

IN THE MATTER OF AN OPPOSITION
by Swatch S.A. to application
No. 611,182 for the trade-mark
SWAPS filed by Debbie Jollymore,
Maureen Shelleau and Jill Clay
carrying on business in partnership

On July 14, 1988, the applicant, Debbie Jollymore, Maureen Shelleau and Jill Clay carrying on business in partnership, filed an application to register the trade-mark SWAPS based on proposed use in Canada with the following wares:

clothing, namely shirts, sweaters, T-shirts,
sweatshirts, tank tops, hats, pajamas.

The application was advertised for opposition purposes on December 21, 1988.

The opponent, Swatch S.A., filed a statement of opposition on January 20, 1989, a copy of which was forwarded to the applicant on February 15, 1989. The opponent was granted leave pursuant to Rule 42 of the Trade-marks Regulations to amend its statement of opposition on May 12, 1989.

The grounds of opposition include, among others, one based on the provisions of Section 16(3) of the Trade-marks Act and the opponent's previously filed application No. 550,381 for the trade-mark SWATCH Design (illustrated below). The opponent contends that the applicant is not the person entitled to registration because, as of the applicant's filing date, the applied for trade-mark was confusing with the opponent's trade-mark for which an application had previously been filed.

The applicant filed and served a counter statement and was subsequently granted leave to amend its counter statement. As its evidence, the opponent filed the affidavits of Raymund Kennel and Andrew Z. Menceles. As its evidence, the applicant filed the affidavit of Jill Clay. Both parties filed a written argument but no oral hearing was conducted.

As a preliminary matter, it should be noted that the opponent did not evidence its application No. 550,381. However, in accordance with the decision in Royal Appliance Mfg. Co. v. Iona Appliances Inc. (1990), 32 C.P.R.(3d) 525 (T.M.O.B.), I have checked the Registrar's records and confirmed that the opponent's application was filed on October 8, 1985 and that it was pending as of the applicant's advertisement date as required by Section 16(4) of the Act. The opponent's application was based on proposed use for the following wares:

suitcases, travel bags, cases, portfolios,
briefcases, wallets, handbags, keyholders,
dressing cases,; whips, harness and saddlery
all of the foregoing in leather or imitation
leather; hides and furs; umbrellas, parasols
and canes; textile fabrics, table linen, bed
coverings, towelling, curtains; body linen,

handkerchiefs, neck-ties, neckerchiefs and head scarves; clothing namely T-shirts, sweat-shirts, shirts, skirts, trousers, shorts, bathing suits, suspenders, boots, shoes and slippers; lacework and embroidery; ribbons and laces; buttons, hooks and eyes, needles; artificial flowers; games namely parlor games, electronic games; toys namely plush toys, mechanical toys and playthings, musical toys, dolls, tricycles; gymnastic and sports articles, namely balls, sporting gloves, bats, racquets, tennis balls, golf balls, badminton balls, diving suits; bleaching and laundry preparations namely detergents, bleaches, soaps and soap powders; perfumes, essential oils, cosmetics namely perfumery, eye shade, liner, lipsticks, rouge, mascara, skin cream and blushers, cosmetic lotions, optical spectacles and sun glasses, frames for spectacles; cases for spectacles, spectacle retaining cords and chains, pens, ball point pens, mechanical pencils, cigarette and cigar lighters, pocket knives and razors.
(emphasis added)

The opponent's application was allowed on June 1, 1990.

In view of the above, the opponent's ground of prior entitlement remains to be decided on the issue of confusion between the opponent's mark SWATCH Design and the applicant's mark SWAPS. The material time for considering the circumstances respecting this issue is the applicant's filing date (i.e. - July 14, 1988) as provided in Section 16(3) of the Act. Furthermore, the onus or legal burden is on the applicant to show no reasonable likelihood of confusion between the marks at issue. Finally, in applying the test for confusion set forth in Section 6(2) of the Act, consideration is to be given to all of the surrounding circumstances including those specifically set forth in Section 6(5) of the Act.

I consider that the marks of both parties are inherently distinctive in relation to the respective wares. As of the material time, there is no evidence of any activities in association with the applicant's mark. I must therefore conclude that it had not become known at all in Canada. From a review of the Menceles affidavit, I can conclude that the opponent had effected approximately \$200,000 of sales of "SWATCH brand clothing and fashion wear" in Canada prior to the material time (see paragraph 13 of the Menceles affidavit). Thus, the opponent's mark had become known to a very minor extent in association with clothing as of the applicant's filing date.

The length of time the marks have been in use favors the opponent although this is not a circumstance of any great significance in the present case. The wares of the parties clearly overlap in that the opponent's statement of wares includes clothing items. In fact, both applications include shirts, sweatshirts and T-shirts. Presumably the trades of the parties would also overlap. The applicant contended that the specific wares and trades of the parties are different in that the applicant's wares are specialty items for children bearing removable interchangeable designs. However, neither the applicant's statement of wares nor the opponent's contains any restrictions and that is what governs: see the decisions in Mr. Submarine Ltd. v. Amandista Investments Ltd. (1987), 19 C.P.R. (3d) 3 at 10-11 (F.C.A.) and Henkel Kommanditgesellschaft v. Super Dragon (1986), 12 C.P.R. (3d) 110 at 112 (F.C.A.).

As for Section 6(5)(e) of the Act, the marks at issue bear at least some resemblance visually since they are roughly the same length and since both commence with

the letters SWA. The degree of phonetic resemblance is more pronounced. The marks do not resemble one another as to the ideas suggested.

Although not discussed in its written argument, it would appear that the applicant wished to rely on the results of corporate name and trade-mark searches as an additional surrounding circumstance. However, that material was sought to be introduced by means of Ms. Clay's affidavit but Ms. Clay did not indicate who conducted the searches, when they were conducted or how they were conducted. Furthermore, Ms. Clay does not indicate that she is qualified in any way to conduct such searches. Thus, I cannot give much, if any, weight to the search results appended to her affidavit. To the extent that those results are reliable and to the extent that I can decipher them, they would appear, in any event, to be of no relevance to the issue of confusion in the present case.

I have considered as a further surrounding circumstance the extensive evidence of use and advertising of the opponent's trade-mark in association with watches. Even as of the applicant's filing date, I am able to conclude that the opponent's mark had become well known throughout Canada with watches. Although such wares are typically different from clothing, the evidence shows that the opponent's watch has been marketed not just as a watch but also as an interchangeable fashion accessory. Thus, the nature of the opponent's trade for watches and the reputation associated with its trade-mark for watches increases, at least to some extent, the likelihood of confusion arising.

In applying the test for confusion, I have considered that it is a matter of first impression and imperfect recollection. I have also considered that the applied for trade-mark is a proposed mark and that the applicant can more easily choose another mark for its products. In view of the above, and particularly in view of the overlap in the wares and trades of the parties, the fact that there is at least some resemblance between the marks and the fact that the opponent's mark is very well known in association with watches used as fashion accessories, I find that I am left in a state of doubt respecting the issue of confusion. Since the onus is on the applicant, I must resolve that doubt against it and find that the ground of opposition of prior entitlement is successful. It is therefore unnecessary to consider the remaining grounds.

In view of the above, I refuse the applicant's application.

DATED AT HULL, QUEBEC, THIS 23rd DAY OF December 1992.

David J. Martin,
Member,
Trade Marks Opposition Board.