

IN THE MATTER OF TWO OPPOSITIONS
by Bedford Furniture Industries Inc.
to application serial Nos. 554,228 and 556,502
for the marks KINGSDOWN & Design, and KINGSDOWN,
filed by Kingsdown Inc.

On December 13, 1985, and on January 30, 1986, Kingsdown Inc. filed applications to register the marks KINGSDOWN & Design, and KINGSDOWN, respectively, for various items of bedding and upholstered furniture, based on use of the marks in Canada since at least as early as March 1, 1982. The applicant Kingsdown is a company incorporated in North Carolina, U.S.A.. Below is a partial, representative specification of the wares appearing in the above mentioned applications:

mattresses, box springs and foundations,
bed frames, headboards, various
types of beds, and upholstered
furniture, namely chairs, sofas,
sofa beds, loveseats, stationary and
dual purpose convertible sofas.

I will first deal with application No. 556,502 for the word mark KINGSDOWN. It was advertised for opposition purposes on December 17, 1986, and opposed by Bedford Bedding & Upholstery Limited on January 8, 1987. Apparently the opponent subsequently changed its name to Bedford Furniture Industries Inc.. The grounds of opposition are summarized below:

(a) The application does not conform to the requirements of Section 30(a) of the Trade-marks Act because

(i) certain of the wares are not defined in ordinary commercial terms [the opponent later withdrew this objection - see page 12 of the opponent's written argument],

(ii) the applicant has not used the applied for mark "continuously and on a normal commercial scale...from the date March 1, 1982, as alleged in the application...[I]f any use...has actually arisen ...such use did not arise prior to 1985 or thereabouts, well subsequent to the date alleged by the applicant."

(b) The applied for mark KINGSDOWN is not registrable, pursuant to Section 12(1)(b), because it is clearly descriptive or deceptively misdescriptive of the applicant's mattresses, pillows and

upholstered furniture. The opponent alleges that consumers would believe that down is used as a stuffing for the aforementioned wares.

(c) The applied for mark KINGSDOWN is not registrable, pursuant to Section 12(1)(d), because it is confusing with the opponent's registered marks

(i) KING KOIL, regn. No. 300,120, for mattresses, box springs, various types of beds, pillows, and upholstery furniture, namely... chairs, love seats and chesterfields,

(ii) KIRO KING, regn. No. 251,436, for mattresses.

(d) The applicant is not entitled to registration, pursuant to Section 16(1)(a), because at the alleged date of first use namely March 1, 1982, the applied for mark was confusing with

(i) the mark KING KOIL previously used in Canada by the opponent and its predecessors in title, namely, United States Bedding Co. and King Koil Licensing Company, Inc.,

(ii) the mark KIRO KING previously used in Canada by the opponent and its predecessor in title, namely, Heath Manufacturing Limited.

(e) The applied for mark is not distinctive of the applicant's wares, pursuant to Section 2, because it does not distinguish the applicant's wares from

(i) the opponent's wares,

(ii) the wares of Brandon Furniture Company.

Ground e(ii) above was added in a subsequently filed amended statement of opposition - see the Office ruling dated February 28, 1991 granting the opponent leave to amend.

The applicant filed a counter statement in response to the original statement of opposition. In my view, an amended counter statement specifically denying the additional ground e(ii) was not required as the applicant's initial general denials are wide enough

to refute the added ground.

The opponent's evidence consists of the affidavit of Erving Erlick, General Manager of the opponent company.

The applicant's evidence consists of the affidavits of W. Eric Hinshaw, President and CEO of the applicant company, Murray H Betel, President of a company in the bed and mattress business, Ernest Duff, a person with twenty years experience in the mattress industry, Tim McCulloch, an employee of Communications/Today Ltd., Thomas I. McLean, V.P. of Marketing of the applicant company, and Maria L. Bossio, a secretary employed by the applicant's agents. Although the opponent requested and was granted leave to cross-examine the applicant's affiants, no cross-examinations were conducted. Mr. Hinshaw did however respond to written interrogatories prepared by the opponent and his responses form part of the record in this proceeding.

The opponent's evidence is that "Bedford was first *licensed* to use the mark KING KOIL in 1968 in connection with beds and mattresses..." Sales under the mark in 1968 were about \$4 million wholesale representing about 80,000 units, that is, either a mattress or a box spring foundation. Sales increased steadily from year to year. By about 1986 sales had levelled off at \$35 million (wholesale) per year, representing 280,000 units. The total value of sales in the period 1977 to 1986 was about \$300 million, representing about 2 million units, or about 10% of the total sales of such units in Canada for that time period. Units under the KING KOIL mark are available in over 1000 retail outlets, including chain stores, department stores and individual stores, throughout Canada. The mark KING KOIL is applied to labels which are sewn onto or adhered to ticketing for the opponent's beds and mattresses. The opponent does not advertise its wares directly, but participates in shared cost co-operative advertising (apparently print advertising) with its dealers. For the period

1968 to 1986, Bedford contributed about \$13 million (in 1986 dollars), representing about double that in actual advertising placement costs through the above mentioned co-operative advertising program. The opponent also advertises its mark on its fleet of about 120 van type trucks used to deliver units to dealers. Sales of bunk beds, convertible beds, and upholstered furniture, under the mark KING KOIL, are in the order of 5% of the above mentioned sales for mattresses and box spring foundations.

Mr. Erlick asserts that the opponent became the owner of the mark KING KOIL, and the goodwill therein, by assignment from King Koil Licensing Company Inc. (the transferee of the former owner namely The United States Bedding Co.), in January of 1983 - see paragraph 16 of his affidavit. The opponent's trade-mark registration for the mark KING KOIL shows that the opponent Bedford applied to register the mark on March 22, 1984, based on use of the mark in Canada since 1955 (presumably relying on use by Bedford's predecessors in title).

Mr. Hinshaw's evidence is that the applicant Kingsdown Inc. has been manufacturing and selling mattresses, box spring foundations, beds, and the like, in the United States, since about 1904. *The first shipment of such wares to Canada*, namely a convertible bed sleeper which included a KINGSDOWN mattress, was made by the applicant's *subsidiary* company, namely Brandon Furniture Company (located in Granite Falls, North Carolina) to Sagers' Carriage House in West Vancouver, British Columbia. Exhibit B attached to Mr. Hinshaw's affidavit is a copy of the invoice relating to the first shipment. It was issued by Brandon on March 5, 1982. I assume that the goods were shipped on March 5, or some time soon after. Brandon was responsible for "the final assembly" of some of the applicant's wares, such as beds, which Brandon sold under the mark KINGSDOWN under the license and control of the applicant Kingsdown. The KINGSDOWN label for the mattress would have been applied by the applicant, while the KINGSDOWN label

for the bed would have been applied by Brandon. Brandon ceased to ship beds to Canada in 1986 when Brandon's assets were sold. Brandon ceased to exist soon after. The applicant continued to ship its wares, under the mark KINGSDOWN, to retailers in Canada. Further, the applicant's wares were shipped to Canada by other U.S. upholstery manufacturers who used the applicant's mattresses in their "sleep sofas." No information is provided on the extent or timing of such shipments by third parties.

Mr. Hinshaw estimates that the volume of the applicant's sales of its wares to Canada under its mark KINGSDOWN was about \$2,000 in 1982 rising to about \$30,000 in 1988. Mr. Hinshaw also testifies that his company "has advertised continuously in the furniture industry's two largest trade publications in Canada since 1981..." It is, however, difficult to arrive at any conclusions regarding the extent of the applicant's advertising in Canada from the evidence provided by the applicant. I am prepared to infer that the applicant's advertising in Canada, through the trade publication *Furniture/Today*, was at least above the de minimus level. I cannot infer that there was any advertising above the de minimus level to the general public.

Mr. McLean states in his affidavit that examples of the applicant's print advertising featuring the mark KINGSDOWN are attached (but apparently not in Exhibit form) to his affidavit. I was unable to locate those examples. It may be that they were misplaced by this Office, or that the material was never filed with this Office. In any event, nothing turns on my viewing the examples of advertising. I fully accept Mr. McLean's testimony that the applicant placed advertisements consisting of full colour photography, graphics or drawings featuring the applied for mark, and the applicant's trade name, in the trade magazine *Furniture/Today*.

Both parties filed written arguments. An oral hearing was not

conducted.

I will first consider the opponent's ground of opposition pursuant to Section 16(1)(a), that is, that the applicant is not entitled to registration because at the applicant's alleged date of first use of the mark in Canada, namely March 1, 1982, the applied for mark KINGSDOWN was confusing with the opponent's mark KING KOIL previously used in Canada by the opponent and its predecessors in title. In this regard, the opponent has established the statutory requirements set out in Sections 16 and 17 to show its use of the mark KING KOIL prior to March 1, 1982, and non-abandonment of the mark KING KOIL at the date of advertisement of the applied for mark KINGSDOWN.

In considering the issue of confusion, I am to have regard to all the surrounding circumstances, including those specifically enumerated in Section 6(5). The legal burden is on the applicant to establish that there would be no reasonable likelihood of confusion between the applied for mark KINGSDOWN and the opponent's mark KING KOIL at the material date March 1, 1982. The opponent has met its evidential burden to adduce sufficient evidence which, if believed, would support its allegation that the marks in issue are confusing. The presence of a legal burden on the applicant means that if a determinate conclusion cannot be reached after all the evidence is in, then the issue must be decided against applicant - see Joseph E. Seagram & Sons v. Seagram Real Estate Ltd. (1984), 3 C.P.R.(3d) 325 at pp. 329-30 (TMOB).

The opponent's mark KING KOIL does not possess much inherent distinctiveness in relation to mattresses and box spring foundations because the components KING and KOIL are suggestive of the size or the manner of construction of those wares. I am able to conclude from Mr. Erlick's evidence that the opponent's mark KING KOIL was widely known in Canada, at the material date, in association with mattresses and box spring foundations, and known

to some extent in association with other of the opponent's related wares such as beds and upholstered furniture. The applied for mark KINGSDOWN is a coined word and possesses a greater degree of inherent distinctiveness in relation to mattresses and box springs than does the opponent's mark. However, the inherent distinctiveness of the mark KINGSDOWN is diminished because the mark is suggestive of the size of the applicant's mattresses and box springs or that the applicant's wares are downy soft, or contain down. I infer from the evidence that the applied for mark KINGSDOWN would not have been known to the general public in Canada to any appreciable extent at the material date. The length of time that the opponent's mark KING KOIL was in use by the material date, that is, since at least 1968, favours the opponent.

The parties' wares are essentially the same and in the absence of evidence to the contrary I assume that the parties' channels of trade would also be the same.

The parties' marks resemble each other to an appreciable extent, aurally and visually, as the component KING prefixes each of the marks in issue. The opponent's mark KING KOIL suggests a large or high quality coil, while the applied for mark KINGSDOWN suggests "down fit for a king."

The applicant, in its written argument, questions whether the opponent is in fact the bona fide owner of the mark KING KOIL. I do not regard that as a credible issue. Mr. Erlick's testimony that the opponent is the owner of the mark by way of assignment has not been contradicted by the applicant, or challenged by the applicant by way of cross-examination.

The applicant also questions the distinctiveness of the opponent's mark KING KOIL, noting that from 1968 to 1983 the opponent was using the *unregistered* mark KING KOIL under license. I do not see that the opponent's use of the unregistered mark under

license assists the applicant in the circumstances of this case. First, the opponent's use of the mark KING KOIL appears to have been lawful use. Second, as far as I am able to determine from the evidence, the message received by the Canadian public was that the opponent Bedford was the one and only source of the marked wares. Further, the opponent's ground of opposition pursuant to Section 16(1) (a) is based on Bedford's use of the mark KING KOIL, not on whether the circumstances surrounding such use may potentially effect the validity of the opponent's trade-mark registration for KING KOIL. The validity of Bedford's registration is not in issue in this proceeding.

Considering the above, and considering in particular the resemblance between the marks, that the opponent's mark KING KOIL was widely known at the material date for mattresses and box springs (and also known but to a lesser extent for related wares), that the parties' wares and channels of trade are the same, and keeping in mind that the test for confusion is one of first impression and imperfect recollection, I am not satisfied that the applicant has met the legal onus to show that there would be no reasonable likelihood of confusion between the marks in issue at the relevant date namely March 1, 1982.

Accordingly, the opponent succeeds on its ground of opposition pursuant to Section 16(1) (a), and I need not consider the remaining grounds.

In view of the above, the applicant's application serial No. 556,502 is refused.

I would add that the opponent might also have succeeded on its ground of opposition denoted by e(ii). In this regard, it would have been difficult for the applicant to satisfy the onus on it to establish that the applied for mark actually distinguished its wares, at the material date January 8, 1987 (the date of filing of

the statement of opposition), in view of the contemporaneous use of the applied for mark by the applicant's subsidiary, namely, Brandon Furniture Company, from 1982 to 1986. Further, the opponent would likely have succeeded on its ground of opposition denoted by a(ii) above. In this regard, it appears from the evidence that wares bearing the applied for mark KINGSDOWN did not arrive in Canada at least until March 5, 1982, that is, until after the date of first use claimed in the subject application, namely, March 1, 1982.

The application for KINGSDOWN & Design, shown below, covers essentially the same wares as application serial No. 556,502, and is also based on use of the mark in Canada since at least as early as March 1, 1982.

The opponent's case against KINGSDOWN & Design is in all respects analogous to the opponent's case against the word mark KINGSDOWN, and essentially the same considerations apply. The additional design feature (the crown), and a slight variation in the material dates, do not significantly alter the surrounding circumstances, as discussed above. Accordingly, the applicant's application serial No. 554,228 is refused.

DATED AT HULL, QUEBEC, THIS 30th DAY OF APRIL , 1993.

Myer Herzig,
Member,
Trade-marks Opposition Board