

**IN THE MATTER OF AN OPPOSITION by  
Babcock & Wilcox Canada Ltd. to application  
No. 779,215 for the trade-mark  
MAN B&W & Design  
filed by MAN Aktiengesellschaft**

**On March 31, 1995, the applicant, MAN Aktiengesellschaft, filed an application to register the trade-mark MAN B&W & Design based upon use of the trade-mark in Canada in association with marine diesel engines and parts therefor since at least as early as July 31, 1987. The mark is shown below:**

**The application was advertised for opposition purposes in the *Trade-marks Journal* of December 13, 1995. On January 22, 1996, the opponent, Babcock & Wilcox Industries Ltd., filed a statement of opposition. The applicant filed and served a counter statement. On June 1, 1999, the opponent changed its name to Babcock & Wilcox Canada Ltd.**

**The opponent filed as its evidence the affidavits of Antoine Jean d'Ailly, Patricia D'Souza, Frances Ann Gregory, and Gerald Scott Carpenter, as well as certified copies of Canadian trade-mark registrations Nos. TMDA54598 and 372,429 and application No. 657,518. As its evidence, the applicant filed the affidavits of Bernd Heinz Kuno Graffunder, Roger Paul Britton, Linda Maureen Palmer and Stefan Schober. In reply, the opponent filed the affidavit of Helena Siebel. The applicant obtained an order for the cross-examinations of Antoine Jean d'Ailly, Frances Ann Gregory, Gerald Scott Carpenter, and Helena Siebel on their affidavits. As these individuals were not made available for cross-examination, their affidavits were returned to the opponent and no longer form part of the evidence in these proceedings.**

**Ms. D'Souza provides copies of various definitions extracted from an encyclopedia and a dictionary.**

**Mr. Graffunder, a marine engineer, is the president of a company that has been the representative handling sales and after sales services of diesel engines in Canada since 1979 for the opponent and/or its licensees MAN B&W Diesel AG and M.A.N. - B&W Diesel A/S. He states that the MAN B&W & Design mark reflects the trade-mark owner's history: MAN having been derived from its predecessor Maschinenfabrik Augsburg - Nurnberg and B&W having been derived from its predecessor Burmeister & Wain who built ships for more than a hundred years.**

**Mr. Graffunder attests to sales of diesel engines and their parts under the trade-mark MAN B&W & Design since at least as early as 1987. He provides photographs of shipping containers for marine diesel engines, plastic bags used for shipping marine diesel engine parts, labels which are affixed to parts and product containers, and an aluminum plate typical of those affixed to marine diesel engines, all of which bear the MAN B&W & Design mark. Annual Canadian sales of the MAN B&W & Design wares have exceeded a million dollars each year from 1987 through 1996. Typical invoices have been provided.**

**Mr. Graffunder also provides the approximate annual dollar value spent in Canada advertising MAN B&W & Design marine diesel engines and parts for each of the years 1991 through 1996. Typical advertisements have also been provided.**

**Mr. Britton, a registered trade-mark agent, provides certified copies of certain U.S. trade-mark registrations, an expunged Canadian trade-mark registration and two affidavits on file in the Canadian Trade-marks Office.**

**Mr. Schober attests that the opponent's B&W mark and the applicant's mark co-exist on the trade-mark registers of ten foreign countries.**

**Ms. Palmer, a trade-mark searcher, provides the results of a state of the register search that she conducted for B&W.**

**Only the applicant filed a written argument but an oral hearing was held at which both parties were represented.**

#### **Grounds of Opposition**

**The first ground of opposition is that the application does not comply with Subsection 30(b) of the *Trade-marks Act* because the applicant's trade-mark has not been used in Canada in association with the goods specified in its application since the July 31, 1987 date claimed in its application, or if there had been use of the trade-mark in Canada, there has been interim abandonment of the mark in Canada since any date of first use of the mark.**

**The second ground of opposition is based on Paragraph 12(1)(d) of the *Act*, the opponent alleging that the trade-mark MAN B&W & Design is not registrable because it is confusing with the opponent's registered trade-marks B&W & Design (registration No. TMDA54598) and B&W (registration No. 372,429). Registration TMDA54598 was expunged on February 10, 2000 and so this ground of opposition cannot succeed in so**

far as it relies on that registration. Registration No. 372,429, which remains in good standing, covers the following wares: steam boilers and their adjuncts; equipment useful in the production or utilization of special nuclear material or atomic energy, namely, nuclear steam generators, heat exchange apparatus, pressure vessels and replacement equipment and parts therefor.

The third ground of opposition is based on Section 16 of the *Act*, the opponent alleging that the applicant is not the person entitled to register the mark because the mark is confusing with the opponent's trade-marks B&W & Design and B&W, which have been used by the opponent prior to the first use of the applicant's mark and which were not abandoned as of the date of advertisement of the applicant's application. As the opponent has failed to evidence use of its trade-marks and to establish non-abandonment of its marks as of the date of advertisement of the applicant's application, it has not met its initial evidential burden and this ground of opposition therefore fails.

The fourth ground of opposition claims that the applicant's trade-mark does not distinguish and is not adapted to distinguish the wares of the applicant because it is confusing with the opponent's aforementioned marks.

I will deal first with the second and fourth grounds of opposition, which both turn on the issue of the likelihood of confusion between the applicant's MAN B&W & Design mark and the opponent's B&W mark. The material date with respect to the Paragraph 12(1)(d) ground of opposition is 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)]. The material date with respect to the non-distinctiveness ground is 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.)].

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].

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.); *Gainers Inc. v. Tammy L. Marchildon and The Registrar of Trade-marks* (1996), 66 C.P.R. (3d) 308 (F.C.T.D.)].

The opponent's B&W mark is inherently weak, consisting as it does of simply initials, which correspond to its owner's name. Nor is there any evidence of the opponent's mark having acquired distinctiveness.

The applicant's mark has a greater degree of inherent distinctiveness than the opponent's mark because it consists of more than mere initials. While the evidence of Mr. Graffunder indicates that the MAN B&W & Design mark has acquired distinctiveness through use and promotion, there is the question of whether the mark has acquired distinctiveness in the hands of the applicant given that other companies have been associated with the mark in advertisements and on invoices.

Registration No. 372,429 claims that use of the opponent's B&W mark began in 1923 on steam boilers and their adjuncts and in 1956 on the remaining wares. However, there is no evidence that use has been continuous since those dates or that the mark was in fact in use as of either of the material dates.

Use of the applicant's mark began July 31, 1987 and there is evidence of its continuous use since that date.

Regarding the nature of the wares, Ms. D'Souza has provided a number of definitions, including:

"diesel engine - an internal combustion engine operating on a thermodynamic cycle in which the ratio compression of the air charge is sufficiently high to ignite fuel subsequently injected into the combustion chamber. Also known as compression-ignition engine"; and  
"steam boiler - a pressurized system in which water is vaporized to steam by heat transferred from a source of higher temperature, usually the products of combustion from burning fuels. Also known as steam generator".

To the best of my understanding, there is no great similarity between steam boilers and marine diesel engines. "Equipment useful in the production or utilization of special nuclear material or atomic energy" is also not similar to marine diesel engines. Furthermore, it seems fair to conclude that the nature of both parties' wares is such that potential customers would be of a fairly sophisticated nature who would take care in making their purchases.

There is no evidence before us that shows that the opponent's channels of trade overlap with those of the applicant. Clearly the applicant's marine diesel engines and parts are sold for use in ships. It is unclear whether ship owners/builders are potential customers of the opponent's wares but the description of part of the opponent's wares as "equipment useful in the production or utilization of special nuclear material or atomic energy" suggests otherwise. In addition, I note that the expunged registration No. TMDA54598 for the opponent's B&W & Design mark described the opponent's wares as "power plant equipment and accessories, including steam boilers, engines, heaters, turbines, condensers, air compressors, stokers".

The degree of resemblance between the marks stems simply from their common use of the initials B&W. While it is true that the applicant has adopted the opponent's mark in its entirety, this is mitigated by the facts that initials are traditionally considered to be weak marks and that the initials appear as the latter portion of the applicant's mark. As stated in *K-Tel International Ltd. v. Interwood Marketing Ltd.* (1997), 77 C.P.R. (3d) 523 (F.C.T.D.) at p. 527, "Although the marks are not to be dissected when determining matters of confusion, it has been held that the first portion of a trade-mark is the most relevant for purposes of distinction." Overall, the resemblance between the marks in appearance, sound and idea suggested is not great.

I do not consider the state of the register evidence introduced by Ms. Palmer to be of any persuasive value as insufficient relevant registrations were located to enable me to draw any inferences concerning the state of the marketplace [see *Ports International Ltd. v. Dunlop Ltd.* (1992), 41 C.P.R. (3d) 432; *Del Monte Corporation v. Welch Foods Inc.* (1992), 44 C.P.R. (3d) 205 (F.C.T.D.); *Kellogg Salada Canada Inc. v. Maximum Nutrition Ltd.* (1992), 43 C.P.R. (3d) 349 (F.C.A.)].

Having considered all of the surrounding circumstances, I conclude that there is no reasonable likelihood of confusion as of either of the material dates between MAN B&W & Design marine diesel engines and parts therefor and B&W steam boilers and their adjuncts or equipment useful in the production or utilization of special nuclear material or atomic energy. I have reached this conclusion primarily as a result of the inherent weakness of the opponent's B&W mark, the lack of evidence of any use or advertisement of the opponent's mark, and the differences between the parties' wares. The second and fourth grounds of opposition therefore fail.

I return now to the first ground of opposition.

The Chairperson of the Opposition Board summarized the onus and material date with respect to a ground of opposition based on Subsection 30(b) in *Ivy Lea Shirt Co. v. Muskoka Fine Watercraft and Supply Co.*, 2 C.P.R. (4<sup>th</sup>) 562 at pp. 565-566 as follows:

"While the legal burden is upon the applicant to show that its application complies with Section 30 of the *Trade-marks Act*, there is an initial evidential burden on the opponent to establish the facts relied upon by it in support of its Section 30 ground (see *Joseph E. Seagram & Sons Ltd. et al v. Seagram Real Estate Ltd.* (1984), 3 C.P.R. (3d) 325 (T.M.O.B.) at pp. 329-330; and *John Labatt Ltd. v. Molson Companies Ltd.* (1990), 30 C.P.R. (3d) 293 (F.C.T.D.)). However, the evidential burden on the opponent respecting the issue of the applicant's non-compliance with Subsection 30(b) of the *Act* is a light one [see *Tune Masters v. Mr. P's Mastertune Ignition Services Ltd.* (1986), 10 C.P.R. (3d) 84 (T.M.H.O.) at p. 89]. Further, the opponent may rely upon the applicant's affidavit evidence to meet its evidential burden in relation to this ground. In such a case, however, the opponent must show that the applicant's evidence is 'clearly' inconsistent with the applicant's claims set forth in its application.

One of the issues raised at the oral hearing relates to the relevant date for considering the Subsection 30(b) ground. The material time which has been applied by the Registrar of Trade-marks for considering the circumstances respecting the issues of non-compliance with Section 30 of the *Act* is the filing date of the application (see *Georgia-Pacific Corp. v. Scott Paper Ltd.* (1984), 3 C.P.R. (3d) 469 (T.M.O.B.) at p. 475). Further, it would certainly appear from my review of the decision in *Labatt Brewing Co. v. Benson & Hedges (Canada) Ltd.*, referred to above, that the Federal Court, Trial Division considered the applicant's filing date to be the relevant date for considering the Subsection 30(b) ground although the issue was not specifically addressed by the learned trial judge."

The opponent's position is that it has met its light evidential burden with respect to its first ground of opposition through the evidence of Mr. Graffunder. In support of its position, it points to the following facts: the invoices provided by Mr. Graffunder bear the name of companies other than the applicant; there is no evidence that any use by the licensees referred to by Mr. Graffunder enures to the benefit of the applicant pursuant to Section 50; and there is no evidence that the invoices, which bear the applied for trade-mark, accompany the wares. However, I do not interpret these shortcomings in the applicant's evidence as being clearly inconsistent with the applicant's claim that it has used its mark since July 31, 1987. The applicant has not purported to have provided evidence of its first use; rather it appears to be merely providing general evidence of use of its mark. It is noted that Mr. Graffunder refers to the invoices that he has provided merely as "typical invoices".

Mr. Graffunder has identified certain parties as licensees of the applicant; the fact that he has not provided further evidence to demonstrate that the licensed use qualifies under Section 50 of the *Act* is not clearly inconsistent with the applicant's claim of use as the licensed use may well qualify under Section 50. It is to be remembered that the applicant was not responding to any evidence by the opponent that brought into

question the validity of the applicant's claim of use. Names appearing on the invoices other than the applicant's named licensees may be among the predecessors to Mr. Graffunder's company, to which he alludes. While it is true that there is no obligation on the opponent to have cross-examined Mr. Graffunder, having not done so, the opponent cannot successfully argue that wording that is open to more than one interpretation is "clearly inconsistent" with one such interpretation.

Regarding the opponent's concern that the invoices may not have accompanied the wares, I am not entitled to assume that they did in the absence of evidence to that effect. However, I reiterate that there is no burden on this applicant to demonstrate its first use as the opponent has failed to meet its evidential burden to show that the applicant's evidence is clearly inconsistent with its claimed date of first use. The first ground of opposition therefore fails.

Having been delegated by the Registrar of Trade-marks by virtue of Subsection 63(3) of the *Trade-marks Act*, I reject the opponent's opposition pursuant to Subsection 38(8) of the *Act*.

DATED AT TORONTO, ONTARIO, THIS 17<sup>th</sup> DAY OF JANUARY, 2001.

Jill W. Bradbury  
Hearing Officer  
Trade-marks Opposition Board