

IN THE MATTER OF AN OPPOSITION by Those
Characters From Cleveland, Inc. to application No.
512,393 for the trade-mark SCARED BEARS filed by
Clem Saila Inc.

On November 17, 1983, the applicant, Clem Saila Inc., filed an application to register the certification mark SCARED BEARS based upon proposed use of the certification mark in Canada in association with:

"stationery and publications: namely books, magazines; greeting cards; figurines; phonographs and records; balloons, dolls and puppets, toys (inflatable and stuffed), jig-saw puzzles; bedding and linens: namely bedspreads, blankets; wearing apparel: namely costumes, headwear, mittens, shoes, slippers and T-shirts"

The application included a statement to the effect that the applicant is not engaged in the manufacture, sale, leasing or hiring of wares or the performance of services such as those in association with which the certification mark is used.

The applicant subsequently submitted an amended form of application changing "certification mark" to "trade-mark" and claiming that it intended to use the trade-mark SCARED BEARS in Canada in association with the following wares:

"stationery and publications, namely books, magazines; greeting cards; figurines; phonographs and records; balloons, dolls and puppets, toys (inflatable and stuffed), jig-saw puzzles; bedding and linens, namely bedspreads, blankets; wearing apparel, namely costumes, toques, mittens, shoes, slippers and T-shirts"

The applicant's application was advertised in the Trade-marks Journal for opposition purposes on January 21, 1987 and the opponent, Those Characters From Cleveland, Inc., filed a statement of opposition on April 23, 1987. In its statement of opposition, the opponent alleged that the applicant's trade-mark is not registrable in that it is confusing with the opponent's trade-marks THE CAREBEARS, registration No. 294,071, CARE BEARS & Design, registration No. 304,094, CARE BEARS, application No. 544,692, CARE BEARS & Design, application No. 544,693, CARE BEARS, application No. 552,359, and CARE BEARS & Design, application No. 552,358. The opponent further challenged the applicant's entitlement to registration in that, as of the applicant's filing date, the applicant's trade-mark was confusing with the opponent's trade-mark THE CARE BEARS as applied to stuffed toy figures, cannisters, towels, t-shirts, an application for the registration of which was previously filed on February 16, 1982 under Serial No. 482,440 and the opponent's trade-mark CARE BEARS & Design, an application for the registration of which was previously filed under Serial No. 493,747, filed October 21, 1982. As its final ground of opposition, the opponent asserted that the applicant's trade-mark is not distinctive in that it is confusing with the opponent's trade-marks THE CAREBEARS and CARE BEARS & Design as claimed in the statement of opposition.

The applicant served and filed a counter statement in which it denied the opponent's grounds of opposition.

The opponent filed as its evidence the affidavit of John Brewer while the applicant elected not to file any evidence. The opponent alone submitted a written argument while both parties were represented at an oral hearing.

The opponent alleged that the applicant is not the person entitled to registration of the trade-mark SCARED BEARS in view of three previously-filed trade-mark applications of the opponent. However, none of these applications were pending as of January 21, 1987, the date of advertisement for opposition purposes of the applicant's application, contrary to Section 16(4) of the Trade-marks Act. Accordingly, I have rejected the Section 16 grounds of opposition.

The opponent relied upon its pending trade-mark applications and trade-mark registrations referred to in its statement of opposition in challenging the distinctiveness of the applicant's trade-mark SCARED BEARS. However, I do not consider the mere existence of the opponent's trade-mark applications or registrations would have any impact on the distinctiveness of the applicant's trade-mark in the marketplace. Further, as the opponent has not relied upon its use or making known of its trade-marks in Canada, I have rejected this ground of opposition.

The opponent's remaining ground of opposition is based on Section 12(1)(d) of the Trade-marks Act, the opponent alleging that the applicant's trade-mark SCARED BEARS as applied to the wares covered in the applicant's application is confusing with the opponent's registered trade-marks THE CAREBEARS, registration No. 294,071, covering "stuffed toy figures; cannisters, towels, t-shirts" and CARE BEARS & Design (a representation of which appears below), registration No. 304,094, covering "candles, greeting cards, gift wrap, photo albums and stationery namely note paper, writing paper and envelopes and thank you notes, decorative ceramic plates and cannisters, towels, t-shirts, stuffed toy figures". While the opponent also referred to pending trade-mark applications in respect of its Section 12(1)(d) ground, these applications are of no relevance to the registrability ground of opposition.

With respect to the issue of confusion, the legal burden is on the applicant to establish that there would be no reasonable likelihood of confusion between its trade-mark SCARED BEARS as applied to the wares covered in its application and the opponent's registered trade-marks as of the date of opposition, the material date in respect of a Section 12(1)(d) ground of opposition. In determining whether there would be a reasonable likelihood of confusion between the trade-marks at issue, the Registrar must have regard to all the surrounding circumstances, including those specifically enumerated in Section 6(5) of the Trade-marks Act.

Both the applicant's trade-mark SCARED BEARS as applied to the wares covered in the applicant's application and the opponent's registered trade-marks THE CAREBEARS and CARE BEARS & Design as applied to the wares covered in the opponent's registrations are inherently distinctive. As no evidence has been filed by the applicant, its trade-mark SCARED BEARS must be assumed to have not become known to any extent in Canada as of the date of opposition (April 23, 1987). As to the extent to which the opponent's registered trade-marks had become known in this country as of the material date, the applicant submitted that the Registrar was precluded from considering evidence of use or advertising by the opponent in Canada where such use occurred subsequent to the filing date of the applicant's application (November 17, 1983), having regard to the decision of the Federal Court, Trial Division in Humpty Dumpty Foods Ltd. v. George Weston Ltd., 24 C.P.R. (3d) 454.

In the present case, the opponent's trade-mark applications for registration of its trade-marks THE CAREBEARS and CARE BEARS & Design which subsequently matured to registration Nos. 294,071 and 304,094 were filed in Canada on February 16, 1982 and October 21, 1982 respectively, prior to the filing date of the applicant's application. Further, the evidence of use filed by the opponent is in relation to a Section 12(1)(d) ground of opposition and not in relation to a non-entitlement or non-distinctiveness ground of opposition as in the Humpty Dumpty case. As well, in the Humpty Dumpty case, the opponent's rights in its trade-mark arose subsequent to the filing date of the applicant's proposed use trade-mark application. As a result, I do not consider the Humpty Dumpty case to be applicable in the present case and regard can therefore be had to the opponent's evidence of use and promotion relating to its trade-marks THE CAREBEARS and CARE BEARS & Design even though such use may not have commenced until subsequent to the filing date of the applicant's application. Further, even had the opponent's application(s) been filed subsequent to the filing of the applicant's application, I am of the view that the Registrar when considering a Section 12(1)(d) ground of opposition would still be obliged to consider evidence filed by the opponent relating to the extent to which its trade-mark(s) had become known even though that evidence relates

to matters arising subsequent to the applicant's filing date.

The applicant further submitted that the opponent filed an application for registration of the trade-mark CARE BEARS & Design on a proposed use basis under application No. 544,693 on April 23, 1986. However, from the certificate page comprising Exhibit D to the McDonald affidavit, it is noted that application Serial No. 544,693 was filed June 26, 1985 (two days prior to the date of registration of what appears to be the identical trade-mark CARE BEARS & Design, registration No. 304,094) and that a revised application was filed April 23, 1986. John Brewer in his affidavit states that sales in Canada of wares under the CARE BEAR trade-marks were in excess of \$7,250,000 in 1985 and in excess of \$3,250,000 in 1986. In paragraph 8 of his affidavit, Brewer identifies unit sales of plush toys and figures under the trade-mark CARE BEARS in 1986 which is subsequent to the June, 1985 filing date of application No. 544,693 as are the other 1986 sales referred to by Mr. Brewer. However, the filing of the proposed use trade-mark application for the trade-mark CARE BEARS & Design in June of 1985 does raise some question as to the possible accuracy of the 1985 sales figures referred to by Mr. Brewer. Further, there is a lack of specificity in the Brewer affidavit in relation to the specific wares and dollar value of sales associated with the opponent's registered trade-marks. Nevertheless, I am satisfied that the opponent's evidence establishes that its trade-mark CARE BEARS & Design had become known in Canada only in association with stuffed toy figures. Likewise, the length of use of the trade-mark CARE BEARS & Design favours the opponent in respect of its use of the trade-mark in association with stuffed toy figures.

With respect to the nature of the wares, the opponent's registered trade-mark CARE BEARS & Design covers such wares as greeting cards, gift wrap, t-shirts and stuffed toy figures which are quite similar to or are overlapping with the applicant's stationery, greeting cards, figurines, balloons, dolls and puppets, toys (inflatable and stuffed), jig-saw puzzles and T-shirts. On the other hand, the applicant's publications, namely books, magazines; phonographs and records; bedding and linens, namely bedspreads, blankets; and wearing apparel, namely costumes, toques, mittens, shoes and slippers differ from the wares associated with the opponent's registered trade-marks. Further, to the extent that the wares are overlapping, the channels of trade associated with these wares would be identical.

As to the degree of resemblance between the trade-marks of the parties, I consider there to be some similarity in appearance between the trade-marks SCARED BEARS and CARE BEARS & Design and an even greater degree of similarity in the sounding of the trade-marks. To the extent

that both trade-marks suggest the idea of an association with bears, there is some similarity in ideas suggested by the trade-marks SCARED BEARS and CARE BEARS & Design.

Having regard to the above, and bearing in mind that the applicant elected not to file any evidence in support of its application, I have concluded that the applicant has failed to meet the burden upon it of establishing that there would be no reasonable likelihood of confusion between its trade-mark SCARED BEARS as applied to stationery, greeting cards, figurines, balloons, dolls and puppets, toys (inflatable and stuffed), jig-saw puzzles and T-shirts and the opponent's registered trade-mark CARE BEARS & Design. On the other hand, I am of the view that there would be no reasonable likelihood of confusion between the applicant's trade-mark and the opponent's registered trade-marks in respect of the remaining wares covered in the applicant's application. In this regard, I would note the finding of the Federal Court, Trial Division in respect of there being authority to render a split decision in Produits Ménagers Coronet Inc. v. Coronet-Werke Heinrich Schlerf GmbH, 10 C.P.R. (3d) 492.

In view of the above, I refuse the applicant's application in respect of stationery, greeting cards, figurines, balloons, dolls and puppets, toys (inflatable and stuffed), jig-saw puzzles and T-shirts and reject the opponent's opposition pursuant to Section 38(8) of the Trade-marks Act in respect of the following wares covered in the applicant's application: "publications, namely books, magazines; phonographs and records; bedding and linens, namely bedspreads, blankets; wearing apparel, namely costumes, toques, mittens, shoes, slippers".

DATED AT HULL, QUEBEC THIS 30th DAY OF April, 1990.

G.W.Partington,
Chairman,
Trade Marks Opposition Board.