

**IN THE MATTER OF AN OPPOSITION by
The Governor and Company of Adventurers of England
Trading Into Hudson's Bay, also known as Hudson's Bay
Company to application No. 817,047 for the trade-mark
EXPRESSIONS FROM HALLMARK & Design filed by
Hallmark Cards, Incorporated and now in the name of
William E. Cou tts Company, Limited**

On July 5, 1996, Hallmark Cards, Incorporated filed an application to register the trade-mark EXPRESSIONS FROM HALLMARK & Design based upon proposed use of the trade-mark in Canada in association with greeting cards; gift wrapping paper, namely flat wrap and roll wrap, gift bags, gift boxes; gift enclosure cards, gift trim, namely decorative tags, cords, ribbons and bows, gift wrapping paper and trim ensembles and decorative tissue paper; personal notes and personal stationery, namely decorated writing paper and decorated envelopes; stickers and seals; and calendars, namely wall calendars, engagement calendars and desk diary/appointment calendars. By assignment dated February 5, 1997, William E. Cou tts Company, Limited (hereinafter the "applicant") became the owner of the application for EXPRESSIONS FROM HALLMARK & Design. The trade-mark is shown below:

The application was advertised for opposition purposes in the *Trade-marks Journal* of July 23, 1997. The opponent, The Governor and Company of Adventurers of England Trading Into

Hudson's Bay, also known as Hudson's Bay Company, filed a statement of opposition on December 22, 1997. The applicant filed and served a counter statement.

There are three grounds of opposition. The first ground of opposition is based on paragraph 12(1)(d) of the *Trade-marks Act*, the opponent alleging that the trade-mark **EXPRESSIONS FROM HALLMARK & Design is not registrable because it is confusing with seven trade-marks registered by the opponent, namely: **REAL EXPRESSION** (No. 463,228); **EXPRESSION** (No. 377,408); **EXPRESSION & Design** (No. 292,581); **EXPRESSION FOR MEN** (No. 447,923); **EXPRESSION** (No. 292,329); **GARDEN EXPRESSIONS** (No. 464,453); and **GARDEN EXPRESSIONS & Design** (No. 469,328).**

The second ground of opposition is based on section 16 of the *Act*, the opponent alleging that the applicant is not the person entitled to registration because the trade-mark **EXPRESSIONS FROM HALLMARK & Design is confusing with the opponent's seven aforementioned trade-marks, previously used in Canada by the opponent in association with the operation of retail department stores, as well as the wares and services for which they are registered.**

The third ground of opposition is that the trade-mark **EXPRESSIONS FROM HALLMARK & Design is not distinctive, because it does not distinguish, nor is it adapted to distinguish, the wares of the applicant from the wares and services of the opponent.**

The opponent filed as its evidence the affidavit of Randall Castel. As its evidence, the applicant filed the affidavits of Christopher R. Bee and Kendra Preston-Brooks.

Each party filed a written argument. An oral hearing was not requested.

Each of the grounds of opposition turns on the issue of confusion. The material dates with respect to each ground are as follows: paragraph 12(1)(d) - the date of my decision [see *Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd. and The Registrar of Trade Marks*, 37 C.P.R. (3d) 413 (FCA)]; paragraph 16(3)(a) - the date of filing of the application; non-distinctiveness - the date of filing of the opposition [see *Re Andres Wines Ltd. and E. & J. Gallo Winery* (1975), 25 C.P.R. (2d) 126 at 130 (F.C.A.) and *Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd.* (1991), 37 C.P.R.(3d) 412 at 424 (F.C.A.)].

The test for confusion is one of first impression and imperfect recollection. In applying the test for confusion set forth in subsection 6(2) of the *Trade-marks Act*, the Registrar must have regard to all the surrounding circumstances, including those specifically enumerated in subsection 6(5) of the *Act*. Those factors specifically set out in subsection 6(5) are: the inherent distinctiveness of the trade-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; and the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them. The weight to be given to each relevant factor may vary, depending on the circumstances [see *Clorox Co. v. Sears Canada Inc.* 41 C.P.R. (3d) 483 (F.C.T.D.) and *Gainers Inc. v. Tammy L. Marchildon and The Registrar of Trade-marks* (1996), 66 C.P.R. (3d) 308 (F.C.T.D.)].

I shall first assess the likelihood of confusion between the applicant's mark and the registered trade-mark REAL EXPRESSION. I have chosen to consider this mark of the opponent first since I consider it to be the most relevant of the opponent's marks. REAL EXPRESSION is registered for use in association with stationery, namely wrapping paper, wrapping tissue, and bows, as well as ribbons, and thus is the only mark of the opponent for use in association with wares that overlap with those covered by the present application.

I consider both EXPRESSIONS FROM HALLMARK & Design and REAL EXPRESSION to be inherently distinctive. I do not accept the applicant's argument that the word "expression" is descriptive of the wares in issue, or that REAL EXPRESSION is suggestive of the function of wrapping paper, wrapping tissue, bows and ribbons "in that the consumer using the products would be 'expressing their real' feelings for the recipient of a gift wrapped with these products." [page 23, applicant's written argument]

Before assessing if the EXPRESSIONS FROM HALLMARK & Design mark has acquired any distinctiveness, I must point out that the applicant's affiant, Mr. Bee, most often refers to the trade-mark EXPRESSIONS FROM HALLMARK rather than EXPRESSIONS FROM HALLMARK & Design. The word mark and the design mark are not one and the same, as emphasized by the applicant's submission in its written argument that the focal point of its EXPRESSIONS FROM HALLMARK & Design mark is the central Crown Design. I shall nevertheless proceed by treating Mr. Bee's references to EXPRESSIONS FROM HALLMARK as references to EXPRESSIONS FROM HALLMARK & Design, as the

opponent appears to have done, noting however that the outcome of my decision in these proceedings would be the same if I applied a less generous interpretation.

The opponent claims to have used REAL EXPRESSION in Canada since as early as January, 1995. Mr. Castel has provided the following sales figures for the opponent's REAL EXPRESSION products: 1996 - \$169,418; 1997 - \$219,983.

The applicant claims to have commenced using EXPRESSIONS FROM HALLMARK & Design in association with some of its applied for wares since the filing of its application. In particular, the applicant cites sales of \$250,161.14 and \$247,129.69 worth of gift wrap in 1998 and 1999 respectively, as well as \$689,703.30 worth of greeting cards from May 1999 to August 1999 [paragraphs 41 and 42, Bee affidavit]. However, when one looks at Mr. Bee's exhibits "W" and "X" (which are sales brochures and a gift bag), there are references to Hallmark Cards, Inc., but not to the applicant. Mr. Bee explains this in part by stating that Hallmark Cards, Incorporated (which he refers to as Hallmark U.S.A.) owns the trade-marks in countries other than Canada and the United States of America. In Canada, the marks are owned by the applicant, William E. Coutts Company, Limited, a wholly owned subsidiary of Hallmark U.S.A. "Hallmark U.S.A. exercises its control over the trade-marks through its agreements with the various wholly owned subsidiaries. Actual control is exercised through communications on a regular basis at all levels through the corporate structure and by regular visits to and from the corporate head office in Kansas City, Missouri. Approval of marketing strategies and plans is generally obtained in such a fashion." [paragraph 16, Bee affidavit]

Neither the above nor the Corporate Brand Identity Standards manual referred to in paragraph 27 of Mr. Bee's affidavit supports a conclusion that Hallmark Cards, Inc. is licensed to use any of the applicant's trade-marks in Canada and that the applicant has, under the licence, direct or indirect control of the character or quality of the wares. Therefore, Hallmark Cards, Inc.'s use of any of the applicant's marks, including EXPRESSIONS FROM HALLMARK & Design, does not accrue to the applicant's benefit pursuant to section 50 of the *Trade-marks Act*.

Although Mr. Bee provides evidence of the advertisement of other marks owned by the applicant, there is no evidence of promotion of the applied for mark. This is in contrast to the evidence of advertisement of the REAL EXPRESSION trade-mark as set out in paragraph 6 of the Castel affidavit.

A consideration of the length of time the marks have been used therefore favours the opponent, as does a consideration of the extent to which each trade-mark has become known.

EXPRESSIONS FROM HALLMARK & Design resembles REAL EXPRESSION somewhat in appearance, sound and idea, the resemblance stemming solely from the common use of the word EXPRESSION. As stated by the Federal Court of Appeal in *United Artists Corp. v. Pink Panther Beauty Corp.* (1998), 80 C.P.R. (3d) 247 (F.C.A.) at p. 263, "While the marks must be assessed in their entirety (and not dissected for minute examination), it is still possible to focus on particular features of the mark that may have a determinative influence on the public's

perception of it." It is noted that the word **EXPRESSIONS** is the largest and, in my view, the dominant feature of the applied for design mark.

Both **EXPRESSIONS FROM HALLMARK & Design** and **REAL EXPRESSION** are associated with wrapping paper, bows and ribbons. The applicant manufactures and sells greetings cards, gift wrap, collectibles, calendars and related products through card shops, department stores, food stores and drug stores. The opponent operates department stores in which it sells a wide variety of products. Some of the paper and gift wrap products carried in the opponent's stores are identified by trade-marks provided by suppliers (one of which is the applicant) but many of such products are identified by the opponent's private label brand **REAL EXPRESSION**. It is therefore clear that there is a strong overlap between the nature of the parties' wares, as well as their channels of trade. Also, as pointed out at pages 29-30 of the opponent's written argument, the wares in issue are not particularly expensive wares, with the result that consumers may not exercise careful deliberation when purchasing such items.

One surrounding circumstance relied upon by the applicant is the reputation associated with the applicant's two trade-marks **Crown Design** and **HALLMARK**, both of which have been incorporated into the applied for mark. There are, in my view, two problems inherent in according this circumstance much weight. The first is that much of the reputation associated with these two marks may accrue to **Hallmark Cards, Inc.**, rather than the applicant, for the reasons discussed earlier. The second is that the most prominent feature of the applied for mark is the word **EXPRESSIONS**, not **Crown Design** or **HALLMARK**.

Another surrounding circumstance to consider is the state of the Trade-mark Register. State of the register evidence is only relevant insofar as one can make inferences from it about the state of the marketplace. [see *Ports International Ltd. v. Dunlop Ltd.* (1992), 41 C.P.R. (3d) 432 and *Del Monte Corporation v. Welch Foods Inc.* (1992), 44 C.P.R. (3d) 205 (F.C.T.D.)] Also of note is the decision in *Kellogg Salada Canada Inc. v. Maximum Nutrition Ltd.* (1992), 43 C.P.R. (3d) 349 (F.C.A.) which is support for the proposition that inferences about the state of the marketplace can only be drawn from state of the register evidence where large numbers of relevant registrations are located.

Ms. Preston-Brooks located 30 trade-marks on the Canadian Trade-mark Register that included the word **EXPRESSIONS** as a component for wares and/or services that she considered relevant. She considered each of the wares associated with the seven marks of the opponent whereas I will only focus on marks associated with wares similar to those of the applicant. As a result, my list of relevant marks comprises the following eight: 1) **'TUDES EXPRESSIONS TO FIT YOUR MOODS & Design**; 2) **DESIGN EXPRESSIONS**; 3) **DOMTAR EXPRESSIONS & Design**; 4) **GALLERY EXPRESSIONS**; 5) **GIFT EXPRESSIONS**; 6) **HALLMARK BUSINESS EXPRESSIONS**; 7) **MULTIPLE EXPRESSIONS**; 8) **TODAYS EXPRESSIONS**. In the first mark, the dominant features are the word **'TUDES** and the design features. In addition, that mark is indicated to be the subject of a pending application based on proposed use. The fourth mark, which covers photo albums, refill pages, journals, diaries, note pads and binders, is also identified as the subject of a pending application based on proposed use. The fifth mark covers only services, not wares, and had not issued to registration as of the time of Ms. Preston-Brook's search. The sixth

mark, which is owned by the applicant, had not issued to registration as of the time of Ms. Preston-Brook's search. It is however the only one of the eight marks for which we have been provided with some evidence of use. The seventh mark covers only services, not wares.

Overall, I consider the nature and number of the marks located in the Trade-mark Register search to be insufficient for me to draw any meaningful conclusions about the state of the marketplace as of this proceeding's material dates.

A further surrounding circumstance to be considered is the lack of evidence of confusion. Mr. Bee states that no instances of confusion have been brought to his attention since sales of the wares bearing the EXPRESSIONS FROM HALLMARK trade-mark began. However, the period of co-existence appears to be relatively short and, as pointed out in the opponent's written argument, the affiant has not explained whether instances of actual confusion would ever in the normal course of business be brought to his attention.

A final surrounding circumstance to be considered is the opponent's claim to a family of EXPRESSION trade-marks. I have not been swayed by these submissions for two reasons. First, there is some evidence that the opponent is not the only party to have adopted or used trade-marks that incorporate the word EXPRESSION. Second, the wares associated with the opponent's other alleged members of its family are quite different from those at issue.

There is a legal burden on the applicant to establish that there would be no reasonable likelihood of confusion between the marks in issue. This means that if a determinate conclusion

cannot be reached, the issue must be decided against the applicant [see *John Labatt Ltd. v. Molson Companies Ltd.* (1990), 30 C.P.R. (3d) 293]. I conclude that the applicant has not met this burden. In reaching this conclusion, I was predominantly swayed by the overlap in the nature of the parties' wares and channels of trade, the resemblance between the marks and the evidence that use of the applicant's mark may have accrued to the benefit of a company other than the applicant.

Regarding the section 16 ground of opposition, one must first consider whether the opponent has met its initial burden to prove use of its mark in Canada prior to July 5, 1996 and non-abandonment of its mark as of July 23, 1997. Although I am satisfied that the opponent has demonstrated non-abandonment of its REAL EXPRESSION mark as of July 23, 1997, I am uncertain that it has demonstrated use of such mark prior to July 5, 1996. Yes, Mr. Castel has stated that the mark has been used since as early as January, 1995 but no documentary evidence or sales figures have been provided concerning use prior to the exact date July 5, 1996. I am therefore not prepared to find in favour of the opponent based on its section 16 ground of opposition.

For reasons similar to those set out under my discussion of the registrability ground, the distinctiveness ground of opposition succeeds. In order for the distinctiveness ground of opposition to succeed, the opponent need only have shown that as of December 22, 1997 its trade-mark had become known sufficiently to negate the distinctiveness of the applied for mark [*Motel 6, Inc. v. No. 6 Motel Ltd.* (1981), 56 C.P.R. (2d) 44 at 58 (F.C.T.D.)]. Having considered all of the subsection 6(5) factors, I have concluded that the applicant has not

satisfied its burden to show that there was not a reasonable likelihood of confusion between **EXPRESSIONS FROM HALLMARK & Design** and **REAL EXPRESSION** as of December 22, 1997. It is noted that the applicant apparently had not begun using or promoting its **EXPRESSIONS FROM HALLMARK & Design** trade-mark as of December 22, 1997.

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

DATED AT TORONTO, ONTARIO, THIS 25TH DAY OF JUNE, 2003.

**Jill W. Bradbury
Hearing Officer**