

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

**Citation: 2014 TMOB 161**  
**Date of Decision: 2014-08-04**

**IN THE MATTER OF AN  
OPPOSITION by Wacoal Corp.  
to application No. 1,512,071 for the  
trade-mark X Swoosh Design in  
the name of Avaneil John**

FILE RECORD

[1] On January 20, 2011, Avaneil John filed an application to register the design trade-mark, shown below, based on proposed use in Canada in association with the following wares and services:



*wares*

design fitness and yoga clothing namely, active wear, sweaters, socks, t-shirts, shirts, shorts, pants, jackets and caps excluding all underwear, lingerie, or sleepwear products including sport bras, sport panties, sport undershirts and sport shapewear such as girdles, control panties, control bras

*services*

physical fitness services namely: personal fitness and lifestyle training, namely fitness evaluation, counselling, nutrition and lifestyle evaluation, cardiovascular and weight training

[2] The Examination Section of the Canadian Intellectual Property Office (“CIPO,” under whose aegis this Board operates) assigned the name “Horizontal X in the form of a Swoosh [sic] Design” to the mark for the purposes of cataloguing. I will refer to the mark simply as **X Swoosh Design**, which I have highlighted to indicate trade-mark significance.

[3] The application was advertised for opposition purposes in the *Trade-marks Journal* issue dated August 24, 2011 and was opposed by Wacoal Corp. (located in Kyoto, Japan) on January 24, 2012. The Registrar forwarded a copy of the statement of opposition to the applicant on February 14, 2014, as required by s.38(5) of the *Trade-marks Act*, R.S.C. 1985, c. T-13. The applicant responded, on March 14, 2010, by filing and serving a counter statement generally denying the allegations in the statement of opposition.

[4] The opponent’s evidence consists of the affidavits of John Wilson and Karen Thompson. The applicant’s evidence consists of the affidavits of Avaneil John and Meghan Lynch. Both parties submitted a written argument. The applicant’s written argument contains some portions that are in the nature of evidence – I have not had regard to those portions. Only the opponent was represented, by counsel, at an oral hearing held on July 17, 2014.

[5] The applicant had advised the Board on April 16, 2012 that she incorrectly referred to herself as “the Opponent” in the counter statement and requested leave to file and serve an amended counter statement, also dated April 16, 2012. It appears that the Board inadvertently neglected to deal with the applicant’s request at that time, nor was the matter raised in the written arguments or at the oral hearing. In the circumstances, the applicant’s request for leave is hereby granted retroactively.

#### STATEMENT OF OPPOSITION

[6] The first ground of opposition is shown in full below:

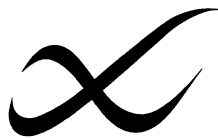
In accordance with Subsection 38(2)(a) [of the *Trade-marks Act*]  
and having regard to Subsection 30(e), application No. 1,512,071

is not in compliance with these Subsections, as the Applicant has used the trade-mark in Canada in association with the goods and services listed therein prior to the filing date of the proposed use application on January 20, 2011.

(emphasis added)

[7] The second ground of opposition is based on s.30(i) of the *Trade-marks Act*. Section 30(i) requires an applicant to include a statement in the application that the applicant is satisfied that it is entitled to use the trade-mark in Canada. Section 30(i) can be used as a ground of opposition if, for example, fraud is alleged on the part of the applicant or if specific federal statutory provisions prevent the registration of the mark: see *Sapodilla Co. Ltd. v. Bristol-Myers Co.* (1974), 15 CPR (2d) 152 (TMOB) at 155 and *Canada Post Corporation v. Registrar of Trade-marks* (1991), 40 CPR (3d) 221. In the instant case, the opponent merely alleges that the applicant was aware of the opponent's mark – and that the applied-for mark would cause confusion with the opponent's mark. However, those allegations do not support a ground of opposition under s.30(i). As there are no material facts pleaded which, if proven, could result in the success of the s.30(i) ground of opposition, the second ground is rejected.

[8] The remaining grounds, of which there are several, turn on the issue of confusion between the applied-for mark and the opponent's mark **X Design**, shown below, which mark the opponent has registered and used in Canada in association with sports clothing and related sports wares:



The complete list of wares covered by the opponent's registration for **X Design** is shown in Schedule 1 attached to these reasons for decision.

[9] Before addressing the grounds of opposition further, I will review the evidence submitted by the parties.

OPPONENT'S EVIDENCE

*John Wilson*

[10] Mr. Wilson identifies himself as the President and Chief Operating Officer of Wacoal Sports Science Corporation (“Wacoal Sports,”), a wholly-owned subsidiary of the opponent. Wacoal Sports (apparently located in New York City) sells, distributes and markets various items of clothing, including sports clothing and related goods, in North America under the **X Design** brand owned by the opponent. According to Mr. Wilson (at paragraph 3 of his affidavit), Wacoal Sports’ use of the opponent’s mark complies with s.50 of the *Trade-marks Act*:

. . . Wacoal Sports Science Corporation is licensed to use the X Design trade-mark in association with the clothing and related goods in North America covered under registration No. TMA635,130 such that use of the X Design trade-mark is licensed by the owner and the character or quality of the wares is under the control of the owner.

In the absence of contradictory evidence by the applicant, and in the absence of cross-examination, I accept that Wacoal Sports’ use of the opponent’s mark inures to the benefit of the opponent.

[11] From 2005 to 2008, Wacoal Sports worked with Cycles Lambert (of Levis, Quebec) as its Canadian distributor of **X Design** products. Since 2008, BPM Inova (of Chelsea, Quebec) has acted as the Canadian distributor. Mr. Wilson notes that “The **X Design** (my emphasis) trade-mark is often used in close proximity to Wacoal Corp.’s further trade-mark **CW-X** (my emphasis) under registration No. TMA635,157.”

[12] The opponent’s mark **X Design** has been used in Canada since at least as early as 2005 in association with the wares listed in Schedule 1. The wares are sold through specialty sporting stores, outdoor sports retail outlets, and “both internet [sic] and bricks and mortar stores.” The opponent’s **X Design** sports clothing are designed to provide muscle and joint support to athletes engaged in various sports. The opponent’s **X Design** clothing and related wares are sold in various countries including Canada. The opponent’s “**X Design** products have been the official supplier to the Canadian Alpine Ski team since 2009 . . .”

[13] Exhibit B of Mr. Wilson's affidavit lists Canadian retailers who have sold **X Design** sports clothing since July 2012. I note that the stores are located in Newfoundland, Quebec, Ontario, Alberta, and British Columbia.

[14] Exhibit C consists of a sampling of labels and tags showing how the opponent's mark is used in association with its sports clothing and related goods, two examples of which are illustrated below:



I note that in all five examples included in Exhibit C, the opponent's mark **X Design** always appears together with the mark **CW-X**.

[15] Exhibit D is a sampling of representative pages from the opponent's website. The pages are representative of how the website has appeared since 2002. I note that on the pages included in Exhibit D, the opponent's mark **X Design** always appears together with the mark **CW-X**.

[16] The opponent's average annual sales in Canada of its **X Design** sports clothing and related goods, for the period 2005 to 2011 inclusive, were in excess of \$194 million. The high was \$320 million in 2011 and the low was 120 million in 2005. Advertising expenditures, including point-of-sale displays, exhibits at major Canadian sports events, and in magazines (examples of which are shown in Exhibit F), have been approximately \$400,000 annually each year since 2005. Again, I note that in Exhibit F the opponent's mark **X Design** always appears together with the mark **CW-X**.

[17] Mr. Wilson expresses the opponent's concern at paragraph 19 of his affidavit:

Wacoal is concerned that use of the Applicant's trade-mark X DESIGN [the applied-for mark] in association with the applied-for-wares in the Canadian marketplace could lead consumers to assume a common source of origin as to the source of such wares.

*Karen Thompson*

[18] Ms. Thompson identifies herself as a trade-mark searcher for the firm representing the opponent. Her affidavit serves to introduce into evidence, by way of exhibit material, pages from the opponent's website showing (i) a specific advertising campaign featuring the **X Design** for various sports clothing and related goods in a variety of magazines from 2009 to 2011, (ii) newsletters featuring the **X Design** dated Spring 2009 to Winter 2012, and (iii) testimonials featuring the **X Design** from 2006 to 2012. Again, I note that the mark **X Design** always appears together with the mark **CW-X** as shown in paragraph 14, above.

APPLICANT'S EVIDENCE

*Avaneil John*

[19] The applicant identifies herself as the owner and operator of a business namely, Xquisite Fitness, which provides personal training services and general health consultation.

[20] In paragraph 2 of her affidavit she states that the business was founded in August 2008, however, in paragraph 5 she states that she has been marketing her business and services under the applied-for mark **X Swoosh Design** since January 2008. The waters are further muddied since the subject application, filed in January 2011, is based on proposed use.

[21] Exhibits A and B of her affidavit show how the mark is being used in the marketplace. The applicant's position on the issue of confusion is stated in paragraph 9 of her affidavit:

The Opposition's [sic] logo and its wares in the Canadian marketplace could not lead consumers to assume a common source or origin since the Opponent's wares are not associated

with the services of personal training and Yoga ware and lack association as to a source of such wares.

In my view, the opponent's wares are in fact related to the applicant's wares and services as the opponent's clothing is specifically designed to permit high performance physical activity.

*Meghan Lynch*

[22] Ms. Lynch identifies herself as a graphic designer. In August 2008 she developed a logo for the applicant, shown in Exhibit A of her affidavit:



[23] The logo developed by Ms. Lynch features the colour blue for the term "Xquisite;" the colour green for the term "FITNESS;" and a gradual transformation from blue to green, going left to right, for the **X Swoosh Design** component. Of course, the applied-for mark is the design feature of the logo developed by Ms. Lynch, without any colour claim.

OPPONENT SUCCEEDS ON FIRST GROUND OF OPPOSITION

[24] Having regard to Ms. John's testimony and Ms. Lynch's testimony, it seems to me more probable than not that the applicant began to use the mark **X Swoosh Design** on or around August 2008, that is, at the time when the logo was developed. My conclusion would be the same if I resolved inconsistencies in the applicant's evidence against the applicant: see *Aerosol Fillers Inc. v. Plough (Canada) Ltd.* (1979) 45 CPR(2d) 194 (FCTD) at 198:

The allegations in an affidavit should be precise . . . It should not be susceptible of more than one interpretation and if it is then the interpretation adverse to the interest of the party in whose favour the document was made should be adopted.

The consequence of my finding that the applicant began its business and began to use its mark **X Swoosh Design** in August 2008, or in any event at a time before the subject

application was filed, is fatal to the application because (1) the application should have been based on use in Canada, not on proposed use in Canada: see, for example, *Calvin Klein Trademark Trust v. Calvin Corporation* (2000), 8 CPR(4th) 397 (TMOB) at 405-406 and (2) the opponent has raised prior use as an issue in the first ground of opposition: see paragraph 6, above.

[25] The opponent therefore succeeds of the first ground of opposition and it is not necessary to consider the remaining grounds.

#### FURTHER COMMENTS

[26] I would add that the opponent would likely have succeeded on those remaining grounds which allege confusion between the parties' marks. In this regard, trade-marks are confusing when there is a reasonable likelihood of confusion within the meaning of s.6(2) of the *Trade-marks Act*, shown below:

6(2) The 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 . . . or performed by the same person, whether or not the wares or services are of the same general class.

[27] Thus, the issue is not confusion between the marks themselves, but confusion of goods or services from one source as being from another source. In the instant case, the question posed by s.6(2) is whether purchasers of the applicant's wares and services, provided under the mark **X Swoosh Design**, would believe that those wares or services were provided or authorized or licensed by the opponent who sells its wares under the mark **X Design**. The legal onus is on the applicant to show, on the usual civil balance of probabilities standard, that there would be no reasonable likelihood of confusion.

[28] 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 "all the surrounding circumstances including " those specifically mentioned in s.6(5)(a) to s.6(5)(e) 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 and all relevant factors are to be considered. Further, all factors do not necessarily have equal weight as 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 CPR(3d) 308 (FCTD). However, as noted by Mr. Justice Rothstein in *Masterpiece Inc. v. Alavida Lifestyles Inc.* (2011), 92 CPR(4th) 361 (SCC), although the degree of resemblance is the last factor cited in s.6(5), it is the statutory factor that is often likely to have the greatest effect in deciding the issue of confusion.

[29] In the instant case, the first factor favours the opponent owing to the opponent's extensive use of its mark since 2005. I am aware that an argument might be made that the mark actually used by the opponent is the composite mark **X Design CW-X** as shown in paragraph 14, above: see, for example, (1985) *Registrar of Trade-marks v. Compagnie Internationale pour L'informatique Cii Honeywell Bull , Societe Anonyme et al.* 4 CPR (3d) 523 (FCA). However, an argument might also be made that the components **X Design** and **CW-X** would be perceived as two separate marks: see, for example, *Nightingale Interloc v. Prodesign Ltd.* (1984), 2 CPR(3d) 535 at 538 (TMOB). I am adopting the latter view.

[30] The second factor also favours the opponent as the opponent's use of its mark (commencing in 2005) pre-dates the applicant's use of its mark (commencing in 2008), and, in any event, the applicant is not in a position to claim use of its mark prior to January 20, 2011 as the application is based on proposed use in Canada. The third and fourth factors also favour the opponent as (i) the parties' wares are similar and, (ii) in the absence of evidence to the contrary, I assume there would be overlap in the parties' channels of trade.

[31] With regard to the degree of resemblance between the parties' marks, neither mark would be sounded and neither mark suggests any idea in particular aside, possibly,

from the letter X. The most important aspect of resemblance is therefore visual resemblance. In this regard, there are clear visual differences when the marks are compared side by side:



[32] For example, the applied-for mark has thinner lines; in the applied-for mark the line component going from bottom left to upper right is smaller than the line component going from upper left to lower right while in the opponent's mark those proportions are reversed; the applied-for mark is elongated compared to the opponent's compact mark; the applied-for mark does not have a "check mark" component as seen in the opponent's mark; the "enclosed portion" of the applied-for mark is on the right hand side but on the left hand side for the opponent's mark. There are other differences as well. However, when assessing the issue of confusion, marks are not to be compared side by side but as a matter of first impression and imperfect recollection, as discussed by the Supreme Court of Canada decision *Mattel, Inc. v. 3894207 Canada Inc.*, 2006 SCC 22, 49 CPR (4th) 321 at 348:

A consumer does not of course approach every purchasing decision with the same attention, or lack of it. When buying a car or a refrigerator, more care will naturally be taken than when buying a doll or a mid-priced meal . . . In the case of buying ordinary run-of-the-mill consumer wares and services, this mythical consumer, though of average intelligence, is generally running behind schedule and has more money to spend than time to pay a lot of attention to details . . . To those mythical consumers, the existence of trade-marks or brands make shopping decisions faster and easier. The law recognizes that at the time the new trademark catches their eye, they will have only a general and not very precise recollection of the earlier trade-mark . . . "as it would be remembered by persons possessed of an average memory with its usual imperfections" . . . The standard is not that of people "who never notice anything" but of persons who take no more than "ordinary care to observe that which is staring them in the face" . . . However, if ordinary casual consumers somewhat in a hurry are likely to be deceived about the origin of the wares or services, then the statutory test [for confusion] is met.

(emphasis added)

[33] In the instant case, the applied-for mark would not be very different from the opponent's mark when considered from the perspective of a general and not very precise recollection of the opponent's mark. Of course, the analysis of resemblance would have been entirely different had the applied-for mark been the full logo shown in paragraph 22, above.

DISPOSITION

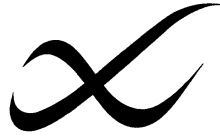
[34] In view of the foregoing, the subject application is refused. This decision has been made pursuant to a delegation of authority by the Registrar of Trade-marks under s.63(3) of the *Trade-marks Act*.

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Myer Herzig, Member,  
Trade-marks Opposition Board  
Canadian Intellectual Property Office

SCHEDULE 1

TRADE-MARK REGISTRATION NO. TMA635,130



*wares*

clothing, namely underwear, brassieres, corsets, body briefs, slips, bra-slips, half slips, panties, camisoles, pajamas, negligees, bathrobes, night gowns, night caps, house coats, lounge coats, shirts, sweaters, coats, skirts, jackets, pants, pantaloons, shorts, dresses, one-piece dresses, blouses, stockings, socks, garters, aprons, slippers, shoes, belts, suspenders, anoraks, wind-resistant jackets, ski suits, jackets, uniforms, sports shorts, sports leggings, sports tops, sports socks, warm up suits, athletic jackets, ski boots, gymnastic shoes, climbing boots, basketball shoes, handball shoes and bowling shoes;

baseball gloves, baseball bats, rackets, namely racquets for tennis, squash, racquetball and badminton, golf clubs, golf gloves, golf bags, namely golf bags with and without wheels, gloves for games, exercise fitness equipment for weight and resistance training, namely, running machines, rowing machines, leg curl machines, leg extension machines, stationary exercise bicycles;

chest expanders, dumb-bells, bar-bells, resistance tubing, specialized sporting apparel, namely, sports bras, pants, belts, footwear namely, shoes, boots and slippers, and shirts, for use in providing support to the waist, legs, feet, ankles, hips, thighs, bust, back, arches, and calf during intense sporting activities, namely running, cycling, skiing, snowboarding, baseball, golf and trekking;

specialized sporting equipment for use in providing support to the waist, feet, ankles, hips, thighs, bust, back, legs, arches, and calf, namely, protective padding incorporated into specialized sports apparel for playing baseball, golf, cycling, skiing, snowboarding, trekking, protective padding for use in sports activities, namely, knee pads and guards, elbow pads and guards, shin pads and guards, hip pads and guards, and shoulder pads and guards; skis and snowboards, bags specially designed for skis, snowboards and surfboards; body boards, surf boards, fishing tackle.