

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

Citation: 2010 TMOB 153 Date of Decision: 2010-09-29

IN THE MATTER OF AN OPPOSITION by Alpha Sportswear Limited to application Nos. 1,116,514 and 1,118,162 for the trade-marks ALPHACRITTERS and ALPHACRITTERS Design in the name of Alphacritters, Inc.

[1] On September 7, 2001 and October 11, 2001 Alphacritters, Inc. (the Applicant) filed applications to register the trade-marks ALPHACRITTERS and ALPHACRITTERS Design, respectively. The design mark is illustrated below:



- [2] Each trade-mark has been applied for registration for the following wares and services on the following bases:
 - (a) "babies, children, and youth's clothing, namely, pyjamas, t-shirts, hats, caps, jackets, bibs; Bedding/Linens, namely, youth sheets, crib sheets, pillowcases, comforters, shams, dust ruffles, crib bumper pads, accent/throw pillows, towels; Fabric, namely, curtains; Fabric accessories, namely, table skirts, table runners, lamp shades, chair pads, area/throw rugs; Wallpaper, wallpaper borders, paint; Furniture, namely, clothes trees, drawer pulls, toy boxes; Bathroom Accessories, namely, soap dishes, toothbrush holders, cups, wastebaskets, towel bars, shower curtains, shower curtain hooks/rings; School supplies, namely, pencil cases, binders, notebooks, pencils, crayons, markers, backpacks, paints, art books, art paper, lunch boxes; Stationary, namely, greeting cards, note cards, invitations, banners; Novelty items, namely, colouring books, story books,

- rubber stamps, stickers, labels, posters, placemats, magnets, paint sets, art books/paper, dishes, puzzles, wooden blocks, ceramic and/or wood and/or fabric, figures and wall murals" based on proposed use (hereinafter referred to as Wares 1);
- (b) "art, namely artistic prints and pictures" based on use in Canada since June 30, 1997 (hereinafter referred to as Wares 2);
- (c) "retail services namely the operation of outlets dealing in the retail sale of: Clothing, Bedding/Linens, Fabric, Wallpaper, wallpaper borders, paint; Bathroom Accessories, School supplies, Stationary, Novelty Items, namely, colouring books, story books, rubber stamps, stickers, labels, posters, placemats, magnets, paint sets, art books/paper, dishes, puzzles, wooden blocks, ceramic and/or wood and/or fabric figures and wall murals; Internet retail services featuring: Clothing, Bedding/Linens, Fabric, Wallpaper, wallpaper borders, paint; Bathroom accessories, School supplies, Stationary, Novelty items, namely, colouring books, story books, rubber stamps, stickers, labels, posters, placemats, magnets, paint sets, art books/paper, dishes, puzzles, wooden blocks, ceramic and/or wood and/or fabric figures and wall murals" based on proposed use (hereinafter referred to as Services 1);
- (d) "retail services, namely, the operation of outlets dealing in the retail sale of art, namely artistic prints and pictures" based on use in Canada since June 30, 1997 (hereinafter referred to as Services 2);
- (e) "Internet retail services featuring the retail sale of art, namely artistic prints and pictures" based on use in Canada since April 25, 2000 (hereinafter referred to as Services 3).
- [3] Where appropriate, I will hereinafter refer to the above-mentioned wares and services together as the "Wares and Services" and to the trade-marks ALPHACRITTERS and ALPHACRITTERS Design together as "the Marks".
- [4] The applications for the Marks were advertised for opposition purposes in the *Trade-marks Journal* of June 18, 2003.
- [5] On August 14, 2003, Alpha Sportswear Limited (the Opponent) filed statements of opposition against the applications for the Marks. The grounds of opposition are essentially identical for each application with the exception of one ground of opposition which applies only to the ALPHACRITTERS Design Mark. The identical grounds of opposition can be summarized as follows:

- (a) Pursuant to s. 38(2)(a) of the *Trade-marks Act*, R.S.C. 1985, c. T-13 (the Act) the Marks are not registrable further to:
 - s. 30(a) of the Act in that the applications for the Marks do not contain statements in ordinary commercial terms of the specific wares and services in association with which the Marks have been or are proposed to be used.
 - ii. s. 30(b) of the Act in that the applications do not include the date from which the Applicant or his named predecessors in title, if any, have so used the Marks in association with each of the general classes of wares or services described in the applications.
 - iii. s. 30(e) of the Act in the Applicant never intended by itself nor through a licensee, to use the Marks in Canada in association with all of the Wares and Services.
 - iv. s. 30(i) of the Act on the basis that the Applicant could not properly have been satisfied that it was entitled to use the Marks in Canada in association with the Wares and Services because the registrations, applications and trade-marks owned by the Opponent:
 - 1. ALPHA (TMA532,973) for: men's, ladies, and children's garments, namely, jackets, pants, sweat suits, caps, shorts, trousers, track suits, singlets, shorts, team athletic uniforms, socks, shirts and tee-shirts; operation of a business selling sportswear on a retail and wholesale basis;
 - 2. ALPHA SPORTSWEAR Design (TMA371,847) for: men's, ladies' and children's garments, namely, jackets, jerseys, pants, sweat suits, track suits, singlets, shorts, team athletic uniforms and sox;
 - 3. ALPHA & Maple Leaf Design (TMA277,082) for: men's, ladies' and children's garments, namely, jackets, jerseys, pants, sweat suits, track suits, singlets, shorts, caps and sox;
 - 4. ALPHA SPORTSWEAR & Pyramid Design (application No. 732,328) for: men's, ladies' and children's garments, namely, jackets, jerseys, pants, sweat suits, track suits, singlets, shorts, team athletic uniforms and socks; operation of the business of the retail sale of sportswear.
- (b) Pursuant to s. 38(2)(c), 16(1)(a), 16(3)(a) and 16(5) of the Act, the Applicant is not the person entitled to registration of the Marks because at the material dates they were confusing with the trade-marks of the Opponent which had been

- previously used in Canada or made known in Canada by the Opponent and which had not been abandoned at the date of advertisement of the applications for the Marks.
- (c) Pursuant to s. 38(2)(c), 16(1)(b), 16(3)(b) and 16(5) of the Act, the Applicant is not the person entitled to registration of the Marks because at the material dates the Marks were confusing with the trade-marks of the Opponent which had been previously applied for by the Opponent and which had not been abandoned at the date of advertisement of the applications for the Marks.
- (d) Pursuant to s. 38(2)(c), 16(1)(c), 16(3)(c), 16(4) and 16(5), the Applicant is not the person entitled to registration of the Marks because at the material dates they were confusing with the Opponent's trade names ALPHA, ALPHA SPORTSWEAR and ALPHA SPORTSWEAR LIMITED, hereinafter referred to as the Opponent's Trade Names, which the Opponent had previously used in Canada in association with "men's, women's and children's clothing, operation of a business selling clothing on a retail and wholesale basis" and which had not been abandoned at the date of advertisement of the applications for the Marks.
- (e) Pursuant to s. 38(2)(d) and 2, the Marks are not distinctive on the basis that the Marks are not capable of distinguishing the Wares and Services from those of others, particularly the Opponent's wares and services under the Opponent's trade-marks.
- [6] The Opponent included an additional ground of opposition in the statement of opposition filed against the ALPHACRITTERS Design Mark which can be summarized as follows:
 - (a) Pursuant to s. 38(2)(a) of the Act, the Mark is not registrable further to s. 30(h) of the Act in that the application for the ALPHACRITTERS Design Mark does not include a drawing of the trade-mark.
- [7] The Applicant filed and served counter statements on February 2, 2004 in which it denies the Opponent's allegations and puts the Opponent to the strict proof thereof.

- [8] As its evidence pursuant to r. 41 of the *Trade-marks Regulations* SOR/96-195 (the Regulations), the Opponent filed:
 - (a) Certified copies of registration Nos. TMA371,847, TMA277,082 and TMA532,973.
 - (b) An affidavit of R. Ian Moodie, No. 1, sworn January 4, 2005 with Exhibits A to I. Mr. Moodie is the Vice President of the Opponent and has held this position since 1989.
- [9] As its evidence pursuant to r. 42 of the Regulations, the Applicant filed:
 - (a) An affidavit of Linda Powers, President of the Applicant since October 2007, sworn March 27, 2008 with Exhibits A to I. Although there are slight differences in the Powers affidavits filed in support of each of the applications for the Marks, the differences are so minor that I will treat the affidavits as identical for the purposes of this decision.
 - (b) An affidavit of Lynda Palmer, a trade-mark searcher, sworn March 20, 2008 for the ALPHACRITTERS Mark and March 28, 2008 for the ALPHACRITTERS Design Mark with Exhibits A and B.
 - (c) An affidavit of Kellee Martin, a Trade-mark Agent Assistant for the Applicant's agent, sworn April 2, 2008 with Exhibits A to L.
- [10] As its evidence pursuant to r. 43 of the Regulations, the Opponent filed:
 - (a) An affidavit of Glenn H. Chapman, President of Chapman Technologies Inc., sworn August 2, 2008 with Exhibits A to K.
 - (b) A second affidavit of R. Ian Moodie, sworn July 31, 2008 with Exhibits A to J.
- [11] Both parties filed written arguments but neither party requested an oral hearing.
- [12] The statements of opposition, the evidence, and the written arguments are essentially identical in both files. Thus, unless indicated otherwise, my findings with respect to the grounds of opposition apply to each application.

Onus and Material Dates

[13] The Applicant bears the legal onus of establishing, on a balance of probabilities, that its applications comply with the requirements of the Act. However, there 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 C.P.R. (3d) 293 (F.C.T.D.) at 298].

- [14] The material dates that apply to the grounds of opposition are as follows:
 - (a) s. 30(a), (b), (e), (h), (i) the dates the applications were filed [see *Georgia-Pacific Corp. v. Scott Paper Ltd.* (1984), 3 C.P.R. (3d) 469 (T.M.O.B.) at 475 and *Tower Conference Management Co. v. Canadian Exhibition Management Inc.* (1990), 28 C.P.R. (3d) 428 at 432 (T.M.O.B.)].
 - (b) s. 16(1)(a), (b), (c) the claimed dates of first use [see s. 16(1) of the Act].
 - (c) s. 16(3)(a), (b), (c) the dates of filing the applications [see s. 16(3) of the Act].
 - (d) non-distinctiveness the date of filing the opposition [see *Metro-Goldwyn-Mayer Inc. v. Stargate Connections Inc.* (2004), 34 C.P.R. (4th) 317 (F.C.)].

Evidence

[15] I note that, in reviewing the evidence I will not refer to or place any weight on any statements which constitute the opinions of the affiants on issues that go to the merit of the oppositions [see *British Drug Houses Ltd. v. Battle Pharmaceuticals* (1944), 4 C.P.R. 48 at 53 (*Battle*) and *Les Marchands Deco Inc. v. Society Chimique Laurentide Inc.* (1984), 2 C.P.R. (3d) 25 (T.M.O.B.)].

Opponent's Rule 41 Evidence

[16] For the purposes of my review of the Opponent's evidence, I will refer to the marks relied on by the Opponent in its statements of opposition as the "Opponent's Marks" or the "ALPHA Marks", where appropriate.

Certified Copies

[17] The Opponent filed certified copies of trade-mark registration Nos. TMA371,847 for ALPHA, TMA277,082 for ALPHA & Maple Leaf Design and TMA532,973 for ALPHA SPORTSWEAR Design.

Affidavit of R. Ian Moodie, No. 1

- In his first affidavit, Mr. Moodie sets out the nature of the Opponent's wares and services. Specifically, Mr. Moodie states that the Opponent manufactures and sells athletic clothing and active wear, including team uniforms, team jerseys, pants, shorts, singlets, jackets, sweat suits, caps, track suits, trousers, socks and singlets (the Opponent's Wares and Services). The majority of the Opponent's Wares consist of garments for various team sports, including, hockey, soccer, basketball, baseball, football and volleyball and for advertising specialty industry and corporate users. Mr. Moodie states that the Opponent also sells "special order" clothing which can consist of either standard styles made in specific colours and details or clothing designed specifically for a particular client. Mr. Moodie attaches representations of samples of the Opponent's Wares to his affidavit (Exhibits G, H, I).
- [19] Mr. Moodie states that the Opponent sells its clothing, primarily on a wholesale basis, to (a) institutional customers who buy jackets for advertising, promotion and reward, and (b) retail sporting goods dealers who supply sport clothing and uniforms to school teams, community leagues and similar end users.
- [20] Mr. Moodie states that the word marks ALPHA and ALPHA SPORTSWEAR have appeared prominently and continuously at least once on every unit of the Opponent's Wares sold in Canada between 1971 and the date of his affidavit, January 4, 2005. Since at least as early as 1977 and continuous to January 4, 2005, the Opponent has used the design mark of registration No. TMA277,082, which is shown below:



[21] However, starting around 1989 the Opponent decreased use of this design mark, continuing to use it only on a reduced basis, and began using the design mark of registration No. TMA371,847, which is shown below:

ALPHA

[22] In or about 1992, the Opponent began to use the mark ALPHA SPORTSWEAR & Pyramid Design of application No. 732,328, which is shown below:



- [23] Mr. Moodie provides samples of the labels that are attached to all articles of the Opponent's clothing (Exhibit E). Mr. Moodie states that the ALPHA Marks are affixed to the Opponent's Wares at the time of manufacture and packaging and remain in place before and during sales. Specifically, Mr. Moodie states that the ALPHA Marks are associated with most of the Opponent's Wares by way of "standard sewn-in clothing labels", and by "permanent heat transfer labeling" on others. Mr. Moodie states that, as a result, the ALPHA Marks appear on the exterior of merchandise and on tags temporarily affixed to garments.
- [24] Mr. Moodie provides numerous invoices concerning his company's sales between 1971 and 2004 (Exhibit F), as well as his company's sales figures. The invoices all display the Opponent's Marks and the Opponent's Trade Names. Canadian sales started in 1971 at about \$25,000 reaching a peak of \$2.57 million in 1984 with sales figures consistently exceeding \$1 million since 1978.
- [25] Mr. Moodie states that since 1977 the Opponent's Wares and Services have been available in all provinces in Canada. While the Applicant submits that the attached invoices include only six invoices for sales to retailers outside the western provinces, ultimately, I am satisfied that the evidence is sufficient to evidence use of the Opponent's Marks across Canada.
- [26] Mr. Moodie also provides numerous examples of the Opponent's marketing materials and corporate communication materials. Mr. Moodie states that the Opponent advertises the

Opponent's Wares and Services through preparation and circulation of printed material to existing and prospective customers in the form of catalogues, price lists, flyers, etc. as well as through attendance and promotion at major trade shows in Canada (e.g. the Canadian Sporting Goods Association, National Sporting Goods Chicago Show and other National Sporting Goods regional shows), advertising in trade journals and publications (e.g. Jim Rennie's Newsletter, Sporting Goods Dealers, etc.) and provision of discounted samples to be used for display purposes. Mr. Moodie states that the Opponent has continuously engaged in these types of marketing activities since its inception in 1971.

- [27] Mr. Moodie states that since 1971, the Opponent has made significant expenditures for the preparation and distribution of marketing, promotional and advertising material and for general marketing activities in Canada, including presentations at trade shows. Mr. Moodie states that all such materials display the ALPHA Marks.
- [28] Mr. Moodie attaches to his affidavit copies of catalogues, brochures, pamphlets, price lists and additional marketing material from 1971 to 2004 (Exhibits G, H, I). Mr. Moodie states that all of these materials display the ALPHA Marks (Exhibits G1-G32). Mr. Moodie states that the Opponent typically prints these materials in quantities of at least 5,000 to 10,000 and circulates these in Canada to both current and prospective customers.
- [29] The Applicant submits that the Opponent has not provided sufficient evidence to support its claims regarding its advertising expenditures and circulation figures. Ultimately, I am satisfied, based on a review of the evidence as a whole, that the Opponent has provided sufficient evidence to enable me to conclude that the Opponent has advertised its wares and services in Canada to some extent since 1971.
- [30] In sum, after reviewing the first Moodie affidavit, I am satisfied that it provides evidence of use of all of the ALPHA Marks in association with the Opponent's Wares and Services. More particularly it shows:
 - (a) use of the trade-mark ALPHA (also registered under registration No. TMA532,973) since 1971 with multiple examples through to 2004.
 - (b) use of the mark, ALPHA SPORTSWEAR Design (also registered under registration No. TMA371,847) since 1989 with examples through to 2004.

- (c) use of the mark ALPHA & Maple Leaf Design (also registered under registration No. TMA277,082) since 1977 with examples through to 2004.
- (d) use of the mark ALPHA SPORTSWEAR & Pyramid Design (also the subject of application No. 732,328) since 1992 with multiple examples through to 2004.
- [31] I am further satisfied that the first Moodie affidavit provides evidence of the Opponent's Trade Names on tags prominently attached to all of the Opponent's clothing wares, in all marketing materials and corporate communication materials, on price lists, catalogues and invoices dating back to approximately 1971 with multiple examples through to 2004.
- [32] Finally, I note that the evidence provided in the first Moodie affidavit showing use of the ALPHA Marks highlights the fact that word "ALPHA" is the dominant element for the Opponent's Marks which involve design features.

Applicant's Rule 42 Evidence

Affidavit of Linda Powers

- [33] Ms. Powers states that the Applicant was founded in 1997 by her daughter, Karen Hawley, and herself and incorporated under the laws of Ontario.
- [34] Ms. Powers states that in 1997 she and her daughter began designing and selling children's name pictures under the trade-mark ALPHACRITTERS. Based on the success and demand for these products, the Applicant began producing additional products such as hand painted picture frames, baby bibs, diaper shirts, children's t-shirts, crib bedding, wall paper borders, decorative pillows, and mugs with children's names, all utilizing animal design stylized letters of the alphabet (as used in the ALPHACRITTERS Design Mark). Ms. Powers states that all of the Applicant's products have been sold across Canada. Ms. Powers makes the sworn statement that the Applicant has used the Marks for over ten years prior to the date she swore her affidavit, namely March 27, 2008.
- [35] Ms. Powers states that Applicant is also the owner of the registered trade-mark ALPHACRITTERS (TMA523,133) for use in association with "children's name pictures spelled out in whimsical animal characters". I note that the fact that the Applicant owns this registration does not give it the automatic right to the registration of the Marks [see *Mister Coffee & Services*]

Inc. v. Mr. Coffee, Inc. (1999), 3 C.P.R. (4th) 405 (T.M.O.B.) at 416 and American Cyanamid Co. v. Stanley Pharmaceuticals Ltd. (1996), 74 C.P.R. (3d) 572 (T.M.O.B.) at 576].

- [36] The following are filed by Ms. Powers as specimens of use of the Marks:
 - a specimen of one of the children's name pictures, as found in Wares 2 (Exhibit B).
 Ms. Powers states that each such picture is packaged with an information sheet providing customers with information about the Applicant, its products and how it was founded. I note that the information sheet, which is affixed to the name picture, features the Marks;
 - a photograph depicting one of the children's name pictures in a hand painted frame, together with the coordinating wallpaper border (Exhibit E). I note that the Marks are not displayed on the children's name picture or wallpaper border as depicted in the photograph;
 - a t-shirt and diaper shirt (Exhibits C and C-1). I note that the Marks are not displayed, on either the wares or the associated hang tags;
 - photographs depicting crib bedding and wallpaper borders (Exhibit D). The affidavit filed in support of the ALPHACRITTERS Mark displays the photographs as part of a brochure advertising the Applicant's bedding and wallpaper borders whereas the affidavit filed in support of the ALPHACRITTERS & Design Mark displays a single photograph of a bedroom decorated with the crib bedding and wallpaper border.
- [37] I note that the brochure attached to the Powers affidavit filed in support of the ALPHACRITTERS Mark features many instances of the ALPHACRITTERS Mark. The brochure shows photographs of the crib bedding and wallpaper borders; however, without a date for the brochure I am unable to conclude whether this is representative of the manner in which the ALPHACRITTERS Mark would have been used in association with Services 1 at the material dates. Furthermore, I note that, even if the brochure had been dated as of the material dates, use of the ALPHACRITTERS Mark in advertising is not in itself sufficient to constitute

use in association with Wares 1 [see *BMW Canada Inc. v. Nissan Canada Inc.* (2007), 60 C.P.R. (4th) 181 (F.C.A.)].

- [38] Ms. Powers states that the Applicant engages in marketing and promotion of the Wares and Services through attendance at craft shows throughout Canada. Ms. Powers attaches to her affidavit a photocopy of a photograph showing the Applicant's display booth at a craft show together with photographs of various items available for sale (Exhibit F). The Marks are displayed on the booth and on the photographic collage. However, I am unable to determine whether this photograph emanates from before the various material dates. I also note that the Applicant has not provided customer attendance figures for the various craft shows.
- [39] Ms. Powers states that the Applicant also uses its domain name, *alphacritters.com*, to promote and sell the Wares and Services on the Internet.
- [40] Ms. Powers states that the Applicant also advertises directly to customers by including an order form in every package sent to customers and she attaches a specimen of the order form (Exhibit G). Ms. Powers states that the Applicant has found that customers often retain these forms and use them to place future orders. I note that while the order form features the Applicant's name, it does not feature the Marks.
- [41] Ms. Powers attaches to her affidavit a specimen of the shipping label used by the Applicant when shipping products to customers (Exhibit H). I note that the shipping label does not feature the Marks; rather it features only the Applicant's name.
- [42] Ms. Powers attaches to her affidavit a specimen of a gift enclosure card included with products shipped to gift recipients (Exhibit I). Although the gift enclosure card features the Marks, the Powers affidavit does not provide any information as to whether or not this sample gift card predates the various material dates.
- [43] Ms. Powers states that the Applicant's total revenues for the Wares and Services sold under the Marks in Canada from 2002-2006 ranged from approximately \$133,000 to \$173,000. The Applicant's total marketing and advertising expenditures for the Wares and Services ranged from approximately \$7,000 to \$16,000 over the years 2002-2007.

Affidavit of Lynda Palmer

- [44] Ms. Palmer conducted a search of the Canadian trade-marks register on March 12, 2008 for trade-marks which include the word ALPHA used in association with "clothing, linens, wallpaper, dishes, paper, toys and telecommunications".
- [45] Ms. Palmer's affidavit reveals the existence of 9 registered trade-marks. Since four of these are the Opponent's Marks, there are only five relevant marks owned by distinct entities.
- [46] When analyzing the relevance of state of the register evidence, it must be noted that such evidence will only be relevant insofar as one can make inferences from it about the state of the marketplace. Inferences about the state of the marketplace can only be drawn where large numbers of relevant registrations are located [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.)].
- [47] I find that five registered trade-marks is not a large number of relevant registrations and as a result I cannot make any inferences about the state of the marketplace from the state of the register evidence filed.
- [48] Based on the foregoing, I will not place any weight on the Palmer affidavit.

Affidavit of Kellee Martin

- [49] Ms. Martin attaches to her affidavit results from searches of the Google search engine for pages referring to "ALPHA", "Alpha Clothing" and "Alpha t-shirts" using the "pages from Canada" function [Exhibits A, B and F].
- [50] The Martin affidavit consists solely of printouts of materials from the Internet. The law is clear that print outs of websites cannot be adduced as evidence of the truth of the statements made thereon [see *Candrug Health Solutions Inc. v. Thorkelson* (2007), 60 C.P.R. (4th) 35 (F.C.T.D.), reversed (2008), 64 C.P.R. (4th) 431 (F.C.A.), (*Candrug*)]. As a result, the most that could be inferred from the exhibits is that the website pages existed on the dates that they were

printed. In any event, since the Martin affidavit is dated after the material dates for all of the grounds of opposition it is of little assistance, if any, to the Applicant's case.

Opponent's Rule 43 Evidence

Affidavit of Glenn Chapman

- [51] The Chapman affidavit serves to "verify" the Internet searches conducted by Ms. Martin.
- [52] Given that I am not placing any weight on the Martin affidavit, I do not find it necessary to consider the contents of the Chapman affidavit. In any event, I note that the Chapman affidavit is dated after the material date for all of the grounds of opposition and consists of printouts of materials from the Internet which, pursuant to *Candrug, supra*, cannot be adduced as evidence of the truth of the statements made thereon.

Affidavit of R. Ian Moodie, No. 2

- [53] Mr. Moodie states that his second affidavit is adduced to rebut what he views as the Applicant's attempt, through the Palmer and Martin affidavits, to show dilution of the ALPHA Marks in association with clothing. Specifically, the affidavit provides evidence of efforts made by the Opponent to enforce and protect its rights in the Opponent's Marks. Mr. Moodie states that the Opponent has expended considerable effort to ensure that the ALPHA Marks used in association with clothing are not diluted.
- [54] Given that I am placing no weight on the Palmer and Martin affidavits, the second Moodie affidavit becomes moot. I will thus not be placing any weight on it.

Preliminary Issue

[55] In each of the proceedings, the Opponent has not specifically pleaded a ground of opposition based on s. 12(1)(d) of the Act. However, in its written argument the Opponent submits that "based on further consideration" it intends to make submissions on a s. 12(1)(d) ground of opposition. The Applicant also independently makes submissions regarding s. 12(1)(d) in its written argument.

- [56] According to *Novopharm Limited v. AstraZeneca AB* (2002), 21 C.P.R. (4th) 289 (F.C.A.), (*Novopharm*), I must assess the sufficiency of the pleadings in association with the evidence. The Opponent has filed certified copies of the registrations for three of the Opponent's Marks. This evidence could be used in support of a s. 12(1)(d) ground of opposition, but it could just as easily be used in support of the s. 16 grounds of opposition which have been specifically pleaded.
- [57] Despite the fact that both parties have made submissions on s. 12(1)(d), based on a review of the pleadings and evidence of record, I find that the Opponent is improperly attempting to introduce a new ground of opposition in its written argument which has not been properly pleaded. I note that the Opponent had ample opportunity to seek leave to amend its statement of opposition to include a ground based on s. 12(1)(d) throughout the course of the proceedings and it chose not to.
- [58] Since no such ground of opposition was raised in the statement of opposition I am therefore precluded from considering it [see *Imperial Developments Ltd. v. Imperial Oil Ltd.* (1984), 79 C.P.R. (2d) 12 (F.C.T.D.)].
- [59] In the event that I am incorrect in refusing to consider the s. 12(1)(d) ground of opposition, I note that it would likely not have made any difference in terms of the success or failure of the opposition as a whole since the issue of confusion is at the heart of the non-entitlement and non-distinctiveness grounds of opposition and the difference in material dates is not significant enough to have caused me to find differently.

Grounds of Opposition Based Upon Non-conformity with s. 30 of the Act

Section 30(a) Ground of Opposition

- [60] The Opponent's position is that the Applicant's applications do not contain statements in ordinary commercial terms of the specific wares and services in association with which the Marks have been or are proposed to be used.
- [61] The Opponent's initial evidential burden under s. 30(a) is a light one. In fact, the Opponent may need only present sufficient argument in order to meet its initial burden [see

McDonald's Corporation and McDonald's Restaurants of Canada Ltd. v. M.A. Comacho-Saldana International Trading Ltd. carrying on business as Macs International (1984), 1 C.P.R. (3d) 101 at 104 (T.M.O.B.)].

[62] The Opponent has not filed any evidence in support of this ground of opposition nor has it made any submissions in its written argument on this issue. As a result, I find that the Opponent has not met its evidential burden in relation to this ground of opposition and I dismiss it accordingly.

Section 30(b) Ground of Opposition

- [63] The Opponent alleges that the applications do not include the dates from which the Marks were first used pursuant to s. 30(b) of the Act.
- [64] The applications clearly do include dates of first use for the relevant wares and services, namely, Wares 2 and Services 2 and 3. Thus, I dismiss this ground of opposition on the basis that it has been insufficiently pleaded.
- [65] If I am incorrect in finding that the ground of opposition was insufficiently pleaded, I would nonetheless dismiss it on the basis that the Opponent has not met its evidential burden. The Opponent did not file any evidence in support of this ground of opposition. The Opponent may rely on the Applicant's evidence to meet its initial burden [see *Molson Canada v. Anheuser-Busch Inc.*, (2003), 29 C.P.R. (4th) 315 (F.C.T.D.), and *York Barbell Holdings Ltd. v. ICON Health and Fitness, Inc.* (2001), 13 C.P.R. (4th) 156 (T.M.O.B.)] in relation to this ground, however, the Opponent is under an obligation to show that the Applicant's evidence is "clearly inconsistent" with the Applicant's claims as set forth in its application [see *Ivy Lea Shirt Co. v. 1227624 Ontario Ltd.* (1999), 2 C.P.R. (4th) 562 at 565-6 (T.M.O.B.), aff'd 11 C.P.R. (4th) 489 (F.C.T.D.)]. On a fair reading of the Powers affidavit in its entirety, I am satisfied that the evidence adduced therein is not clearly inconsistent with the Applicant's claimed dates of first use for the Marks.

Section 30(e) Ground of Opposition

[66] The Opponent failed to include any allegations of fact in support of its allegations that the Applicant did not intend to use the Marks in Canada for Wares 1 and Services 1. Thus, the ground of opposition has been insufficiently pleaded. Even if it had been sufficiently pleaded, however, there is no evidence of record to suggest a lack of intention to use the Marks on the part of the Applicant. As a result, I find that the Opponent has not met its evidential burden. Thus the ground of opposition based upon non-compliance with s. 30(e) is dismissed.

Section 30(h) Ground of Opposition – applies only to ALPHACRITTERS Design Mark

[67] The Opponent has not raised a proper ground of opposition. The Applicant did include a drawing in its application for the mark ALPHACRITTERS Design. As a result, I am dismissing this ground of opposition.

Section 30(i) Ground of Opposition

- [68] This ground of opposition is seemingly based upon an allegation of confusion between the Marks and the Opponent's Marks.
- [69] The requirement under s. 30(i) of the Act is to include, in the application, a statement that an applicant is satisfied that it is entitled to use the mark in Canada in association with the wares or services identified in the application. The Applicant provided such a statement in its applications. In a situation like the present where the relevant statement is provided, a s. 30(i) ground of opposition 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 C.P.R. (2d) 152 at 155 (T.M.O.B.)].
- [70] Based on the foregoing, I am dismissing this ground of opposition.

Entitlement Grounds of Opposition

[71] I understand from the written argument filed by the Opponent that it is taking the position that its case is strongest with respect to the s. 16(3) grounds of opposition as it chose not to make

any submissions on the s. 16(1) grounds of opposition. Thus, I will deal with the grounds of opposition based on s. 16(3) of the Act first.

- [72] The Applicant's wares for the purposes of the s. 16(3) grounds of opposition are as follows:
 - (a) Babies, children, and youth's clothing, namely, pyjamas, t-shirts, hats, caps, jackets, bibs; Bedding/Linens, namely, youth sheets, crib sheets, pillowcases, comforters, shams, dust ruffles, crib bumper pads, accent/throw pillows, towels; Fabric, namely, curtains; Fabric accessories, namely, table skirts, table runners, lamp shades, chair pads, area/throw rugs; Wallpaper, wallpaper borders, paint; Furniture, namely, clothes trees, drawer pulls, toy boxes; Bathroom Accessories, namely, soap dishes, toothbrush holders, cups, wastebaskets, towel bars, shower curtains, shower curtain hooks/rings; School supplies, namely, pencil cases, binders, notebooks, pencils, crayons, markers, backpacks, paints, art books, art paper, lunch boxes; Stationary, namely, greeting cards, note cards, invitations, banners; Novelty items, namely, colouring books, story books, rubber stamps, stickers, labels, posters, placemats, magnets, paint sets, art books/paper, dishes, puzzles, wooden blocks, ceramic and/or wood and/or fabric, figures and wall murals (Wares 1); and
 - (b) Retail services namely the operation of outlets dealing in the retail sale of: Clothing, Bedding/Linens, Fabric, Wallpaper, wallpaper borders, paint; Bathroom Accessories, School supplies, Stationary, Novelty Items, namely, colouring books, story books, rubber stamps, stickers, labels, posters, placemats, magnets, paint sets, art books/paper, dishes, puzzles, wooden blocks, ceramic and/or wood and/or fabric figures and wall murals; Internet retail services featuring: Clothing, Bedding/Linens, Fabric, Wallpaper, wallpaper borders, paint; Bathroom accessories, School supplies, Stationary, Novelty items, namely, colouring books, story books, rubber stamps, stickers, labels, posters, placemats, magnets, paint sets, art books/paper, dishes, puzzles, wooden blocks, ceramic and/or wood and/or fabric figures and wall murals (Services 1).
- [73] I understand from the Opponent's written argument that it is taking the position that only a small subset of Wares 1 and Services 1 create a possible overlap with the Opponent's Wares and Services. I base this inference on the Opponent's submission that it intends to limit its submissions on the confusion based grounds of opposition to the following subset of Wares 1 and Services 1:
 - (a) Babies, children, and youth's clothing, namely, pyjamas, t-shirts, hats, caps, jackets, bibs; and

- (b) Retail services namely the operation of outlets dealing in the retail sale of: Clothing.
- [74] As discussed above, Mr. Moodie has provided evidence regarding use and reputation for all of the ALPHA Marks and the Opponent's Trade Names and as such, unless indicated otherwise, my findings will apply to all of the Opponent's Marks and the Opponent's Trade Names. Accordingly, if the Marks are not confusing with the word mark ALPHA, then they are also not confusing with any other of the ALPHA Marks or the Opponent's Trade Names.

Opponent Evidentiary Burden

[75] The Opponent is under an evidential burden to establish various facts in regards to the trade-marks and/or trade names it is relying on in support of the various grounds.

Section 16(3)(a)

- [76] With respect to the s. 16(3)(a) grounds of opposition, the Opponent is under a burden to evidence use of the Opponent's Marks at the filing dates of the applications for the Marks and to demonstrate that the Opponent's Marks had not been abandoned at the date of advertisement of the applications for the Marks, namely, June 18, 2003 [s. 16(5) of the Act].
- [77] The Opponent claims to have used the ALPHA Marks in association with the manufacture and sale of athletic clothing and active wear, including team uniforms, team jerseys, pants, shorts, singlets, jackets, sweat suits, caps, track suits, trousers, socks and singlets, which I have collectively referred to as the Opponent's Wares and Services.
- [78] As set out above in the discussion of the first Moodie affidavit, the Opponent has provided evidence of use of the ALPHA Marks in association with the Opponent's Wares and Services before the material dates and non-abandonment of these marks as of the date of advertisement and has thus met its burden under this ground.

Section 16(3)(b)

[79] With respect to the s. 16(3)(b) grounds of opposition, the Opponent is under a burden to establish that the applications relied upon in support of these grounds of opposition were filed

before the material dates, and to demonstrate that the applications remained pending at the date of advertisement of the applications [s. 16(4) of the Act].

[80] The Opponent's Mark ALPHA SPORTSWEAR & Pyramid Design (732,328) was filed on July 6, 1993 and remained pending on June 18, 2003. Thus, to the extent that application No, 732,328 is concerned, I find that the Opponent has met its burden under this ground of opposition. However, since the applications for the remaining ALPHA Marks had all matured to registration as of the date of advertisement of the applications for the Marks, to the extent that the ground of opposition is based upon the trade-marks ALPHA SPORTSWEAR & Design (TMA371,847), ALPHA & Maple Leaf Design (TMA277,082) and ALPHA (TMA532,973), it is dismissed for having been improperly pleaded.

Section 16(3)(c)

- [81] With respect to the s. 16(3)(c) grounds of opposition, the Opponent is under a burden to evidence use of the Opponent's Trade Names at the material dates, and to demonstrate that the Opponent's Trade Names had not been abandoned at the date of advertisement of the applications for the Marks [s. 16(5) of the Act].
- [82] Further to my review of the first Moodie affidavit above, I find that the Opponent has met its burden under s. 16(3)(c) of showing use of the Opponent's Trade Names in association with "men's, women's and children's clothing, operation of a business selling clothing on a retail and wholesale basis" before the material dates and showing non-abandonment as of the advertisement date.

Confusion Analysis for s. 16(3) Grounds of Opposition

- [83] Since the Opponent has met its evidential burden, the burden of proof is now on the Applicant to establish on a balance of probabilities that there is no reasonable likelihood of confusion between the parties' marks.
- [84] The test for confusion is one of first impression and imperfect recollection. Section 6(2) of the Act indicates that use of a trade-mark causes confusion with another trade-mark or trade name if the use of both in the same area would be likely to lead to the inference that the wares or

services associated with those trade-marks or trade names are manufactured, sold, leased, hired or performed by the same person, whether or not the wares or services are of the same general class.

- [85] In applying the test for confusion, the Registrar must have regard to all the surrounding circumstances, including those specifically enumerated in s. 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 trademarks or trade names in appearance or sound or in the ideas suggested by them. These enumerated factors need not be attributed equal weight. [See, in general, *Mattel, Inc. v. 3894207 Canada Inc.* (2006), 49 C.P.R. (4th) 321 (S.C.C.), (*Mattel*)]
- [86] I will conduct a full confusion analysis for the s. 16(3)(a) ground of opposition and make adjustments where necessary in the s. 16(3)(b) and s. 16(3)(c) discussions that follow.

Section 16(3)(a)

- 6(5)(a) the inherent distinctiveness of the trade-marks and the extent to which they have become known
- [87] The dominant element common to all of the ALPHA Marks is the word ALPHA which I accept to be a laudatory dictionary word. By contrast, the Marks feature the coined word ALPHACRITTERS. The ALPHACRITTERS Design Mark also features design elements associated with each of the letters making up the word which serve to further distinguish it.
- [88] While the ALPHA Marks are not without distinctive character, the Marks possess a greater degree of inherent distinctiveness due to the inclusion of a coined word, and, with respect to the ALPHACRITTERS Design Mark, additional design elements.
- [89] As the strength of a trade-mark may be increased by means of it becoming known in Canada through promotion or use, I will now turn to the extent to which the trade-marks have become known in Canada.

- [90] Based on the analysis of the evidence of record above, I find that while the Marks had been used and had developed some reputation in association with Wares 2 and Services 2 and 3, they had not become known in association with Wares 1 and Services 1 at the material dates. The Applicant's sales figures and advertising expenditures discussed above in the analysis of the Powers affidavit all post-date the material dates for this ground of opposition.
- [91] By contrast, the ALPHA Marks have been used in Canada for over 30 years with significant sales (more than \$54 million). In addition, the Opponent's ALPHA Marks have been the subject of various marketing materials. As a result, the ALPHA Marks have developed a significant reputation in Canada in association with the Opponent's Wares and Services.
- 6(5)(b) the length of time each has been in use
- [92] The Marks were applied for on September 7, 2001 and October 11, 2001 on the basis of proposed use in Canada in association with Wares 1 and Services 1.
- [93] The Opponent, by contrast, has provided evidence, as outlined above, of use of the ALPHA Marks in association with the Opponent's Wares and Services since approximately 1971.
- 6(5)(c) the nature of the wares and services
- [94] It is the Applicant's statements of wares and services as defined in its applications versus the wares and services to which the Opponent claims prior use that govern my determination of this factor [see *Esprit International v. Alcohol Countermeasure Systems Corp.* (1997), 84 C.P.R. (3d) 89 (T.M.O.B.)].
- [95] The Applicant's relevant wares and services for the purposes of the s. 16(3)(a) ground of opposition are Wares 1 and Services 1.
- [96] The Opponent claims use of the ALPHA Marks in association with the manufacture and sale of athletic clothing and active wear, including team uniforms, team jerseys, pants, shorts, singlets, jackets, sweat suits, caps, track suits, trousers, socks and singlets (the Opponent's Wares and Services).

- [97] As set out above, I have inferred from the Opponent's written argument that it is the Opponent's position that only a subset of Wares 1 and Services 1 create any potential overlap with the Opponent's Wares and Services.
- [98] The Applicant conceded in its written argument that there is some overlap between the parties' wares and services in the form of clothing and retail services.
- [99] In view of the parties' submissions and based on my review of the evidence, except for the specific wares and services identified below, I find that there is no similarity between the nature of the Opponent's Wares and Services and the Applicant's Wares 1 and Services 1.
- [100] Based on the foregoing, I find that the following wares and services of the Applicant (hereinafter referred to as the Applicant's Overlapping Wares and Services) overlap with the Opponent's Wares and Services:
 - (a) Babies, children, and youth's clothing, namely, pyjamas, t-shirts, hats, caps, jackets, bibs in Wares 1;
 - (b) Retail services namely the operation of outlets dealing in the retail sale of: Clothing in Services 1; and
 - (c) Internet retail services featuring: Clothing in Services 1.

6(5)(d) – the nature of the trade

- [101] The Applicant has provided evidence that it offers its products through specialty craft shows, in specialty gift shops, directly through the Applicant's website at *www.alphacritters.com* and through mail ordering. In her affidavit, Ms. Powers states that all of the Applicant's Wares and Services are directed to children.
- [102] The Opponent has provided evidence that it sells its clothing, primarily on a wholesale basis, to (a) institutional customers who buy jackets for advertising, promotion and reward, and (b) retail sporting goods dealers who supply sport clothing and uniforms to school teams, community leagues and similar end users.
- [103] The Applicant submits that the market and class of customer to which the Applicant directs its products and the market and class of customer to which the Opponent directs their

sportswear products are completely different. Specifically, in its written argument, the Applicant submits that "it is unlikely that a sophisticated retail dealer of athletic clothing namely team uniforms and garments for the advertising specialty industry would attend a craft show or specialty gift store or even the Applicant's website and think that the Applicant's Wares were wares of the Opponent". While I am not willing on its face to accept the Applicant's conclusion that this hypothetical consumer would not be likely to be confused between the parties' wares, the point is well taken that the parties' target customer base and, by association, their trades are significantly different.

[104] Based on the foregoing, given the parties' distinct target customer bases, I find that there is no direct overlap in the nature of the parties' trades. However, given the direct overlap with the Applicant's Overlapping Wares and Services there is a possibility that the nature of the parties' trades could be similar.

6(5)(e) – the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them

[105] In its written argument, the Opponent relied on a list of cases where the Board concluded to confusion between trade-marks as supporting its position. Suffice it to say that the issue of confusion between the Marks and the ALPHA Marks is a question of probabilities and surrounding circumstances based on the particular facts of this case. In other words, each case must be decided based upon its own merit.

[106] In most instances, the degree of resemblance between the trade-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 *Beverly Bedding & Upholstery Co. v. Regal Bedding & Upholstery Ltd.* (1980), 47 C.P.R. (2) 145, conf. 60 C.P.R. (2d) 70 (F.C.T.D.)].

[107] When assessing confusion it is not proper to dissect trade-marks into their component parts, rather, marks must be considered in their entirety [see *Battle*, *supra* and *United States Polo Assn. v. Polo Ralph Lauren Corp.* (2000), 9 C.P.R. (4th) 51 at para 18, aff'd [2000] F.C.J. No. 1472 (C.A.)]. Furthermore, confusion will be unlikely in situations where marks share common features but also feature dominant differences [see *Foodcorp Ltd. v. Chalet Bar B Q (Canada) Inc.*

(1982), 66 C.P.R. (2d) 56 at 73 (F.C.A.)]. On this basis, the mere fact that the Marks and the ALPHA Marks share a common element (ALPHA) is not determinative.

[108] The Opponent submits that it is a well-accepted principle that the first portion of a trademark is the most relevant for the purposes of distinction [see *Pernod Ricard v. Molson Breweries* (1992), 44 C.P.R. (3d) 359 (F.C.T.D.)]. The Opponent further submits that, as noted in *United Artists Corp. v. Pink Panther Beauty Corp.* (1998), 80 C.P.R. (3d) 247 at 263 (F.C.A.),

While the marks [in issue] must be assessed in their entirety (and not dissected for minute examination), it is still possible to focus on particular features of the mark that may have a determinative influence on the public's perception of it.

[109] The Applicant submits, however, that the importance of the first element (ALPHA) is diminished in this case as it is a common, descriptive or suggestive word [see *Vancouver Sushiman Ltd. v. Sushiboy Foods Co.* (2002), 22 C.P.R. (4th) 107 (T.M.O.B.)].

[110] I have found previously that the ALPHA prefix is a laudatory dictionary word. Thus the focus shifts to the CRITTERS suffix. I find that the presence of the CRITTERS suffix in the Marks decreases the similarity between the parties' marks. Furthermore, with respect to the ALPHACRITTERS Design Mark, I find that the design elements are such that it is not readily apparent when looking at the mark that it even includes the ALPHA prefix.

[111] Ultimately, I am not convinced that the mere fact that the Marks contain the ALPHA prefix is sufficient to find that the Marks share any significant degree of similarity in either appearance or sound with the ALPHA Marks. The word ALPHACRITTERS is different in terms of sound and appearance from the ALPHA Marks. This is largely due to the fact that I am of the view that the suffix CRITTERS is sufficient to distinguish the Marks from the Opponent's Marks.

[112] The ALPHACRITTERS & Design Mark is even less similar in appearance by virtue of the addition of the design elements intrinsic to the letters making up the word ALPHACRITTERS.

[113] The idea suggested by the Marks is that of the alphabet and animals. The idea suggested by the ALPHA Marks is the notion of something being first or most dominant. I find that there is no similarity in terms of the ideas suggested by the parties' marks.

Additional Surrounding Circumstance: Absence of Evidence of Actual Confusion

- [114] It is of course not necessary for the Opponent to evidence confusion in order for me to find that there is a likelihood of confusion. Nevertheless, an absence of confusion over a relevant period of time may entitle one to draw a negative inference about the likelihood of confusion [see *Monsport Inc. v. Vetements de Sport Bonnie (1978) Lteé (1988)*, 22 C.P.R. (3d) 356 (F.C.T.D.), *Mercedes-Benz A.G. v. Autostock Inc. (formerly Groupe T.C.G. (Québec) Inc.)*, 69 C.P.R. (3d) 518 (T.M.O.B.)].
- [115] In her affidavit Ms. Powers states that in the more than ten years preceding the swearing of her affidavit, the Applicant had never encountered any instances of confusion between the Wares and Services of the Applicant and any goods or services of another company. Ms. Powers states that the Opponent's Marks and the Marks have coexisted in the marketplace for ten years with no instances of confusion. I presume that any coexistence would have been with respect to Wares 2 and Services 2 and 3.
- [116] In the present case, however, given that the s. 16(3) grounds of opposition relate only to Wares 1 and Services 1, based on proposed use, there has been no co-existence in the marketplace with respect to the relevant wares and services and as a result I cannot accord any weight to this as a surrounding circumstance.

Additional Surrounding Circumstance: Opponent's "Family" of ALPHA Marks

- [117] In its written argument, the Opponent submits that it is the owner of a family of ALPHA Marks and that this means that any mark with the prefix ALPHA is likely to be considered part of the Opponent's family and therefore confusing. The Opponent submits that this serves to broaden the ambit of protection for the Opponent's Marks.
- [118] In order to rely on a family of marks, the party must evidence use of those marks in the marketplace [see *McDonald's Corp. v. Yogi Yogurt* (1982), 66 C.P.R. (3d) 101 (F.C.T.D.)]. I

recognize that the Opponent has provided evidence of use of four trade-marks which include the word ALPHA. In the present case, the Opponent has not claimed ownership over or provided any evidence of any additional ALPHA trade-marks and as a result the Opponent's family of ALPHA marks is limited to the Opponent's Marks, as claimed in the statement of opposition.

[119] The existence of a family of marks does not mean that the Opponent's protection for its marks necessarily extends beyond the area of wares and services with which it has been used. The existence of a family of marks is not relevant with respect to the issue of confusion unless the trade-mark at issue uses the same common feature or element as the opponent's marks and is used in association with the same type of wares as the opponent [see *McDonald's Corp. v. Coffee Hut Stores* (1996), 68 C.P.R. (3d) 168 (F.C.A.)].

[120] Based on the foregoing, I find that the Opponent's family of ALPHA Marks is a surrounding circumstance that favours the Opponent but only with respect to the Applicant's Overlapping Wares and Services. Furthermore, I note that the small size of the Opponent's family of ALPHA Marks tempers the weight that can be afforded to it as a surrounding circumstance.

Conclusion on s. 16(3)(a)

[121] In applying the test for confusion I have considered it as a matter of first impression and imperfect recollection. Having considered all of the surrounding circumstances, notwithstanding the differences between the ALPHACRITTERS Mark and the Opponent's Marks, I find that the nature of the wares (s. 6(5)(c) of the Act) serves to shift the balance in favour of the Opponent with respect to the Applicant's Overlapping Wares and Services. Therefore I am not satisfied that the Applicant has discharged its burden of showing, on a balance of probabilities, that there is no reasonable likelihood of confusion between the trade-mark ALPHACRITTERS and any of the Opponent's Marks with respect to the following wares and services:

- (a) Babies, children, and youth's clothing, namely, pyjamas, t-shirts, hats, caps, jackets, bibs in Wares 1;
- (b) Retail services namely the operation of outlets dealing in the retail sale of: Clothing in Services 1; and

(c) Internet retail services featuring: Clothing in Services 1.

However, I am dismissing this ground of opposition for the ALPHACRITTERS Mark with respect to the remaining Wares 1 and Services 1.

[122] Having considered all of the surrounding circumstances, in particular the differences in appearance, sound and ideas suggested, I am satisfied that the Applicant has discharged its burden of showing, on a balance of probabilities, that there is no reasonable likelihood of confusion between the ALPHACRITTERS Design Mark and any of the Opponent's Marks with respect to Wares 1 and Services 1. I note that the fact that the Opponent is the owner of a family of ALPHA trade-marks is not sufficient to shift the balance in favour of the Opponent with respect to the ALPHACRITTERS Design Mark.

<u>Section 16(3)(b)</u>

- [123] The trade-mark ALPHA SPORTSWEAR & Pyramid Design of application No. 732,328 has been applied for registration in association with the following wares and services:
 - (a) Men's, ladies' and children's garments, namely jackets, jerseys, pants, sweat suits, track suits, singlets, shorts, team athletic uniforms and socks.
 - (b) Operation of the business of the retail sale of sportswear.
- [124] The application claims use in association with these wares and services since June 1, 1993.
- [125] Ultimately I find that the considerations regarding confusion are the same as those with respect to the s. 16(3)(a) ground of opposition and as a result, I find that this ground of opposition is successful for the ALPHACRITTERS Mark with respect to the following wares and services:
 - (a) Babies, children, and youth's clothing, namely, pyjamas, t-shirts, hats, caps, jackets, bibs in Wares 1;
 - (b) Retail services namely the operation of outlets dealing in the retail sale of: Clothing in Services 1; and
 - (c) Internet retail services featuring: Clothing in Services 1.

However, I am dismissing this ground of opposition with respect to the remaining Wares 1 and Services 1 for the ALPHACRITTERS Mark.

[126] I am dismissing this ground of opposition entirely with respect to the ALPHACRITTERS Design Mark.

<u>Section 16(3)(c)</u>

- [127] As set out in the discussion of the first Moodie affidavit above, the evidence is sufficient to enable the Opponent to meet its evidential burden with respect to this ground of opposition.
- [128] The confusion analysis for the Opponent's Trade Names is similar to that conducted above for the 16(3)(a) ground of opposition.
- [129] Ultimately I find that the considerations regarding confusion are the same as those with respect to the s. 16(3)(a) ground of opposition and as a result, I find that this ground of opposition is successful for the ALPHACRITTERS Mark with respect to the following wares and services:
 - (a) Babies, children, and youth's clothing, namely, pyjamas, t-shirts, hats, caps, jackets, bibs in Wares 1;
 - (b) Retail services namely the operation of outlets dealing in the retail sale of: Clothing in Services 1; and
 - (c) Internet retail services featuring: Clothing in Services 1.

However, I am dismissing this ground of opposition with respect to the remaining Wares 1 and Services 1 for the ALPHACRITTERS Mark.

[130] I am dismissing this ground of opposition entirely with respect to the ALPHACRITTERS Design Mark.

Section 16(1) Grounds of Opposition

[131] As set out in the discussion of the first Moodie affidavit, I am satisfied that the Opponent has met its initial evidential burden under the s. 16(1) grounds of opposition.

[132] In terms of the s. 6 confusion analysis, I am of the view that the s. 6(5)(c) factor is the most important factor here and that the difference between the parties' wares and services is determinative of the issue of confusion for the grounds of opposition based on s. 16(1) of the Act. As stated previously, the factors enumerated in s. 6(5) of the Act need not be given equal weight [see *Mattel*, *supra*]. The nature of the parties' wares is entirely different. There is no overlap between the nature of Wares 2 and Services 2 and 3 and the Opponent's Wares and Services.

[133] As a result, I am dismissing the grounds of opposition based on s. 16(1)(a), (b) and (c) of the Act for the Marks on the basis that there is no likelihood of confusion between the Marks and the Opponent's Marks and the Opponent's Trade Names.

<u>Distinctiveness Ground of Opposition</u>

[134] While there is a legal onus on the Applicant to show that the Marks are adapted to distinguish or actually distinguish 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.)], there is an initial evidential burden on the Opponent to demonstrate that, as of the filing date of the statement of opposition, namely August 14, 2003 (the material date), the Opponent's Marks had become known sufficiently to negate the distinctiveness of the Mark [see *Bojangles' International, LLC v. Bojangles Café Ltd.* (2004), 40 C.P.R. (4th) 553, aff'd (2006), 48 C.P.R. (4th) 427 (F.C.T.D.); *Metro-Goldwyn-Meyer Inc. v. Stargate Connections Inc.* (2004), 34 C.P.R. (4th) 317 (F.C.T.D.); *Clarco Communications Ltd. v. Sassy Publishers Inc.* (1994), 54 C.P.R. (3d) 418 at 431 (F.C.T.D.); *Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd.* (1991), 37 C.P.R. (3d) 413 at 424 (F.C.A.); and *Re Andres Wines Ltd. and E. & J. Gallo Winery* (1975), 25 C.P.R. (2d) 126 at 130 (F.C.A.)].

[135] As discussed in more detail above, the Opponent has provided sufficient evidence to support a finding that the Opponent's Marks had become known sufficiently at the material date to negate the distinctiveness of the Marks.

[136] The difference in material dates is not sufficient to require a further confusion analysis to be conducted. As a result, I find that the non-distinctiveness ground of opposition is successful for the ALPHACRITTERS Mark with the following wares and services:

- (a) Babies, children, and youth's clothing, namely, pyjamas, t-shirts, hats, caps, jackets, bibs in Wares 1;
- (b) Retail services namely the operation of outlets dealing in the retail sale of: Clothing in Services 1; and
- (c) Internet retail services featuring: Clothing in Services 1.

However, I am dismissing this ground of opposition with respect to the remaining Wares and Services for the ALPHACRITTERS Mark.

[137] I am dismissing this ground of opposition entirely with respect to the ALPHACRITTERS Design Mark.

Disposition

[138] Pursuant to the authority delegated to me under s. 63(3) of the Act, I refuse application No. 1,116,514 for the ALPHACRITTERS Mark with respect to the wares "babies, children, and youth's clothing, namely, pyjamas, t-shirts, hats, caps, jackets, bibs" and the services "retail services namely the operation of outlets dealing in the retail sale of: Clothing" and "Internet retail services featuring: Clothing" and I reject the opposition with respect to the remainder of the wares and services pursuant to s. 38(8) of the Act [see *Produits Menagers Coronet Inc. v. Coronet-Werke Heinrich Schlerf Gmbh* (1986), 10 C.P.R. (3d) 492 (F.C.T.D.) as authority for a split decision].

[139] Pursuant to the authority delegated to me under s. 63(3) of the Act, I reject the opposition to application No. 1,118,162 against the ALPHACRITTERS Design Mark pursuant to s. 38(8) of the Act.

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