

IN THE MATTER OF AN OPPOSITION by The Governor and Company of Adventurers of England trading into Hudson's Bay, commonly called Hudson's Bay Company to application No. 711,942 for the trade-mark BAYLOR filed by Baylor University

On August 31, 1992, the applicant, Baylor University, filed an application to register the trade-mark BAYLOR based upon the trade-mark having been made known in Canada in association with “**educational services, namely conducting college level courses**” since at least as early as 1987, as well as being based upon use and registration of the trade-mark in the United States of America in association with “**educational and entertainment services, namely conducting college level courses and related entertainment services, namely college sports events, fine art productions, concerts and lectures**”. The application as filed was also based upon proposed use of the trade-mark in Canada in association with “**clothing, namely sweaters, sweatshirts, sweatpants, T-shirts, shorts, jackets, hats and shirts**” and use and registration of the trade-mark in the United States of America in association with “**sweaters, sweatshirts, sweatpants, T-shirts, shorts, jackets, hats and shirts**”.

The present application was advertised for opposition purposes in the *Trade-marks Journal* of June 30, 1993 and the opponent, The Governor and Company of Adventurers of England trading into Hudson's Bay, commonly called Hudson's Bay Company, filed a statement of opposition on July 16, 1993, a copy of which was forwarded to the applicant on August 20, 1993. The opponent subsequently requested and was granted leave to amend its statement of opposition pursuant to Rule 42 [now Rule 40] of the *Trade-marks Regulations*. Further, during the opposition proceeding, the applicant amended the statement of wares in relation to the Subsection 16(3) basis for registration to cover “**collegiate merchandise (i.e. merchandise that displays the name or mark of a college or university in a way that is prominently visible while the merchandise is in use), in particular clothing, namely sweaters, sweatshirts, sweatpants, T-shirts, shorts, jackets, hats and shirts**” and the statement of wares in relation to the Subsection 16(2) basis for registration to cover “**collegiate merchandise (i.e. merchandise that displays the name or mark of a college or university in a way that is prominently visible while the merchandise is in use), in particular sweaters, sweatshirts, sweatpants, T-shirts, shorts, jackets, hats and shirts**”.

The first ground set forth in the amended statement of opposition is based on Subsection 30(i) of the *Trade-marks Act*, the opponent alleging that the applicant could not have stated that it was entitled to use its trade-mark BAYLOR in Canada in association with the wares and services covered in the present application in view of the opponent's prior use and registration of its trade-marks identified below.

The second ground of opposition is based on Paragraph 12(1)(d) of the *Trade-marks Act*, the opponent alleging that the applicant's trade-mark BAYLOR is not registrable in that it is confusing with the registered trade-marks set out below:

<u><i>Trade-mark</i></u>	<u><i>Registration No.</i></u>	<u><i>Wares/Services</i></u>
BAYCREST	UCA29284	wearing apparel and accessories for men, women and children
BAY CLUB	113,036	men's and women's active clothing
BAYMART	190,911	clothing and accessories for men, women and children
BAY RIDER	256,083	children's wearing apparel
BAY SPORT	291,166	sportswear for men, women and children; sports and exercise equipment
THE BAY	306,724	operation of a department store
THE BAY	325,413	clothing and accessories for women and children; sports clothing and sporting goods
THE BAY Design	328,458	clothing and accessories for women and children; sports clothing and sporting goods

As its third ground, the opponent alleged that the applicant is not the person entitled to registration in view of Paragraph 16(3)(a) of the *Trade-marks Act* in that, as of the filing date of the present application, the applicant's trade-mark was confusing with the following trade-marks which have been previously used by the opponent in Canada in association with *inter alia* the wares and/or services set out below:

<u><i>Trade-mark</i></u>	<u><i>Registration No.</i></u>	<u><i>Wares/Services</i></u>
THE BAY	306,724	operation of a department store
THE BAY	325,413	clothing and accessories for women and children; sports clothing and sporting goods
THE BAY	328,458	clothing and accessories for women and children; sports clothing and sporting goods

THE BAY	366,999	operation of outlets dealing in retail distribution of general merchandise and food products
THE BAY Design	367,904	operation of outlets dealing in retail distribution of general merchandise and food products
BAYCREST	UCA29284	wearing apparel and accessories for men, women and children
BAY CLUB	113,036	men's and women's active clothing
BAY RIDER	256,083	children's wearing apparel
BAY SPORT	291,166	sportswear for men, women and children
BAYMART	190,911	clothing and accessories for men, women and children

The fourth ground is based on Paragraph 16(3)(c) of the *Trade-marks Act*, the opponent asserting that the applicant is not the person entitled to registration in that, as of the filing date of the applicant's application, the trade-mark BAYLOR was confusing with the trade-name THE BAY previously used by the opponent in Canada in association with the operation of a retail department store. The final ground relates to the alleged non-distinctiveness of the applicant's trade-mark, the opponent asserting that the trade-mark BAYLOR is not distinctive in that it is not adapted to distinguish the applicant's wares and services from those of others including the wares and services of the opponent offered in association with the opponent's trade-marks identified above.

The applicant served and filed a counter statement in which it denied the allegations set forth in the statement of opposition. The opponent filed as its evidence the affidavits of Sandra Rick, Brian Crawford Grose and two affidavits of Randall Castel, dated June 21 and July 22, 1994, together with certified copies of registration Nos. UCA29284, 113,036, 190,911, 256,083, 291,166, 306,724 and 325,413. Brian Crawford Grose was cross-examined on his affidavit, the transcript of the cross-examination and the responses to undertakings given during the cross-examination forming part of the opposition record. The applicant submitted as its evidence the affidavits of L. Jane Sargeant, Paul D. Owen, Mark Koch and Todd Bailey. Both parties submitted written arguments and both were represented at an oral hearing.

The first ground of opposition is based on Subsection 30(i) of the *Trade-marks Act*, the opponent alleging that, in view of its registration and use of its trade-marks identified above, the

applicant could not have been satisfied that it was entitled to use the trade-mark BAYLOR in Canada. While the legal burden is upon the applicant to show that its application complies with Subsection 30(i) of the *Trade-marks Act*, there is an initial evidentiary burden on the opponent in respect of its Section 30 ground [see *Joseph E. Seagram & Sons Ltd. et al v. Seagram Real Estate Ltd.*, 3 C.P.R. (3d) 325, at pp. 329-330]. No evidence has been adduced by the opponent in support of its allegation that the applicant had been aware of the opponent's trade-mark registrations and its use of its trade-marks prior to filing the present application. In any event, such a fact would not have precluded the applicant from being satisfied that it was entitled to use its trade-mark BAYLOR in Canada on the basis *inter alia* that its trade-mark is not confusing with the opponent's trade-marks. Thus, the success of this ground is contingent upon a finding that the trade-marks at issue are confusing [see *Consumer Distributing Co. Ltd. v. Toy World Ltd.*, 30 C.P.R. (3d) 191, at p. 195; and *Sapodilla Co. Ltd. v. Bristol-Myers Co.*, 15 C.P.R. (2d) 152, at p. 155]. I will therefore consider the issue of the likelihood of confusion between the trade-marks of the parties in relation to the remaining grounds of opposition.

The opponent's second ground turns on the issue of confusion between the applicant's trade-mark BAYLOR as applied to the wares and services covered in the present application and the opponent's registered trade-marks identified above. With respect to a ground of opposition based on Paragraph 12(1)(d) of the *Trade-marks Act*, the material date is the date of my decision [see *Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd. and The Registrar of Trade Marks*, 37 C.P.R. (3d) 413 (F.C.A.)]. In determining whether there would be a reasonable likelihood of confusion between the trade-marks at issue as of the material date, the Registrar must have regard to all the surrounding circumstances including, but not limited to, the criteria which are specifically enumerated in Subsection 6(5) of the *Trade-marks Act*. As well, the Registrar must bear in mind that the legal burden is upon the applicant to establish that there would be no reasonable likelihood of confusion between its trade-mark BAYLOR and one, or more, of the opponent's registered trade-marks identified above.

The applicant's trade-mark BAYLOR might be perceived by some Canadians as possessing a surname significance or, indeed, as referring to the applicant. However, the mark BAYLOR is a

relatively rare surname and I have therefore concluded that the applicant's trade-mark possesses some measure of inherent distinctiveness. The opponent's trade-marks BAYCREST, BAY CLUB, BAYMART, BAY RIDER, BAY SPORT, THE BAY and THE BAY Design are inherently distinctive as applied to the wares and services covered in the opponent's registrations.

The present application is based upon making known of the trade-mark BAYLOR in Canada in association with educational services and that claim has not been challenged by the opponent. However, the Registrar is not prepared to conclude that the applicant's trade-mark is, in fact, well known in Canada, absent evidence adduced in this opposition in support of that claim. In the present case, the evidence of record establishes that the applicant's trade-mark has become known to a very limited extent in Canada in association with educational services, the conducting of college level courses, fine art productions, concerts and lectures by virtue of some Canadians having attended Baylor University. As well, the applicant's trade-mark has become known to some extent in Canada in association with college sports events in that college football games featuring Baylor University teams which have appeared on television broadcasts received in Canada. On the other hand, no evidence has been adduced to show that the applicant's trade-mark BAYLOR has acquired any measure of a reputation in Canada in association with any of the wares covered in the present application. Thus, the applicant's mark must be considered as not having become known to any extent in Canada in association with the collegiate merchandise covered in the present application.

The opponent's evidence establishes that its trade-marks THE BAY and THE BAY Design have become very well known, if not famous, in Canada in association with the operation of retail outlets distributing clothing and general merchandise. Further, the opponent's BAYCREST trade-mark has become known in association with bedding, pantyhose, socks, tights and slippers while the trade-mark BAY CLUB has become known in association with ladies' and men's wearing apparel and footwear. Also, the opponent's BAY SPORT mark has been shown to have become known to a limited extent in association with socks. However, little evidence has been adduced relating to the opponent's trade-marks BAYMART and BAY RIDER and I have concluded that these marks have not become known to any measurable extent in Canada.

The applicant's "educational services, namely conducting college level courses" and "educational and entertainment services, namely conducting college level courses and related entertainment services, namely college sports events, fine art productions, concerts and lectures" bear no similarity to any of the wares or services covered in the opponent's registrations and there would, in my view, be no overlap in the channels of trade associated with the applicant's services and the opponent's wares and services covered in its registrations. On the other hand, the opponent's registrations cover clothing which overlaps with the applicant's "collegiate merchandise (i.e. merchandise that displays the name or mark of a college or university in a way that is prominently visible while the merchandise is in use), in particular sweaters, sweatshirts, sweatpants, T-shirts, shorts, jackets, hats and shirts". Moreover, the channels of trade associated with the respective wares of the parties could potentially overlap in that the opponent's retail outlets could sell the applicant's sweaters, sweatshirts, sweatpants, T-shirts, shorts, jackets, hats and shirts in Canada, bearing in mind that the evidence of record points to in excess of \$400,000 in sales by the opponent of collegiate merchandise bearing the marks of various universities situated in the United States of America.

The applicant's trade-mark BAYLOR bears some resemblance in appearance to the opponent's THE BAY and THE BAY Design trade-marks in that the applicant's mark includes as a prefix the dominant element of the opponent's marks. On the other hand, the trade-marks differ in sounding and do not suggest any particular idea in common in that the mark BAYLOR may suggest to some Canadians the surname of a person, or possibly the name of the applicant, whereas the opponent's marks suggest a reference to a particular bay. Likewise, when considered in their entireties, there is at least some minor degree of similarity in appearance between the trade-mark BAYLOR and the opponent's registered trade-marks BAYCREST, BAY CLUB, BAYMART, BAY RIDER and BAY SPORT due to the initial element BAY although there is very little similarity in the sounding and no similarity in the ideas suggested by the marks.

As a further surrounding circumstance in respect of the issue of confusion, the opponent submitted the affidavit of Sandra J. Rick, Department Head of the Watches and Jewellery Department at the Hudson's Bay Company store in Calgary, Alberta from approximately November 1988 to April of 1991. In paragraphs 2 to 7 of her affidavit, Ms. Rick states the following:

A similar affidavit of Ms. Rick was adduced by the present opponent in an opposition to registration of the trade-mark BAYLOR as applied to watches and parts thereof [see *The Governor and Company of Adventurers of England trading into Hudson's Bay, commonly called Hudson's Bay Company v. Peoples Jewellers Ltd.*, 46 C.P.R. (3d) 249]. At pages 259 to 260 of the reported decision, I commented as follows:

“There is, however, no evidence to support the applicant's argument that the individuals referred to in the Rick affidavit were seeking to deceive the opponent into providing free repairs or exchanges or that it is not uncommon for individuals to engage in such deception

in large department stores.

At the oral hearing, the agent for the applicant raised three main concerns with respect to the Rick evidence. Initially, the applicant questioned the hearsay aspect of the evidence in so far as it constituted evidence as to what was in the minds of the opponent's customers. Secondly, the applicant raised some questions concerning the credibility of Ms. Rick's evidence. Finally, the applicant submitted that, even if the Rick evidence is accepted at face value, it does not constitute evidence of actual confusion.

With respect to the hearsay argument, I consider that the Rick affidavit gives the factual basis upon which it would be reasonable to conclude that she had as many as thirty customers before her over a seventeen month period who were mistaken or confused in that they thought that their watches bearing the mark BAYLOR came from the opponent. Further, as these situations arose prior to Ms. Rick swearing her affidavit, it is understandable, in my view, that the opponent did not file affidavits from the individual customers. Further, from paragraph 4 of her affidavit, it would also appear that Ms. Rick herself was initially confused as to the origin of BAYLOR watches and her statements in this regard were not challenged on cross-examination.

The applicant also submitted that the evidence of Ms. Rick was not evidence of actual confusion in that the situations which she described did not occur at the time of transfer of the property in or possession of the wares. However, I do not consider that instances of actual confusion or mistake are limited to those occurring at the time of transfer in or possession of the wares. In this regard, the reference in Section 6(2) of the Trade-marks Act to the "use of a trade-mark" which causes "confusion with another trade-mark" is not, in my opinion, limited to trade-mark use as contemplated by Section 4(1) of the Trade-marks Act. Further, even if I am incorrect in this regard, the nature of the instances of mistake described by Ms. Rick are such as to support the conclusion that there would be a reasonable likelihood of confusion between the trade-marks at issue, even if they are not technically instances of actual confusion."

In the present case, the applicant raised objections to the relevance of the Rick affidavit to the issues in this proceeding. First, the applicant noted that Mr. Grose on cross-examination admitted that people attempt to return goods purchased elsewhere to The Bay stores. While that might well be the case, there is no evidence to confirm that such was the reason for the occurrences involving the BAYLOR watches, particularly having regard to the frequency of the occurrences. The applicant also submitted that the instances of customers seeking to replace or have repaired BAYLOR watches at the opponent's store in Calgary occurred more than three years prior to the date of the Rick affidavit and that no further instances were evidenced by the opponent in any other of The Bay stores subsequent to January of 1991. Again, there is no evidence of record which might indicate why the situations referred to by Ms. Rick occurred over a seventeen month period and then appeared to cease or, indeed, why they occurred only in one of the opponent's stores. In any event, the instances described by Ms. Rick involving the BAYLOR watches were not challenged by way of cross-examination and I am therefore prepared to accord her affidavit some weight in this opposition.

The applicant has argued that the evidence of record establishes that two Peoples Jewellers stores situated in Metropolitan Toronto were still selling BAYLOR watches in Canada as of September and December of 1995 and that such activities would have diluted the distinctiveness of the opponent's marks. However, without evidence of record to establish the volume of sales of BAYLOR watches in Canada, I am not in a position to conclude that such sales could have had any measurable impact on the distinctiveness of the opponent's trade-marks.

As yet a further surrounding circumstance in respect of the issue of confusion, the applicant adduced state of the register evidence by way of the affidavit of L. Jane Sargeant. State of the register evidence is only relevant insofar as one can make inferences from it about the state of the marketplace [see *Ports International Ltd. v. Dunlop Ltd.*, 41 C.P.R.(3d) 432; and *Del Monte Corporation v. Welch Foods Inc.*, 44 C.P.R.(3d) 205 (F.C.T.D.)]. Also of note is the decision in *Kellogg Salada Canada Inc. v. Maximum Nutrition Ltd.*, 43 C.P.R.(3d) 349 (F.C.A.) which is support for the proposition that inferences about the state of the marketplace can only be drawn from state of the register evidence where large numbers of relevant registrations are located. However, apart from the trade-marks of the opponent, the results of the Sargeant search revealed the existence of only two registered trade-marks, BAYARD and BAYSIDE JACK, and one pending application for the trade-mark BAYOU, which included the element BAY as the initial element of the trade-mark as applied to clothing. As a result, no meaningful inferences can be drawn from this evidence concerning the state of the marketplace.

The applicant also adduced evidence of use of the trade-mark BAYER as applied to ASA tablets in the marketplace although I consider this evidence to be of no relevance to the issues of confusion in this proceeding. The applicant also submitted evidence relating to the purchase of a T-shirt bearing the trade-mark BAYOU. While this evidence points to the existence in the marketplace of clothing bearing a trade-mark having the initial element BAY, the sounding of the element BAY in the mark BAYOU differs from the sounding of the element BAY in the trade-marks at issue.

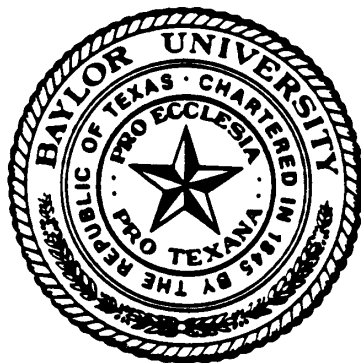
The applicant also relied upon photocopies of pages 131 and 132 from the Metropolitan Toronto telephone directory for April 1994 to 1995 which were made an exhibit to the cross-

examination of Brian Crawford Grose. From the transcript of the cross-examination, it is apparent that the opponent's agent objected to a number of documents being made exhibits to the cross-examination. However, it does not appear that the opponent's agent specifically objected to the photocopies of the telephone directory pages being made an exhibit to the cross-examination and I have therefore considered them as being part of the opposition record. These pages point to the surname significance of the words Baylor and Bay, as well as to the fact that the word Bay has been adopted as an element of a number of trade-names and business names in Metropolitan Toronto. However, there is no evidence to confirm that any of these names have been associated with the manufacture, sale or distribution of clothing. Thus, I consider this evidence to be of limited value in assessing the likelihood of confusion between the applicant's trade-mark BAYLOR as applied to collegiate merchandise and the opponent's trade-marks.

As for the other documents which the applicant's agent insisted on being identified as exhibits to the Grose cross-examination, I agree with the opponent that cross-examination should not be used by the applicant as a means for putting into evidence documentation which should otherwise be submitted as part of the applicant's evidence filed under Rule 42(1) of the *Trade-marks Regulations*. In the present case, however, and with the exception of the photocopies of the telephone directory pages, the applicant also adduced the documents which were made exhibits to the Grose cross-examination as exhibits to the Koch affidavit. As a result, I am prepared to have regard to them in this opposition although I consider these exhibits to be of little assistance in assessing the issues in this opposition.

There is evidence of record which points to the existence of an application for registration for the trade-mark BAYLOR UNIVERSITY & Design which has since matured to registration. However, as pointed out by the hearing officer in *Coronet-Werke Heinrich Schlerf GmbH v. Produits Menagers Coronet Inc.*, 4 C.P.R. (3d) 108, at p. 115, Section 19 of the *Trade-marks Act* does not give the owner of a registration the automatic right to obtain any further registrations no matter how closely they may be related to the original registration [see also *Groupe Lavo Inc. v. Proctor & Gamble Inc.*, 32 C.P.R. (3d) 533, at p. 538]. While the decision of the hearing officer was reversed on appeal [see *Produits Menagers Coronet Inc. v. Coronet-Werke Heinrich Schlerf*

GmbH, 10 C.P.R. (3d) 482], it was on the basis of new evidence filed on appeal that the applicant had used its previously registered trade-mark in Canada. In any case, the trade-mark BAYLOR UNIVERSITY & Design, a representation of which appears below, bears no similarity in appearance when considered in its entirety to any of the opponent's trade-marks. As a result, I do not consider the existence of the applicant's registration is of any relevance to the issues in this opposition.



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In view of the above, and bearing in mind that there is no similarity between the applicant's services and the opponent's wares and services or in the channels of trade associated with these wares and services, and even bearing in mind the fact that the opponent's THE BAY trade-marks are well known, I have concluded that there would be no reasonable likelihood of confusion between the applicant's trade-mark BAYLOR as applied to **“educational services, namely conducting college level courses”** and **“educational and entertainment services, namely conducting college level courses and related entertainment services, namely college sports events, fine art productions, concerts and lectures”** and the opponent's trade-marks as applied to the wares and services covered in its various registrations. I have therefore dismissed the Paragraph 12(1)(d) grounds of opposition relating to applicant's services. Likewise, I have rejected the remaining grounds relating to the issues of confusion between the applicant's trade-mark BAYLOR as applied to the services covered in the present application and the opponent's trade-marks and trade-name relied upon in the non-entitlement and non-distinctiveness grounds.

Having regard to the above, I have concluded that the applicant has failed to meet the legal burden upon it in respect of the issue of confusion as applied to its collegiate merchandise. In this regard, I have borne in mind that the opponent has established a significant reputation in association with its THE BAY marks, that the applicant's BAYLOR trade-mark and the opponent's THE BAY trade-marks bear some similarity in appearance, and that the opponent has sold collegiate merchandise through its retail outlets. As well, I am mindful of the evidence of Ms. Rick and the fact that her affidavit was not challenged by way of cross-examination by the applicant. As a result, I refuse the present application as applied to **“collegiate merchandise (i.e. merchandise that displays the name or mark of a college or university in a way that is prominently visible while the merchandise is in use), in particular clothing, namely sweaters, sweatshirts, sweatpants, T-shirts, shorts, jackets, hats and shirts”** and **“collegiate merchandise (i.e. merchandise that displays the name or mark of a college or university in a way that is prominently visible while the merchandise is in use), in particular sweaters, sweatshirts, sweatpants, T-shirts, shorts, jackets, hats and shirts”** and otherwise reject the opponent's opposition to registration of the trade-mark BAYLOR as applied to **“educational services, namely conducting college level courses”** and **“educational and entertainment services, namely conducting college level courses and related entertainment services, namely college sports events, fine art productions, concerts and lectures”**. In this regard, I would note the decision of the Federal Court, Trial Division in *Produits Ménagers Coronet Inc. v. Coronet-Werke Heinrich Schlerf GmbH*, 10 C.P.R. (3d) 492 in respect of there being authority to render a split decision in a case such as the present.

DATED AT HULL, QUEBEC, THIS DAY 29th OF SEPTEMBER, 1997.

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