

LE REGISTRAIRE DES MARQUES DE COMMERCE THE REGISTRAR OF TRADE-MARKS

> Citation: 2013 TMOB 195 Date of Decision: 2013-11-15

IN THE MATTER OF AN OPPOSITION by Leaf Clean Energy Company to application No. 1,452,796 for the trademark LEAF, in the name of Nissan Jidosha Kabushiki Kaisha (also trading as Nissan Motor Co., Ltd.)

[1] On September 23, 2009, Nissan Jidosha Kabushiki Kaisha, also trading as Nissan Motor Co., Ltd. (the Applicant) filed an application to register the trade-mark LEAF.

[2] The application was filed based on proposed use in Canada in association with "automobiles and their parts and fittings; electric automobiles and their parts and fittings" (the Wares).

[3] The application, which also claimed a priority filing date of June 3, 2009 (based on an application filed in Japan under No. 2009-041096), was advertised for opposition purposes in the *Trade-marks Journal* of March 24, 2010.

[4] On August 24, 2010, Leaf Clean Energy Company (the Opponent) filed a statement of opposition. The grounds of opposition can be summarized as follows:

• The application does not comply with the requirements of 30(i) of the *Trade-marks Act*, RSC 1985, c T-13 (the Act), in that the Applicant could not have been satisfied that it was entitled to use the Mark in association with the Wares in view of the Opponent's trade-

marks (particulars attached as Appendix A to my decision), which had been previously applied for by the Opponent.

- The Application does not comply with the requirements of section 30(e) of the Act, in that the Applicant does not intend to use the Mark in Canada in association with the Wares.
- The Applicant is not the person entitled to registration of the Mark in that, as of the Applicant's filing date, the Mark was and continues to be confusing with the Opponent's trade-marks (Appendix A) previously applied for in Canada and still pending.
- The Mark is not distinctive in Canada of the Wares, in that it does not distinguish, nor has it been adapted to distinguish those Wares from the wares and services of others, including those of the Opponent, having regard to the Opponent's trade-marks (see Appendix A).

[5] The Applicant served and filed a counter statement in which it denied the Opponent's allegations and put the Opponent to the strict proof thereof.

[6] In support of its opposition, the Opponent filed the affidavit of James Robert Potochny, as well as certified copies of Canadian Trade-mark application nos.: 1,389,127, 1,389,128, 1,389,129, and 1,389,133. The Applicant filed the affidavits of Judith K. Wheeler, Andrea Kroetch, Jacky Wong, and Claire Gordon.

[7] Only the Applicant filed a written argument; an oral hearing was not requested.

Onus and Material Dates

[8] The Applicant bears the legal onus of establishing, on a balance of probabilities, that its application complies with the requirements of the Act. There is, however is an initial evidential burden on the Opponent to adduce sufficient admissible evidence from which it could reasonably be concluded that the facts alleged to support each ground of opposition exist [see *John Labatt Limited v The Molson Companies Limited* (1990), 30 CPR (3d) 293 (FCTD) at 298; *Dion Neckwear Ltd v Christian Dior, SA et al* (2002), 20 CPR (4th) 155 (FCA)].

- [9] The material dates that apply to the grounds of opposition are as follows :
 - sections 38(2)(a)/30 the filing date of the application [see *Georgia-Pacific Corp* v Scott Paper Ltd (1984), 3 CPR (3d) 469 at 475 (TMOB) and Tower Conference Management Co v Canadian Exhibition Management Inc (1990), 28 CPR 428 at 432 (TMOB)];
 - sections 38(2)(c)/16(3) the filing date of the application [see section 16(3)]; and
 - sections 38(2)(d)/2 the date of filing of the opposition [see *Metro-Goldwyn-Mayer Inc v Stargate Connections Inc* (2004), 34 CPR (4th) 317 (FC)].

Non-compliance Grounds of Opposition - Section 30 of the Act

[10] With respect to the ground of opposition based on section 30(e) of the Act, since the application contains a statement that the Applicant by itself and/or through a licensee intends to use the Mark in Canada, it formally complies with section 30(e). There is no evidence to support a finding that the Applicant did not intend to use the Marks in association with the Wares. Accordingly, the section 30(e) ground of opposition is dismissed on the basis that the Opponent has not met its initial evidential burden.

[11] With respect to the ground of opposition based on section 30(i) of the Act, where an applicant has provided the statement required by section 30(i), the ground should only succeed in exceptional cases such as where there is evidence of bad faith on the part of the applicant [see *Sapodilla Co Ltd v Bristol-Myers Co* (1974), 15 CPR (2d) 152 (TMOB) at 155]. In the present case, the Applicant has provided the necessary statement and this is not an exceptional case; the section 30(i) ground is therefore dismissed.

Non-Entitlement Ground of Opposition – Section 16(3)(b)

[12] In order to meet its initial burden under section 16(3)(b) of the Act, the Opponent must establish that one or more of its applications, Nos. 1,389,127, 1,389,128, 1,389,129, and 1,389,133 [the "Leaf Marks"] was filed prior to the deemed filing date of the Applicant's application (June 3, 2009), and was not abandoned at the date of advertisement of the application for the Mark (March 24, 2010) [section 16(4)].

[13] As previously mentioned, the Opponent filed as part of its evidence, certified copies of each of the trade-mark applications relied upon under this ground of opposition. The certified copies show that each of the Opponent's applications relied upon were filed on March 28, 2008 and remained pending on March 24, 2010. The Opponent has thus satisfied its evidential burden.

[14] As the Opponent has satisfied its initial burden, the Applicant must therefore establish, on a balance of probabilities, that as of the deemed date of filing of the Applicant's applications, namely, June 3, 2009, there was not a reasonable likelihood of confusion between its Mark and the Opponent's trade-marks.

[15] The test for confusion is one of first impression and imperfect recollection. Section 6(2) of the Act indicates that the use of a trade-mark causes confusion with another trade-mark if the use of both trade-marks in the same area would be likely to lead to the inference that the wares or services associated with those trade-marks are manufactured, sold, leased, hired or performed by the same person, whether or not the wares or services are of the same general class.

[16] In applying the test for confusion, the Registrar must have regard to all surrounding circumstances, including those specifically enumerated in section 6(5) of the Act, namely: a) the inherent distinctiveness of the trade-marks or trade-names and the extent to which they have become known; b) the length of time each has been in use; c) the nature of the wares, services or business; d) the nature of the trade; and e) the degree of resemblance between the trade-marks or trade-names in appearance or sound or in the ideas suggested by them. The above-noted criteria are not exhaustive and it is not necessary to give each one of them equal weight [see, in general, *Mattel, Inc v 3894207 Canada Inc* (2006), 49 CPR (4th) 321 (SCC) and *Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée* (2006), 49 CPR (4th) 401 (SCC)].

[17] For the purpose of this ground of opposition I will limit my analysis of the relevant factors to the Opponent's trade-mark LEAF (TMA443,492). Given that this trade-mark is identical to the Mark, it represents the best case scenario for the Opponent. If there is no likelihood of confusion between the Mark and registration No. TMA443,492, then there would be no likelihood of confusion with respect to the other registrations. As a result, my

determination of a likelihood of confusion between the Mark and the Opponent's registration No. TMA443,492 will be determinative of the section 12(1)(d) ground of opposition.

Section 6(5)(a) – the inherent distinctiveness of the trade-marks and the extent to which they have become known

[18] Both parties' marks are comprised of the common dictionary word "leaf".

[19] The Applicant submits that the Opponent's LEAF trade-mark does not possess a high level of inherent distinctiveness, since when used in investment services in the clean energy sector, it is suggestive of green technology or renewable energy.

[20] Although the Opponent did not file a written argument, much of Mr. Potochny's affidavit is devoted to an alleged "suggestive" connotation of the Mark, as well as statements regarding confusion between the marks. The merit of the opposition is the issue to be decided by the Registrar from the evidence filed in the present proceeding and accordingly, the affiant's opinions on these matters will not be considered [see *British Drug Houses Ltd v Battle Pharmaceuticals* (1944), 4 CPR 48 at 53 and *Les Marchands Deco Inc v Society Chimique Laurentide Inc* (1984), 2 CPR (3d) 25 (TMOB)].

[21] Regarding the alleged "suggestive" connotation of the Mark, Mr. Potochny refers to quotes located in online news articles pertaining to electric vehicles marketed by the Applicant in association with the Mark (Exhibits C-H). Specifically, he points to third party articles that suggest that the trade-mark LEAF was chosen to highlight the environmentally friendly nature of the Applicant's vehicles, "in that the vehicle purifies the air by eliminating greenhouse gas emissions, just as leaves purify the air."

[22] Hearsay considerations aside, I note that the Applicant's own evidence supports this. In particular, the press release contained in Exhibit A to Ms. Wheeler's affidavit states the following: "The "LEAF" name is a significant statement about the car itself. Just as leaves purify the air in nature, so Nissan LEAF purifies mobility by taking emissions out of the driving experience."

[23] I find it reasonable to accept that the word "leaf" has environmental connotations, and thus in association with electric vehicles it is suggestive of the environmentally friendly nature of

the Applicant's Wares. However, I consider that the word "leaf" is equally suggestive of the Opponent's services pertaining to environmentally friendly energy alternatives.

[24] In any event, in view of the fact that the word LEAF is a common dictionary word, I assess the inherent distinctiveness of the Applicant's Mark and the Opponent's trade-mark LEAF as being the same.

[25] However, a mark may acquire distinctiveness through use or promotion.

[26] There is no evidence of use of the Applicant's Mark in Canada in accordance with section 4(1) of the Act. The Applicant has filed evidence of promotion and advertising of its LEAF branded automobiles; however, evidence of advertising alone is not sufficient to satisfy section 4(1) of the Act. In her affidavit, Ms. Wheeler indicates that the Mark and the Applicant's LEAF-branded automobile were first announced globally, including in Canada, on August 2, 2009. She indicates that the global announcement was communicated through a number of means including press releases from the Applicant's websites, including the website of Nissan Canada, the Applicant's licensee and distributor in Canada (see press release in Exhibit A to Wheeler affidavit). She further states that since at least as early as August 10, 2009, Nissan Canada has advertised the Nissan LEAF vehicle on its website. However, this evidence, as well as the remainder of Ms. Wheeler's evidence of promotion and advertising of the Applicant's LEAF-branded vehicles, post-dates the material date under this ground of opposition.

[27] Consequently, I cannot conclude that the Applicant's Mark had acquired any reputation or degree of distinctiveness as of the material date for this ground of opposition.

[28] The Opponent's business involves investing in and working with companies and projects around the world in the alternative fuel and clean energy sectors. With respect to use of the Opponent's "leaf" trade-marks in Canada, Mr. Potochny explains that the Opponent has acquired an interest in at least two companies which have a "presence" in Canada (Potochny affidavit, paragraph 10), one of which the Opponent provides with financial, investment, business research and analysis, consulting and project management services in association with its "leaf" trade-marks.

[29] Mr. Potochny explains that since at least August 2008, one or more of the "leaf" marks have been displayed during meetings and discussions with: representatives of companies that the Opponent has invested in or is interested in investing in, and representatives of venture capital organizations and other financial institutions that are interested in the clean energy sector. Mr. Potochny indicates that such display includes on business cards, on slide presentations, and through informational literature. In support, he attaches as Exhibit "B" "representative samples of such promotional and marketing materials bearing one or more of the LEAF trade-marks." I note that the exhibit includes materials dated after the relevant date for this ground of opposition, including the cover of a 2010 annual report, corporate correspondence (addressee and content redacted), an unclear copy of a business card, a web page of a company that the Opponent has invested in, and web page screen captures from the London Stock Exchange which detail listing information for the Opponent. In any event, I agree with the Applicant that the materials under Exhibit "B" are irrelevant; not only do they post-date the material date, but among other deficiencies, there is no evidence that these materials were used *in Canada* at any time.

[30] Despite the Opponent having invested in two companies which have a "presence" in Canada, I agree with the Applicant, that there is no clear evidence of use of the Opponent's "leaf" marks in Canada in accordance with section 4(2) of the Act.

[31] With respect to electric vehicles in particular, Mr. Potochny states that the Opponent has been actively pursuing investment opportunities in the field of electric vehicles in association with its "leaf" trade-marks since at least September 2008. He states that in the course of providing its services and identifying opportunities in this sector, the Opponent has consulted with several major electric car manufacturers in both North America and Europe, and several financial institutions and venture capital organizations. However, not only is there no evidence beyond Mr. Potochny's assertions of use, Mr. Potochny's statements are ambiguous as to whether the Opponent has offered services pertaining to the field of electric vehicles *in Canada*.

[32] In view of the above, I cannot conclude that the Opponent's "leaf" marks had acquired any reputation or degree of distinctiveness as of the material date in Canada.

[33] Consequently, as I find the inherent distinctiveness of the parties' marks to be the same, and that none of the trade-marks of the parties had acquired any degree of distinctiveness as of the material date in Canada, this factor does not favour either party.

Section 6(5)(b) – the length of time in use

[34] As discussed in my analysis under the section 6(5)(a) factor, there is no evidence of use of the Applicant's Mark which complies with section 4(1) of the Act. Furthermore, there is no clear evidence of use of the Opponent's trade-mark LEAF in Canada either.

[35] As there is no clear evidence of use of the parties' respective marks in Canada, I find this factor also does not favour either party.

Section 6(5)(c) and (d) – the nature of the wares and services and business or trade

[36] When considering the wares, services and trades of the parties, it is the statement of wares or services in the parties' trade-mark applications that governs in respect of the issue of confusion [see *Henkel Kommanditgesellschaft auf Aktien v Super Dragon Import Export Inc* (1986), 12 CPR (3d) 110 (FCA); *Mr Submarine Ltd v Amandista Investments Ltd* (1987), 19 CPR (3d) 3 (FCA); *Miss Universe Inc v Bohna* (1994), 58 CPR (3d) 381 (FCA)].

[37] The Applicant's Wares are "automobiles and their parts and fittings; electric automobiles and their parts and fittings". Thus, the Applicant is an automobile manufacturer, distributor and seller of various types of motor vehicles.

[38] The Opponent on the other hand, offers services which relate to investment, management and planning services in the alternative fuels and clean energy sectors. Mr. Potochny's affidavit indicates that the Opponent has been involved with various projects around the world, including among others, hydroelectric power generation, wind power generation, and the production of biofuels, etc. While the Opponent may be pursuing investment opportunities in the electric vehicle sector, the Opponent is not an automobile manufacturer.

[39] Although the Applicant's Wares include electric automobiles - an alternative to the traditional fossil fuel powered vehicles, and the Opponent is involved in alternative fuels and

clean energy - any suggestion of overlap between the Applicant's Wares and the Opponent's services ends there. In this regard, I agree with the Applicant's submission that not only does the Applicant deal in wares and the Opponent in services, but that the respective products and services of the parties are in different fields.

[40] Furthermore, the channels of trade of the parties are entirely different. In this regard, I agree with the Applicant's submission that the Wares are typically sold in a retail setting, most likely through vehicle dealerships. It is readily apparent that the Opponent's services are not offered through this channel. Moreover, the Opponent's services are highly specialized services in the alternative fuel and clean energy sectors. The target consumers of these services are businesses involved in highly technical projects such as the construction of solar power plants for example – not average consumers looking to purchase an automobile at a dealership.

[41] Accordingly, this factor strongly favours the Applicant.

Section 6(5)(e) – degree of resemblance in appearance, when sounded, or in idea suggested

[42] As previously stated, the Applicant's Mark and the Opponent's trade-mark LEAF (application No. 1,389,127) are identical in appearance and when sounded. Furthermore, as discussed above in the section 6(5)(a) analysis, it would appear that the idea suggested behind each mark in relation to the associated wares and services of the parties is similar.

[43] In view of the above, I find this factor favours the Opponent.

Conclusion

[44] In most instances, the degree of resemblance between the marks in appearance or sound or in the ideas suggested is the dominant factor and other factors play a subservient role in the overall surrounding circumstances [see *Masterpiece Inc v Alavida Lifestyles* (2011), 92 CPR (4th) 361 (SCC) and *Beverly Bedding & Uphostery Co v Regal Bedding & Upholstery Ltd* (1980), 47 CPR (2d) 145, conf 60 CPR (2d) 70 (FCTD)]. However in the present case, notwithstanding any similarity between the parties' marks, I find the differences in the nature of the parties' wares and services and respective trades to be significant. Furthermore, given the suggestive nature of the word LEAF in association with the parties' respective wares and

services, and that it is a common dictionary word, I find the word LEAF has low inherent distinctiveness. Thus, finding in favour of the Opponent would be akin to granting the Opponent a trade-mark monopoly on the suggestive word "leaf" with respect to any wares/services with some sort of environmentalist theme or connection.

[45] Consequently, I am satisfied that the Applicant has discharged its onus of showing on a balance of probabilities, that there was no reasonable likelihood of confusion between the parties' marks. Accordingly, the ground of opposition based on section 16(3)(b) of the Act is dismissed.

Non-distinctiveness Ground of Opposition

[46] In order to meet its initial burden with respect to this ground, the Opponent must establish that at least one of its pleaded marks was known to some extent at least in Canada as of August 24, 2010 [see *Bojangles' International LLC v Bojangles Café Ltd* (2006), 48 CPR (4th) 427 (FC) and *Motel 6, Inc v No 6 Motel Ltd* (1981), 56 CPR (2d) 44 (FCTD)]. As stated in *Bojangles* at para 34:

A mark must be known to some extent at least to negate the established significance of another mark, and its reputation in Canada should be substantial, significant or sufficient.

[47] As discussed more fully in the analysis of the section 16(3)(b) ground of opposition, I am not satisfied that the Opponent's evidence supports a finding that any of the Opponent's marks had developed a reputation in Canada. The difference in material dates does not change this finding. Thus, the Opponent has not met its evidential burden.

[48] In any event, even if the Opponent had met its evidential burden, I would have been satisfied that the Applicant had discharged its burden of showing, on a balance of probabilities, that there is no reasonable likelihood of confusion between the marks at issue for the same reasons outlined in my analysis under the section 16(3)(b) ground of opposition as I don't find that the difference in material dates between the two grounds to be of any significance.

[49] Having regard to the foregoing, I reject the ground of opposition based on nondistinctiveness.

Disposition

[50] Pursuant to the authority delegated to me under section 63(3) of the Act, I reject the opposition pursuant to section 38(8) of the Act.

Andrea Flewelling Member Trade-marks Opposition Board Canadian Intellectual Property Office

APPENDIX "A"

Application Number	<u>Trade-mark</u>	<u>Services</u>
1,389,127	LEAF	Acquisition, management and operation of alternative energy companies, clean energy companies, renewable energy companies, alternative energy projects, clean energy projects, renewable energy projects and projects that create environmental benefits through greenhouse gas emission reductions; acquisition of interests in alternative energy companies, clean energy companies, renewable energy companies, alternative energy projects, clean energy projects, renewable energy projects and projects that create environmental benefits through greenhouse gas emission reductions; business management consultancy and advisory services; business research and business analysis, namely, analyzing market behavior and trends; business planning; business information services, namely, providing information and evaluations on market trends and forecasts; project management, namely, managing, planning and strategizing particular business projects relating to the energy sector; distribution of energy, oil, gas, fuel and alternative fuels including ethanol and biodiesel; production of energy, oil, gas fuel and alternative fuels including ethanol and biodiesel.
1,389,128	Lean energy company	Business management consultancy and advisory services; business research and business analysis, namely, analysing market behaviour and trends; business planning; business information services, namely, providing information and evaluations on market trends and forecasts; project management, namely, managing, planning and strategising business projects relating to clean energy, alternative energy, renewable energy and projects that create environmental benefits through greenhouse gas emission reductions; financing

	and investment services, namely, financial analysis, financial forecasting, financial investments in the fields of commodities and securities, financial planning and financial research; investment services, namely, investment management, investment advice and counselling; financial dealings in futures and options, namely, analysis and investment in futures and options; commodity dealing services; commodity exchange services; arranging the provisions of credit; financial management, financial investment, financing, capital investments, mutual funds, unit trusts, investment trusts and financial and fiscal appraisal services; equity investments; venture capital; distribution of energy, oil, gas, fuel and alternative fuels including ethanol and biodiesel; production of energy, oil, gas, fuel and alternative fuels including ethanol and biodiesel
1,389,129	business management consultancy and advisory services; business research and business analysis, namely, analysing market behaviour and trends; business planning; business information services, namely, providing information and evaluations on market trends and forecasts; project management, namely, managing, planning and strategising business projects relating to clean energy, alternative energy, renewable energy and projects that create environmental benefits through greenhouse gas emission reductions; financing and investment services, namely, financial investments in the fields of commodities and securities, financial planning and financial research; investment services, namely, investment management, investment advice and counselling; financial dealings in futures and options, namely, analysis and investment in futures and options; commodity dealing services; commodity exchange services; arranging the provisions of credit; financial management, financial investment, financing, capital investments, mutual funds, unit trusts,

		investment trusts and financial and fiscal appraisal services; equity investments; venture capital; distribution of energy, oil, gas, fuel and alternative fuels including ethanol and biodiesel; production of energy, oil, gas, fuel and alternative fuels including ethanol and biodiesel.
1,389,133	LEAF CLEAN ENERGY COMPANY	Business management consultancy and advisory services; business research and business analysis, namely, analysing market behaviour and trends; business planning; business information services, namely, providing information and evaluations on market trends and forecasts; project management, namely, managing, planning and strategising business projects relating to clean energy, alternative energy, renewable energy and projects that create environmental benefits through greenhouse gas emission reductions; financing and investment services, namely, financial investments in the fields of commodities and securities, financial planning and financial research; investment services, namely, investment management, investment advice and counselling; financial dealings in futures and options, namely, analysis and investment in futures and options; commodity dealing services; commodity exchange services; arranging the provisions of credit; financial management, financial investment, financing, capital investments, mutual funds, unit trusts, investment trusts and financial and fiscal appraisal services; equity investments; venture capital; distribution of energy, oil, gas, fuel and alternative fuels including ethanol and biodiesel; production of energy, oil, gas, fuel and alternative fuels including ethanol and biodiesel.