark includes design elements which add somewhat to its inherent distinctiveness. Further, the registered trade-mark HOLLYWOOD ERA possesses some measure of inherent distinctiveness when considered in its entirety in that the word ERA is neither descriptive nor suggestive when applied to the wares covered in registration No. 296,550.

With respect to the extent to which the trade-marks at issue have become known [para.6(5)(a)] and the length of time the marks have been in use [para.6(5)(b)], the applicant's trade-mark HOLLYWOOD SHORTS has not yet been used in Canada and has not otherwise been shown to have acquired any measure of a reputation in this country. On the other hand, the affidavit of Joe Biello, President and Chief Operating Officer of the opponent, establishes that the opponent's registered trade-marks HOLLYWOOD JEANS & Design, HOLLYWOOD THE JEAN PEOPLE & Design, and HJ & Design have become known in Canada in association with *inter alia* jeans, pants, jackets, jumpsuits, coats, vests, caps, dresses, shirts, blouses, shorts, T-shirts, sweat pants and sweat tops. In paragraph 14 of his affidavit, Mr. Biello attests to the distribution of more than 5,400,000 units of clothing in Canada from 1992 to 1997 inclusive bearing one or more of these marks. However, there is little evidence of use by the opponent of its registered trade-mark HOLLYWOOD ERA. Thus, both the extent to which the trade-marks at issue have become known and the length of time the marks have been in use weigh in the opponent's favour in relation to its registered trade-marks HOLLYWOOD JEANS & Design, HOLLYWOOD THE JEAN PEOPLE & Design, and HJ & Design.

With respect to the nature of the wares of the parties [para.6(5)(c)] and the nature of the trade associated with those wares [para.6(5)(d)], it is the applicant's amended statement of wares and the statements of wares covered in the opponent's registrations identified above which must be considered in assessing the likelihood of confusion in relation to the paragraph 12(1)(d) ground [see *Mr. Submarine Ltd. v. Amandista Investments Ltd.*, 19 C.P.R.(3d) 3, at pp.10-11 (F.C.A.); *Henkel Kommanditgesellschaft v. Super Dragon*, 12 C.P.R.(3d) 110, at p.112 (F.C.A.); and *Miss Universe, Inc. v. Dale Bohna*, 58 C.P.R.(3d) 38,1 at pp.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 may be useful [see *McDonald's Corporation v. Coffee Hut Stores Ltd.*, 68 C.P.R.(3d) 168, at p.169 (F.C.A.)]. Furthermore, in assessing the likelihood of confusion between trade-marks in respect of a paragraph 12(1)(d) ground, the Registrar must have regard to the channels of trade which would normally be considered as being associated with the wares set forth in the applicant's application and the opponent's registrations.

The applicant's novelty boxer shorts are similar to the shorts, T-shirts and sweat tops covered in the opponent's registrations. As for the channels of trade associated with the wares of the parties, the applicant has limited the channels of trade associated with his novelty boxer shorts to stores which sell novelty products. The applicant has submitted that the opponent has not sold its wares to date through novelty stores. However, absent a restriction in the statements of wares set forth in the opponent's registrations as to the channels of trade associated with those wares, the Registrar cannot, when considering the issue of confusion, take into consideration the fact that the opponent may only have sold its wares through particular retail outlets to date [see *Henkel Kommanditgesellschaft Auf Aktien v. Super Dragon Import Export Inc.*, referred to above]. Furthermore, in *Pernod Ricard v. Molson Breweries*, 44 C.P.R. (3d) 359, at page 368, Mr. Justice Denault commented as follows:

“The courts have held that in attempting to establish a likelihood of confusion, it is not necessary to prove that the wares of both parties are sold in the same outlets, as long as the parties are entitled to do so: *Cartier Men's Shops Ltd. v. Cartier Inc.* (1981), 58 C.P.R. (2d) 68 at p. 73, 10 A.C.W.S. (2d) 493 (F.C.T.D.); *Eminence, SA v. Registrar of Trade Marks* (1977), 39 C.P.R. (2d) 40 (F.C.T.D.) at p. 43. In this instance, the wares of both parties are products of the same industry and, as such, there exists the very real possibility that they would be made available to consumers in many of the same outlets. The appellant argued that even if its products were sold in the same retail outlets as those of the respondent, they would be sold in distinct portions of the store, and never side by side. Again, I must emphasize that the potential does exist.”

Consequently, the fact that the opponent's clothing may not have been sold through novelty stores to date in Canada is of limited assistance to the applicant in assessing the issue of the likelihood of confusion in relation to the paragraph 12(1)(d) ground. Further, it might well be that certain of the retail outlets through which the opponent may have sold its wares in Canada such as The Bay might also sell novelty products including novelty boxer shorts. Also, such wares might arguably be sold in close proximity to other items of clothing such as shorts, T-shirts and sweat tops.

As for the degree of resemblance between the trade-marks at issue, the applicant's mark HOLLYWOOD SHORTS bears a fair degree of similarity in appearance and an even greater degree of similarity in sounding to the opponent's registered trade-marks and, in particular, its registered trade-mark HOLLYWOOD JEANS & Design. Further, there is a significant degree of resemblance between these marks in the ideas suggested in that both marks include as an initial element the word HOLLYWOOD followed by a word identifying an article of clothing.

Considering that there is a fair degree of similarity in appearance and an even greater degree of similarity in sounding and in the ideas suggested between the applicant's mark HOLLYWOOD SHORTS and the opponent's registered trade-mark HOLLYWOOD JEANS & Design and that the opponent's T-shirts, sweat tops and shorts could potentially travel through the same channels of trade as the applicant's novelty boxer shorts, and even bearing in mind the inherent weakness of the opponent's trade-mark HOLLYWOOD JEANS & Design which is offset to some extent by the fact that the opponent's mark has acquired some measure of a reputation in Canada particularly in association with jeans and jean tops, I am left in doubt as to the likelihood of confusion between the applicant's trade-mark HOLLYWOOD SHORTS and the opponent's registered trade-mark HOLLYWOOD JEANS & Design. I am therefore obliged to resolve that doubt against the applicant and have therefore concluded that the applicant has failed to meet the legal burden on him in respect of the issue of confusion in relation to the third ground. Thus, the applicant's trade-mark is not registrable in view of paragraph 12(1)(d) of the *Trade-marks Act*.

Having regard to the foregoing, I do not propose to consider the remaining grounds of opposition asserted by the opponent. However, I would expect that the non-entitlement and non-distinctiveness grounds would also have been successful in view of my conclusions concerning the likelihood of confusion between the applicant's trade-mark and the opponent's trade-mark HOLLYWOOD JEANS & Design.

Having been delegated by the Registrar of Trade-marks by virtue of subsection 63(3) of the *Trade-marks Act*, I refuse the applicant's application pursuant to subsection 38(8) of the *Trade-marks Act*.

DATED AT HULL, QUEBEC, THIS 16th DAY OF JANUARY, 2001.

G.W. Partington,
Chairperson,
Trade-marks Opposition Board.