IN THE MATTER OF AN OPPOSITION by Venator Group Canada Inc. to application No. 766,157 for the trade-mark NORTHWEAR & Design filed by Karan Holdings Inc.

On October 7, 1994, the applicant, Karan Holdings Inc., filed an application to register the trade-mark NORTHWEAR & Design (illustrated below) based on proposed use in Canada with the following wares:

outdoor wear namely, boots, pants, jackets, parkas, snowmobile suits, hats, toques, gloves and mitts; industrial, work, and safety wear namely, work boots, pants, overalls, jackets, shirts, hard hats, safety glasses, gloves and mitts

and with the following services:

operation of a retail outlet for the sale of cold weather clothing and work, industrial, and safety wear.

The application was advertised for opposition purposes on May 17, 1995.



On October 16, 1995, Woolworth Canada Inc. (now Venator Group Canada Inc.), filed a statement of opposition, a copy of which was forwarded to the applicant on November 24, 1995. The first ground of opposition is that the applicant's application does not conform to the requirements of Section 30(b) of the Trade-marks Act because the applicant did not use the applied for trade-mark with the applied for wares since the date claimed.

The second ground of opposition is that the applied for trade-mark is not registrable pursuant to Section 12(1)(b) of the Act because it is clearly descriptive of the character or quality of the applied for wares and services. The third ground is that the applied for trade-

mark is not registrable pursuant to Section 12(1)(d) of the Act because it is confusing with the following trade-marks of the opponent registered for various clothing items and/or the operation of a clothing store:

Registration No.	<u>Trade-mark</u>
424,058	NORTHERN TRADITIONS
410,327	NORTHERN TRADITIONS
427,812	NORTHERN AUTHENTICS & Design
427,811	NORTHERN REFLECTIONS AUTHENTICS
372,905	NORTHERN REFLECTIONS
372,896	NORTHERN REFLECTIONS & Design
406,620	NORTHERN GETAWAY
406,621	NORTHERN GETAWAY
430,146	NORTHERN GETAWAY & Design
425,563	NORTHERN GETAWAY & Design

The fourth ground of opposition is that the applicant is not the person entitled to registration pursuant to Section 16(3) of the Act because, as of the applicant's filing date, the applied for trade-mark was confusing with (1) the ten registered trade-marks noted above previously used in Canada by the opponent, (2) the trade-mark NORTHERN REFLECTIONS previously used in Canada by the opponent for footwear and (3) the trade-mark NORTHERN REFLECTIONS & Design previously used in Canada by the opponent for ladies' clothing and related wares. The fifth ground is that the applied for trade-mark is not distinctive because it is confusing with the opponent's various trade-marks.

The applicant filed and served a counter statement. As its evidence, the opponent submitted the affidavits of Lora Tisi, Cathy Fernandes and Kathleen Lemieux. As its evidence, the applicant submitted an affidavit of Maureen Singh. Both parties filed a written argument and an oral hearing was conducted at which both parties were represented.

As for the opponent's first ground, it does not raise a proper ground of opposition. The opponent has alleged that the applicant did not use its applied for mark for wares since the date claimed. However, no such date was claimed since the present application is based on proposed use for both wares and services. Thus, the first ground is unsuccessful.

As for the opponent's second ground of opposition, the material time for considering the circumstances respecting the issue arising pursuant to Section 12(1)(b) of the Act is the date of my decision: see the decision in <u>Lubrication Engineers</u>, Inc. v. <u>The Canadian Council of Professional Engineers</u> (1992), 41 C.P.R.(3d) 243 (F.C.A.). Furthermore, the issue is to be determined from the point of view of an everyday user of the wares and services. Finally, the trade-mark in question must not be carefully analyzed and dissected into its component parts but rather must be considered in its entirety and as a matter of first impression: see <u>Wool Bureau of Canada Ltd.</u> v. <u>Registrar of Trade Marks</u> (1978), 40 C.P.R.(2d) 25 at 27-28 and Atlantic Promotions Inc. v. <u>Registrar of Trade Marks</u> (1984), 2 C.P.R.(3d) 183 at 186.

In order for the opponent's second ground to be successful, the opponent must show that the component NORTHWEAR in the applicant's mark is clearly descriptive of the applied for wares and services. In support of that ground, the opponent submitted the Lemieux affidavit which evidences definitions for the words "north" and "wear" from various English language dictionaries. As noted by the applicant, however, the opponent failed to evidence any definitions for the word "northwear" which must be taken to be a coined word. When used with clothing wares and services, the word "northwear" may suggest that the associated clothing items are intended for use in a northern climate. The word may also suggest that the associated clothing is manufactured in some unspecified northern region. It may even suggest that the associated clothing is manufactured or sold by a person with the surname North. However, the component NORTHWEAR does not clearly describe any inherent character or quality of the applicant's wares or services. Thus, the second ground of opposition is also unsuccessful.

As for the third ground of opposition, the material time for considering the circumstances respecting the issue of confusion with a registered trade-mark is the date of my decision: see <u>Conde Nast Publications Inc.</u> v. <u>Canadian Federation of Independent Grocers</u> (1991), 37 C.P.R.(3d) 538 at 541-542 (T.M.O.B.). The onus or legal burden is on the applicant to show no reasonable likelihood of confusion between the marks at issue. Furthermore, 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.

It would appear that the most widely used of the opponent's registered marks is NORTHERN REFLECTIONS registered under No. 372,905 for "retail store services" and various clothing items. Thus, I will first consider the issue of confusion between that mark and the applicant's proposed mark NORTHWEAR & Design.

As for Section 6(5)(a) of the Act, the applicant's mark is dominated by the component NORTHWEAR which, as discussed, is at least suggestive of clothing wares and services. Thus, the applicant's mark is not an inherently strong mark. There is no evidence of use or advertising of that mark and I must therefore conclude that it has not become known at all in Canada.

The opponent's mark NORTHERN REFLECTIONS is inherently distinctive in relation to clothing wares and services. At most, it has a vaguely suggestive connotation related to a possible northern source. Thus, the opponent's registered mark is inherently stronger than the applicant's mark.

The Tisi affidavit evidences extensive sales in Canada in association with the trademark NORTHERN REFLECTIONS. The opponent started using the mark in November of 1986 and, as of the date of Ms. Tisi's affidavit (July 19, 1996), the opponent was operating 189 stores in Canada under that mark and 326 stores in the United States. Sales from 1987 to June of 1996 through the opponent's Canadian stores (including sales of wares bearing the

NORTHERN REFLECTIONS mark) totalled in excess of \$892 million. Thus, I am able to conclude that the opponent's mark has become well known in Canada.

The length of time the marks have been in use favors the opponent since the trade-mark NORTHERN REFLECTIONS has been in use in Canada since at least as early as November 1, 1986. As for the wares, services and trades of the parties, it is the applicant's statements of wares and services and the opponent's statements of wares and services in registration No. 372,905 that govern: see Mr. Submarine Ltd. v. Amandista Investments Ltd. (1987), 19 C.P.R.(3d) 3 at 10-11 (F.C.A.), Henkel Kommanditgesellschaft v. Super Dragon (1986), 12 C.P.R.(3d) 110 at 112 (F.C.A.) and Miss Universe, Inc. v. Dale Bohna (1994), 58 C.P.R.(3d) 381 at 390-392 (F.C.A.). However, those statements must be read with a view to determining the probable type of business or trade intended by the parties rather than all possible trades that might be encompassed by the wording. In this regard, evidence of the actual trades of the parties is useful: see the decision in McDonald's Corporation v. Coffee Hut Stores Ltd. (1996), 68 C.P.R.(3d) 168 at 169 (F.C.A.).

The wares and services of the parties in the present case are essentially the same. Although the applicant's wares and services are restricted to outdoor wear and the like, the opponent's registration has no such restriction. Thus, I consider that the wares and services of the parties overlap. Likewise, the trades of the parties would also overlap.

As for Section 6(5)(e) of the Act, I consider that there is some degree of visual and phonetic resemblance between the marks at issue in view of the fact that they both commence with the component NORTH. To the extent that both marks suggest some northern connection, there is some resemblance between the ideas suggested by the two marks.

As an additional surrounding circumstance, I have considered the fact that one of the forms in which the opponent's trade-mark NORTHERN REFLECTIONS has been used to date contains a number of design similarities to the applicant's mark. The Fernandes affidavit establishes that the opponent has been using a particular stylized version of its trade-mark

(illustrated below) since July of 1992. Some of the exhibits to the Tisi affidavit also illustrate use of this particular version of the opponent's mark. As can be seen, the type of script used is the same as the applicant's mark. It is also noteworthy that the first and last letters of the dominant component of each mark are larger than the intervening letters. Finally, both marks use similar lining as part of their designs. Thus, I consider that the use by the opponent of this particular design version of its mark increases the likelihood of confusion.

Another additional surrounding circumstance is the existence of a family or series of trade-marks owned and used by the opponent. In addition to its NORTHERN REFLECTIONS chain of clothing stores, the opponent also operates a chain of clothing stores under the mark NORTHERN TRADITIONS and a chain of children's clothing stores under the mark NORTHERN GETAWAY. Sales through both those chains have been significant. The opponent has also used the trade-mark NORTHERN AUTHENTICS for clothing wares although the extent of such use has been minor compared to its other NORTHERN marks.

In view of the above, I find that the opponent has established the existence of a family of NORTHERN trade-marks in the retail clothing industry. Thus, in accordance with the decision in McDonald's Corp. v. Yogi Yogurt Ltd. (1982), 66 C.P.R.(2d) 101 (F.C.T.D.), consumers viewing any mark commencing with the component NORTHERN in the clothing trade would be more likely to associate such a mark with the opponent. To a lesser extent, the same holds true for similar marks such as NORTHWEAR & Design given the non-distinctive nature of the component WEAR when used for clothing. Consumers might well view the component NORTHWEAR as a shorthand reference to the opponent's various lines of NORTHERN clothing wear.

At the oral hearing, the applicant's agent submitted that consumers would not likely view the opponent's three different chains of stores as having a common ownership given that the component NORTHERN is non-distinctive and in widespread use by others. However, the applicant failed to support that latter contention. Furthermore, the applicant's own evidence suggests that consumers would assume common ownership for the opponent's three chains. Exhibit C to the Singh affidavit is an excerpt from the business section of the Toronto telephone directory which has separate listings for the opponent's NORTHERN GETAWAY, NORTHERN REFLECTIONS and NORTHERN TRADITIONS stores. Each listing directs the reader to Woolworth Canada Inc. as the head office.

The applicant sought to rely on the state of the trade-marks register and the state of the marketplace as a mitigating circumstance. However, the Singh affidavit is deficient on both points. Ms. Singh identifies herself as the secretary to the applicant's trade-mark agent and states that, at the agent's request, a computer search of the Trade-marks Office records was made to determine the number of marks containing the word "north." Appended as Exhibit A to Ms. Singh's affidavit is a one-page document which she identifies as a printout of the results of that search.

Ms. Singh's evidence is inadmissible hearsay. There is no indication that Ms. Singh conducted the computer search and, in fact, Exhibit A suggests that she did not since it appears to emanate from a firm identified as Thomson & Thomson. Furthermore, Ms. Singh did not provide copies of any of the records of the Trade-marks Office that were allegedly located by the search. In fact, she provided no particulars whatsoever of the records allegedly located. She states that the search revealed 1,124 entries. Although the number 1,124 appears on the one-page report, it is without context and is essentially meaningless. Thus, the applicant's alleged state of the register evidence is of no value in the present case.

Even if I could conclude that there are a large number of records in the Trade-marks Office for trade-marks which include the component NORTH and that some of them are registrations, this would not assist the applicant since there is no evidence that any such registrations cover clothing wares or services. At most, I could conclude that the component

NORTH is a common component of trade-marks in general. But I could not conclude that it is common in the clothing industry.

The balance of the Singh affidavit deals with excerpts from undated telephone directories covering Toronto and Sudbury, Ontario which list a number of business entities with the word "north" in their names. Without evidence as to the types of businesses carried on by these entities, the most that can be concluded from this evidence is that it is not uncommon in general to adopt business names which incorporate the word "north." It is far from sufficient to make such a conclusion respecting only the clothing trade.

In applying the test for confusion, I have considered that it is a matter of first impression and imperfect recollection. In view of my conclusions above, and particularly in view of the overlap in the trades of the parties, the reputation associated with the opponent's mark, the existence of the opponent's family of marks and the resemblance between the marks at issue, I find that the applicant has failed to meet the burden on it to show that there is no reasonable likelihood of confusion between its proposed mark NORTHWEAR & Design and the registered mark NORTHERN REFLECTIONS. Thus, the third ground of opposition based on registration No. 372,905 is successful.

Similar results follow respecting each of the opponent's nine remaining registrations. Thus, I find that the ground of opposition based on Section 12(1)(d) of the Act is also successful for each of those additional registrations.

As for the fourth ground of opposition, there was an initial onus on the opponent to evidence use of each of its marks prior to the applicant's filing date and non-abandonment of those marks as of the applicant's advertisement date. The opponent has satisfied these burdens by means of the Tisi affidavit.

The fourth ground of opposition therefore remains to be decided on the issue of confusion between the applicant's mark and each of the opponent's marks as of the material time which is the applicant's filing date. My conclusions respecting the third ground are, for

the most part, applicable to this ground as well although the reputation associated with each

of the opponent's marks may be somewhat less in view of the earlier material time. Thus, I

find that the applicant has failed to satisfy the onus on it to show that its mark is not confusing

with the opponent's previously used marks and the fourth ground is also successful.

As for the fifth ground of opposition, the onus or legal burden is on the applicant to

show that its mark is adapted to distinguish or actually distinguishes its wares and services

from those of others throughout Canada: see Muffin Houses Incorporated v. The Muffin

House Bakery Ltd. (1985), 4 C.P.R.(3d) 272 (T.M.O.B.). Furthermore, the material time for

considering the circumstances respecting this issue is as of the filing of the opposition (i.e. -

October 16, 1995): 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.).

Given my conclusions respecting the third and fourth grounds of opposition, it also

follows that the applicant's mark is confusing with the opponent's trade-marks as of the filing

of the opposition. It therefore follows that the applicant's trade-mark was not adapted to

distinguish its wares and services from those of the opponent as of that date. The fifth ground

is therefore also successful.

In view of the above, and pursuant to the authority delegated to me under Section 63(3)

of the Act, I refuse the applicant's application.

DATED AT HULL, QUEBEC, THIS 30th DAY OF OCTOBER, 1998.

David J. Martin,

Member,

Trade Marks Opposition Board.

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