



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

**Citation: 2010 TMOB 99**  
**Date of Decision: 2010-07-02**

**IN THE MATTER OF AN OPPOSITION  
by Payless ShoeSource Worldwide, Inc. to  
application No. 1,158,214 for the trade-  
mark SMART COMFORT in the name of  
The Timberland Company**

[1] On November 6, 2002 The Timberland Company (the Applicant) filed an application to register the trade-mark SMART COMFORT (the Mark) application number 1,158,214 on the basis of use and registration abroad in its country of origin, the United States of America, and on proposed use in Canada. The application covers footwear namely, athletic shoes, dress shoes, casual shoes, boots, sandals, slippers; gloves and belts (the Wares).

[2] The application was advertised on October 18, 2006 in the Trade-marks Journal for opposition purposes. Payless ShoeSource Worldwide, Inc. (the Opponent) filed a statement of opposition on June 26, 2007 which was forwarded by the Registrar on July 31, 2007 to the Applicant. The Applicant filed on August 31, 2007 a counter statement denying all grounds of opposition.

[3] The Opponent filed as its evidence the affidavit of Bonnie MacDonald as well as certified copies of registrations TMA514,014 for the trade-mark SMART FIT & Design, TMA545,393 for the trade-mark SMART FIT & Design and TMA551,735 for the trade-mark SMART FIT while the Applicant filed the affidavits of Anthony Kunkel, Michelle B. Hanson, James Blonde and Mary P. Noonan. Both parties filed written submissions and only the Applicant was represented at the oral hearing.

## The Grounds of Opposition

[4] The grounds of opposition pleaded are:

1. The Application does not comply with the requirements of s. 30 of the *Trade-marks Act*, R.S.C. 1985 c. T-13 (the “Act”) in that the Applicant could not have been satisfied that it was entitled to use the Mark in Canada in association with the Wares since at the date of filing of the application, the Applicant was or should have been aware of the Opponent’s trade-marks;
2. The Mark is not registrable under s. 12(1)(d) of the Act since it is confusing with the following registered trade-marks:

SMART FIT, registration number TMA551,735  
SMART FIT & Design, registration number TMA545,393  
SMART FIT & Design, registration number TMA514,014  
(collectively referred to as the Opponent’s Trade-marks);

3. The Applicant is not the person entitled to registration of the Mark pursuant to the provisions of s. 38(2)(c) and 16(3)(a) of the Act because at the filing date of the application, the Mark was confusing with the Opponent’s Trade-marks that had been previously used and made known in Canada in association with: shoes, boots, sandals, insoles, heel cushions and pads, heel plates, heel grippers, socks, hosiery, pantyhose, knee-high stockings and tights and retail shoe store services;
4. Pursuant to s. 38(2)(d) and s. 2 of the Act, the Mark is not distinctive within the meaning of s. 2 of the Act as it does not actually distinguish the Wares from the wares or services of others, namely the Opponent’s wares sold in association with the Opponent’s Trade-marks nor the Mark is adapted so as to distinguish the Applicant’s Wares.

## Burden of Proof in Trade-marks Opposition Proceedings

[5] The legal burden is upon the Applicant to show that its application complies with the provisions of the Act, but there is however an initial evidential onus 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. Once this initial onus is met, the Applicant has to prove, on a balance of probabilities, that the particular grounds of opposition should not prevent the registration of the Mark [see *Joseph E. Seagram & Sons Ltd. et al v. Seagram Real Estate*

*Ltd.* (1984), 3 C.P.R. (3d) 325; *John Labatt Ltd. v. Molson Companies Ltd.* (1990), 30 C.P.R. (3d) 293 and *Wrangler Apparel Corp. v. The Timberland Company* [2005] F.C. 722].

#### Grounds of Opposition Dismissed for Failure to Meet the Initial Onus of Proof

[6] The Opponent's evidence can be described as follows. Ms. Bonnie MacDonald has been the President of Payless ShoeSource Canada GP Inc. (Payless GP), the general partner of Payless ShoeSource Canada LP (Payless Canada) a limited partnership formed under the laws of the province of Ontario. She has been an employee of Payless ShoeSource Canada Inc. (PSCI), an affiliate of the Opponent from August 1999 to February 2007.

[7] She provides a brief history of the Opponent that goes back to 1956 in Topeka, Kansas in the United States of America. She claims that the Opponent's affiliate, Payless ShoeSource, Inc. (PSSI) is today the largest specialty footwear retailer in the Western Hemisphere. She describes PSSI's activities in other countries than Canada. For reasons that will become obvious from a reading of this decision those activities outside Canada are not relevant to the issues raised in the Opponent's statement of opposition.

[8] She specifies that the Opponent owns the Opponent's Trade-marks. PSSI and other Opponent's affiliates operate under license in all countries, including Canada. Affiliates of the Opponent including currently Payless Canada have been operating in Canada since 1997. Under such license, the Opponent has the right to, and exercises control over the character and quality of the wares and services in association with which the Opponent's Trade-marks are used in Canada by Payless Canada. There are more than 300 PAYLESS SHOESOURCE stores throughout Canada, located in every province other than Labrador and Newfoundland. She states that those stores are situated in Canada in a variety of settings, from urban to rural, including regional malls, shopping centers, central business districts, free-standing buildings and other retailer locations.

[9] The footwear sold in a typical PAYLESS SHOESOURCE store in Canada includes men's, women's and children's shoes, hosiery, apparel and personal accessories. She alleges that Payless Canada is currently one of the largest retailers in Canada of footwear and related accessories, both in terms of volume of pairs of footwear sold and number of stores.

[10] She states that the Opponent is the owner of the trade-mark SMART FIT and SMART FIT & Design in Canada for use in association with various items of footwear and related services and she lists the 3 registrations identified in the statement of opposition.

[11] She alleges that the SMART FIT marks were first used in Canada in association with footwear, accessories and retail services related thereto in or about October 1997. She claims that since 1997 one or more of the SMART FIT marks have been in continuous use in association with footwear, accessories and related retail services by the Opponent through one or more of the Opponent's licensees namely PSSI, PSCI and Payless Canada.

[12] She alleges that the SMART FIT marks appear on signs at the retail stores; on display material in the stores and on sales receipts.

[13] She provides the yearly sales figures for products sold since 2001 in association with one or more of the SMART FIT marks. She then concludes her affidavit by referring to a website that is owned and operated by an affiliate of the Opponent, without however identifying such affiliate. She provides the number of Canadians who visited such website during the period from January 18, 2007 to April 17, 2007.

[14] There are a lot of statements made by Ms. MacDonald in her affidavit but there is not a single piece of documentary evidence to support those statements, such as for example, pictures of exterior signs bearing one of the Opponent's Trade-marks, catalogues illustrating the Opponent's products bearing one of those trade-marks, pictures illustrating samples of the Opponent's shoes bearing those trade-marks, invoices to evidence the sale of those products, samples of advertising material or even extracts of the Opponent's affiliate website wherein the Opponent's Trade-marks would appear.

[15] Without such evidence those allegations remain bald statements to which I can give little or no weight. Even if I were to give very little weight to those statements, it would not be sufficient to conclude that the Opponent has met its initial onus to prove prior use of the Opponent's Trade-marks in Canada. Since the Opponent had such initial onus with respect to the third and fourth grounds of opposition, they are both dismissed.

[16] There is no evidence filed by the Opponent to meet its initial onus with respect to the first ground of opposition. There is no evidence in the record that would suggest that the Applicant was aware of the Opponent's Trade-marks when it filed its application. The first ground of opposition is therefore dismissed.

[17] I wish to add, with respect to the first ground of opposition, all that is required from an applicant under s. 30(i) of the Act is to provide a statement that it is satisfied that it is entitled to use the trade-mark applied for in Canada in association with the wares and services described in the application. The application filed does contain such statement. Even if the Applicant was aware of the Opponent's use in Canada of the Opponent's Trade-marks, that alone would not prevent the Applicant from making in good faith the statement required. A s. 30(i) ground of opposition should only succeed in exceptional cases such as where there is evidence of bad faith on the part of an applicant [*Sapodilla Co. Ltd. v. Bristol-Myers Co.* (1974), 15 C.P.R. (2d) 152 at 155].

[18] Finally, the Opponent made no reference in its statement of opposition to s. 30(i) of the Act. However the wording of the ground of opposition pleaded clearly shows that the Opponent intended to rely on it. That is the reason why I treated the first ground of opposition as if the Opponent was relying on s. 30(i) of the Act.

#### Ground of Opposition Based on s. 12(1)(d) of the Act (Registrability)

[19] The Opponent has met its initial onus with respect to the second ground of opposition by filing a certificate of registration for each of the Opponent's Trade-marks. I checked the register and confirm that they are still in good standing. All of these registrations include shoes in the list of wares.

[20] The relevant date for the analysis of a ground of opposition based on s. 12(1)(d) of the Act is the date of the Registrar's decision [see *Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd.* (1991), 37 C.P.R. (3d) 413 at 424].

[21] Therefore I must determine if there is, on a balance of probabilities, a likelihood of confusion between the Mark and the Opponent's Trade-marks. If the answer is affirmative then

the Mark cannot be registered. The best case scenario for the Opponent is with the word mark SMART FIT as the design portion of the other two registered trade-marks, as illustrated hereinafter, could serve to distinguish further those marks from the Mark:



TMA545,393



TMA514,014.

[22] The test to decide if there is a likelihood of confusion is set out in s. 6(2) of the Act wherein it is stipulated that the use of a trade-mark causes confusion with another trade-mark if the use of both trade-marks in the same area would likely 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. In making such assessment I must take into consideration all the relevant surrounding circumstances, including those listed in s. 6(5) of the Act: the inherent distinctiveness of the trade-marks or trade-names and the extent to which they have become known; the length of time the trade-marks or trade-names have been in use; the nature of the wares, services, or businesses; the nature of the trade; and the degree of resemblance between the trade-marks or trade-names in appearance, or sound or in the ideas suggested by them. I refer to the decision of the Supreme Court of Canada in *Mattel, Inc. v. 3894207 Canada Inc.* (2006), 49 C.P.R. (4th) 321 for an analysis of those criteria.

[23] The Mark as well as the Opponent's Trade-mark SMART FIT are not inherently distinctive. They are composed of ordinary words of the English language and when used in association with their respective wares they are suggestive of the character of the wares. The Applicant filed evidence to demonstrate that there are on the marketplace trade-marks or trade-names having the element SMART as part of a trade-mark or trade-name used in association

with footwear and accessories. The Applicant argues that such evidence demonstrates that the trade-mark SMART FIT is a weak trade-mark.

[24] Mr. Kunkel is the Vice President and General Manager of the private investigation agency Mitchell Partners Investigation Services (Mitchell Partners). He has been a private investigator for over 21 years. He was asked by the Applicant's agent firm in October 2008 to perform an investigation with respect to the use of the word SMART as a trade-mark or part of a trade-mark in association with apparel and footwear in Canada by parties other than the Applicant and the Opponent. He first conducted preliminary searches using the Internet search engine Google.

[25] He first located a fashion retail store chain operating under the trade-mark SMART SET and visited one of its stores in Woodbridge, Ontario. He filed photographs of the exterior sign. He bought a pair of socks that has a tag bearing the trade-mark SMART SET.

[26] He visited a store operated under the trade-name Work Wearhouse located in Woodbridge, Ontario and purchased SMARTWOOL brand socks and filed a photograph of those socks.

[27] He visited a store operating under the trade-name Soldier Gear located in Angus, Ontario. He saw numerous SMART PARTS brand clothing items on display, including t-shirts, sleeves shirts and pullover hooded tops. He purchased a hooded pullover and filed photographs of it illustrating the trade-mark SMART PARTS on the garment itself, on a label and a hangtag.

[28] He finally located a line of footwear sold under the trade-mark STREET SMART. He contacted a business called Rocky Canada located in Waterloo, Ontario and was told that STREET SMART brand boots could be ordered through dealers in Canada.

[29] The remainder of his allegations consists of third party's websites. They do not make proof of their content but show that such websites were accessible to Canadians.

[30] Mr. Blonde is an associate at the Applicant's agent firm. He purchased on October 21, 2008 at FeetFirst retail store located in the Eaton Centre mall in Toronto a pair of shoes bearing the Mark on the insole. He filed various pictures of the store, the shoes purchased and the receipt.

[31] He also visited a store operating under the trade-mark SMART WEAR which offers articles of clothing and shoes. He filed pictures taken outside and inside the store. He noticed a second retail store operating under the same name, located opposite to the first one he visited. It offered for sale luggage, clothing and footwear. He filed photographs depicting that store as well as those wares.

[32] Ms. Noonan has been a trade-mark searcher employed by the Applicant's agent firm. She describes the nature of her work which includes conducting trade-mark searches using on-line trade-mark searching systems.

[33] She first conducted a search of the Canadian register of trade-marks using OnScope Canadian Trade-mark Database in order to locate all allowed trade-mark applications and trade-mark registrations that include the component SMART for use in association with apparel and footwear related products and services. Exhibit A-2 to her affidavit is a list of 31 references located that includes footwear in the list of wares.

[34] She did a search of the InfoCanada Business Directory for business names that include the word "Smart" in the apparel and footwear fields. She obtained over 150 listings.

[35] She tried to locate, using Select Phone Canada CD-ROM directory of Canadian white and yellow pages, business names in the footwear and clothing fields having the word "Smart" as a component. She obtained over 175 listings. She did a similar search on the website of Canada411. She identified multiple listings such as: Smart Save Shoes Store, Smart Shoes, City Smart, Smart Wear, Smart Selection, Smart Woman, and Smart Kids. She contacted those stores and got confirmation that they were selling either shoes or clothing.

[36] This evidence supports the contention that trade-marks having as a component the word "smart" in association with footwear and accessories are common. As such SMART FIT is a weak trade-mark.

[37] The degree of distinctiveness of a trade-mark may be enhanced through use or promotion. The Applicant's application is based on use and registration abroad while, as mentioned before, there is no concrete evidence of use of the Opponent's Trade-marks in Canada.



[38] Ms. Hanson has been the Assistant Secretary and Assistant General Counsel of the Applicant. She has been employed by the Applicant since 2002. She provides some corporate information about the Applicant and its predecessors in title.

[39] The Applicant designs, manufactures and markets footwear, apparel and accessories under the brand name TIMBERLAND worldwide. The products sold under the trade-mark TIMBERLAND include men's, women's and children's premium boots, casual shoes and boat shoes. They are sold through TIMBERLAND stores, specialty stores, department stores, concept shops and shoe stores throughout the world including Canada wherein they are sold at Foot Locker, Sears, The Bay, Brown's and The Shoe Company.

[40] The Applicant has developed a footwear system that is incorporated in a line of products sold in association with the Mark. Ms. Hnason describes the patent pending system that forms one of the feature of the footwear sold in association with the Mark. She filed a catalogue illustrating the different products being offered for sale in association with the Mark. She states that the Mark has been used in Canada since at least as early as early 2003 in respect of men's and women's footwear. The Mark appears on the insoles of footwear that incorporate the SMART COMFORT technology. She filed a picture of a pair of men's loafers bearing the Mark as well as a box and a price tag bearing the Mark.

[41] She alleges that shoes bearing the Mark are being offered for sale and sold through the Opponent's website as well as third parties' websites. She filed extracts of those websites to support such contention. She provides the monthly number of Canadians who visited the Opponent's website from September 2003 to September 2008.

[42] She gives the yearly sales figures in dollar value and units sold of footwear bearing the Mark between 2004 and 2008 (over \$15,5 million which represents over 227,000 pairs in total).

[43] She provides the sums of money spent for the promotion of the Opponent's footwear, worldwide which includes the Mark. However we do not have a breakdown for the Mark and for Canada only. She filed a sample of direct mailing advertising used to promote footwear bearing the Mark. Another form of advertising to promote the sale of footwear bearing the Mark is the Opponent's website.

[44] She filed a picture of a typical in-store display to promote footwear bearing the Mark. She also filed a copy of an article published in The National Post making reference to the Mark.

[45] Based on the evidence before me, I conclude that the Mark is more known than the Opponent's trade-mark SMART FIT in Canada in association with shoes. Overall the first criterion under s. 6(5) favours the Applicant.

[46] Bald assertions of use do not constitute proper evidence of use of a trade-mark. However when assessing the second criterion under s. 6(5) of the Act, it has been held that the Registrar could refer to the date of first use alleged in the certificates of registration of the marks cited by an opponent [see *Cartier Men's Shop Ltd. v. Cartier Inc.* (1981), 58 C.P.R. (2d) 68]. Nevertheless, the Registrar can only conclude to *de minimis* use of those trade-marks [see *Entre Computer Centers, Inc. v. Global Upholstery Co.* (1992), 40 C.P.R. (3d) 427]. Even though this factor might favour the Opponent, as the claimed date of first use or the filing date of a declaration of use for each of the Opponent's Trade-marks is earlier than the date of first use of the Mark (2003), I do not consider this as a determining factor in the absence of evidence of their use in Canada.

[47] There exists an overlap between the parties' respective wares. The Applicant's evidence, through the affidavit of Ms. Hanson, shows that the Wares are sold at The Bay, Sears, The Shoe Company and Brown's amongst other retailers. There is no evidence in the file that would suggest that the Wares could not be offered for sale in the Opponent's retail stores. Therefore the third and fourth criteria favour the Opponent.

[48] The degree of resemblance is an important circumstance when assessing the likelihood of confusion between two trade-marks, especially when the wares are similar or identical. I must compare the trade-marks SMART COMFORT and SMART FIT.

[49] The resemblance between the marks in issue comes from the fact that they have the same first element, the word SMART. However it is not inherently distinctive being a laudatory word. The addition of the word COMFORT serves to distinguish the Mark from the Opponent's trade-mark SMART FIT both visually and phonetically. As for the meaning of the marks, SMART

COMFORT suggests that the shoes will be comfortable while SMART FIT suggests that the shoes are of the right measure, shape and size.

[50] The Applicant raises two additional surrounding circumstances namely, the state of the market place and the absence of actual confusion despite the coexistence of both marks over a long period of time.

[51] With respect to the state of the market place, the Applicant has filed the affidavits of Mr. Kunkel, Mr. Blonde and Ms. Noonan. The content of their affidavits has been summarized above. Mr. Kunkel located footwear or accessories and retail stores associated with 4 different trade-marks or trade-names having as a first component the word SMART. Mr. Blonde located 2 different stores operated under the trade-name SMART WEAR where shoes are offered for sale. Finally Ms. Noonan was able to locate at least 31 citations on the Canadian trade-marks register wherein the word SMART is an element of a trade-mark in association with footwear. In paragraph 20 of the Applicant's written argument there is a table of relevant citations which includes 9 of those 31 citations. There are numerous phone listings wherein the word "smart" is a component of a trade-name. Ms. Noonan contacted 5 of them.

[52] All that evidence enables me to conclude that trade-marks or trade-names having as a component the word SMART and used in association with shoes or the services of selling shoes are widespread in Canada such that a consumer, confronted with a trade-mark or trade-name having as an element the word SMART, is able to distinguish them in order to identify the source of the wares or services associated with each of these marks.

[53] There is evidence of use of the Mark since at least as early 2003. According to Ms. MacDonald, the Opponent has used the trade-mark SMART FIT since at least 1997. Therefore there would have been coexistence of the marks in Canada for over 6 years without any evidence of actual confusion. I am aware of the fact that evidence of actual confusion is not necessary as the test is "likelihood of confusion", but such additional circumstance could be a relevant fact that supports the contention that there is no likelihood of confusion between the two trade-marks. If the Opponent used its trade-mark SMART FIT to the extent of the sales mentioned in Ms. MacDonald's affidavit and taking into consideration the extent of the volume of sales of the

Applicant's shoes in association with the Mark, I consider such factor as a relevant circumstance favouring the Applicant [see *Mattel*, supra at par. 89].

[54] I conclude that the Applicant has discharged its burden to prove, on a balance of probabilities that the Mark is not likely to cause confusion with any of the Opponent's Trade-marks. The evidence shows that the Opponent's trade-mark SMART FIT is weak and should be afforded a narrow ambit of protection. Under these circumstances the addition of the element COMFORT to SMART is sufficient to distinguish the Mark from any of the Opponent's Trade-marks. The fact that there has been no evidence of actual confusion in the market place between SMART COMFORT and SMART FIT, despite concurrent use of those marks over a significant period of time, supports this finding. For all these reasons the second ground of opposition is also dismissed.

#### Disposition

[55] Pursuant to the authority delegated to me under s. 63(3) of the Act, I reject the opposition pursuant to s. 38(8) of the Act.

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Jean Carrière  
Member  
Trade-marks Opposition Board  
Canadian Intellectual Property Office