

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

**Citation: 2011 TMOB 214 Date of Decision: 2011-11-01** 

IN THE MATTER OF AN OPPOSITION by Automobility Distribution Inc. to application No. 1,285,623 for the trademark ASTRA now standing in the name of General Motors LLC

## Introduction

- [1] On January 10, 2006 Saturn Corporation filed application No. 1,285,623 to register the trade-mark ASTRA (the Mark) based on proposed use in Canada in association with motor land vehicles, namely automobiles (the Wares).
- [2] The application was advertised on October 4, 2006 in the *Trade-marks Journal* for opposition purposes. Automobility Distribution Inc. (the Opponent) filed a statement of opposition on November 2, 2006 which was forwarded by the Registrar on November 14, 2006 to Saturn Corporation. The latter denied all grounds of opposition in a counter statement filed on December 14, 2006.
- [3] The Opponent filed as its evidence a certificate of authenticity of registration number TMA618,872 for the trade-mark ASTRA and the affidavit of Robert Nelson while Saturn Corporation filed the affidavits of Anthony Kunkel, Michael Speranzini, Sharon Elliott and two affidavits of James Haggerty. Only Mr. Nelson was cross-examined and the transcript of his cross-examination is part of the record.

- [4] Only Saturn Corporation filed written arguments. The Opponent requested an oral hearing but approximately two weeks prior to the scheduled date it informed the Registrar that it would not be attending the hearing. Since the Applicant did not responded to the notice sent by the Registrar under rule 46(3)(b) of the *Trade-marks Regulations*, no hearing was held.
- [5] On February 10, 2010 the Registrar recorded the following: Saturn Corporation became on May 26, 2009 a limited liability company under the name Saturn LLC and on September 4, 2009 the latter assigned the present application and the goodwill relating to the Mark to General Motors Corporation. On August 5, 2010 the Registrar recorded the change of name of General Motors Corporation to General Motors LLC. Consequently the application now stands in the name of General Motors LLC. I shall use the term Applicant to refer to either the original applicant or General Motors LLC as the case may be.

#### The Grounds of Opposition

- [6] The grounds of opposition pleaded by the Opponent can be summarized as follow:
  - 1. The Application does not satisfy the requirements of s. 30 of the *Trade-marks Act* R.S.C. 1985, c. T-13, (the "Act") in that:
    - a) At the filing date of the application, the Applicant was already using the Mark in Canada in association with the Wares:
    - b) The trade-mark that is proposed to be used is not the Mark;
    - c) Alternatively or cumulatively, the Applicant never intended to use the Mark in Canada in association with the Wares;
    - d) It is falsely that the Applicant declared itself satisfied that it is entitled to use the Mark in Canada in view of the content of the present opposition, including the Applicant's knowledge of the Opponent's rights as herein alleged and the unlawfulness of said use, if any.
  - 2. The Mark is not registrable pursuant to s. 12(1)(d) of the Act as it is confusing with the Opponent's registered trade-mark ASTRA for various vehicle security systems, parts and accessories; sale and servicing of various vehicle security systems, parts and accessories.

- 3. The Applicant is not entitled to the registration of the Mark pursuant to s. 16 of the Act in that:
  - a) At the filing date of the application the Mark was confusing with the Opponent's trade-mark ASTRA which has been previously used or made known in Canada by the Opponent or its predecessors in title in association with various vehicle security systems, parts and accessories; sale and servicing of various vehicle security systems, parts and accessories, the whole contrary to s. 16(3)(a) of the Act;
  - b) For the reasons previously mentioned, the application does not comply with the requirements of s. 30 of the Act; the Mark is not a proposed one but rather a used one and the Mark is not registrable or does not function as a trade-mark the whole contrary to the introductory paragraph of s. 16(3) of the Act.
- 4. Pursuant to s. 38(2)(d), the Applicant's Mark is not distinctive of the Applicant's Wares nor can it be because:
  - a) The Mark does not actually distinguish the wares or services in association with which the Mark is proposed to be used by the Applicant from the wares of others, including those of the Opponent nor is it adapted to distinguish them;
  - b) The Mark is used outside the scope of the licensed use provided for by s. 50 of the Act, including General Motors Corporation and Opel;
  - c) As a result of the transfer of the Mark, rights subsist into two or more persons, including General Motors Corporation and Opel, to the use of trade-marks confusing with the Mark and those rights were exercised by those persons contrary to the provisions of s. 48(2) of the Act.

# Legal Onus and Burden of Proof in Trade-marks Opposition Proceeding

[7] The legal onus is upon the Applicant to show that its application complies with the provisions of the Act, but there is however 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. Once this initial burden is met, the Applicant has to prove, on a balance of probabilities, that the particular grounds of opposition should not prevent the registration of the Mark [see *Joseph E. Seagram & Sons Ltd. et al v. Seagram Real Estate Ltd.* (1984), 3 C.P.R. (3d)

325 (T.M.O.B.); John Labatt Ltd. v. Molson Companies Ltd. (1990), 30 C.P.R. (3d) 293 (F.C.T.D.) and Wrangler Apparel Corp. v. The Timberland Company [2005] F.C. 722].

### Relevant dates

- [8] The relevant date for the analysis of each ground of opposition varies depending on the ground of opposition to be assessed:
  - Non-compliance with the requirements of s. 30 of the Act: The filing date of the application (January 10, 2006);
  - ➤ Registrability of the Mark under s. 12(1)(d) of the Act: the date of the Registrar's decision [see *Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd.* (1991), 37 C.P.R. (3d) 413 at 424 (F.C.A.)]
  - ➤ Entitlement to the registration of the Mark, where the application is based on proposed use: The filing date of the application (January 10, 2006) [see s. 16(3) of the Act];
  - ➤ Distinctiveness of the Mark: The filing date of the statement of opposition (November 2, 2006) [see *Andres Wines Ltd. and E & J Gallo Winery* (1975), 25 C.P.R. (2d) 126 at 130 (F.C.A.) and *Metro-Goldwyn-Meyer Inc. v. Stargate Connections Inc.* (2004), 34 C.P.R. (4th) 317 (F.C.T.D.)].

#### Section 30 Grounds of Opposition

- [9] The Opponent has an initial evidential burden when alleging non-compliance with s. 30(e) of the Act. The Opponent has not filed any evidence to support sub-paragraphs (a), (b) and (c) of the first ground of opposition. Therefore that portion of the first ground of opposition is dismissed.
- [10] The ground of opposition pleaded under sub-paragraph 1(d) as drafted is not a proper ground of opposition. Section 30(i) of the Act only requires that the Applicant

declares itself satisfied that it is entitled to the registration of the Mark. Such a statement is included in the application. The allegation that the Applicant had knowledge of the existence of the Opponent's rights cannot form the basis of a ground of opposition under s. 30(i) of the Act. One may rely on s. 30(i) in specific cases such as where fraud by the Applicant is alleged [see *Sapodilla Co. Ltd. v. Bristol Myers Co.* (1974) 15 C.P.R. (2d) 152 (T.M.O.B.)]. There is no allegation of that nature in the statement of opposition or any evidence in the record to that effect.

[11] Under these circumstances, the first ground of opposition is therefore dismissed.

#### Grounds of opposition Summarily Dismissed

- [12] The introductory paragraph of s. 16(3) of the Act is not a proper ground of opposition. Section 16 of the Act defines the non-entitlement ground of opposition. That ground of opposition has been pleaded by the Opponent. Consequently the ground of opposition 3(b) described above is also dismissed.
- [13] The Opponent has not filed any evidence to meet its initial onus with respect to grounds of opposition 4 b) and c). They are therefore dismissed.

#### Registrability of the Mark under s. 12(1)(d) of the Act

- [14] In order to meet its initial burden under this ground of opposition, the Opponent can simply rely on its certificates of registration. Mr. Nelson has been the Opponent's president since 2003. He filed a copy of the Certificate of Authenticity for the trade-mark ASTRA, registration number TMA618,872. I checked the register and such registration is extant [see *Quaker Oats of Canada Ltd./La Compagnie Quaker Oats Ltée. v. Manu Foods Ltd.*, 11C.P.R. (3d) 410].
- [15] The Opponent's registration covers the following wares:

Vehicle security systems, namely: remote control motor vehicle anti-theft alarms, motor vehicle anti-theft systems; motor vehicle remote control systems, motor vehicle remote engine starter systems, motor vehicle remote control trunk release, motor vehicle back up battery siren, motor vehicle glass break alarm security, motor vehicle interior/exterior

radar censor, motor vehicle break-in engine starter disabler, motor vehicle remote control panic button, motor vehicle parking light flasher, motor vehicle remote control power door lock, motor vehicle remote control power door unlocks, motor vehicle ignition activated door locks, motor vehicle theft scan deterrent for engine shutdown, motor vehicle alarm activated dome light supervision, motor vehicle automatic/electric power windows, motor vehicle tracking devices, namely: vehicle locating, tracking and security system comprised of an antenna and radio transmitter to be placed in a vehicle; radar detectors; automobile audio and video products namely: radios, receivers, amplifiers, tuners, speakers, compact disc players, DVD (digital versatile disc) recorders/players, liquid crystal displays, video screens, televisions, video cassette recorders and players.

### and the following services:

The wholesale and retail sale and servicing of vehicle security systems, namely: remote control motor vehicle anti-theft alarms, motor vehicle anti-theft systems; motor vehicle remote control systems, motor vehicle remote engine starter systems, motor vehicle remote control trunk release, motor vehicle back up battery siren, motor vehicle glass break alarm security, motor vehicle interior/exterior radar censor, motor vehicle break-in engine starter disabler, motor vehicle remote control panic button, motor vehicle parking light flasher, motor vehicle remote control power door lock, motor vehicle remote control power door unlocks, motor vehicle ignition activated door locks, motor vehicle theft scan deterrent for engine shutdown, motor vehicle alarm activated dome light supervision, motor vehicle automatic/electric power windows, motor vehicle tracking devices; radar detectors; automobile audio and video products namely: radios, receivers, amplifiers, tuners, speakers, compact disc players, DVD (digital versatile disc) recorders/players, liquid crystal displays, video screens, televisions, video cassette recorders and players.

- [16] Therefore the Opponent has met its initial burden of proof. As such the Applicant has the burden to prove, on a balance of probabilities, that the use of the Mark in association with the Wares is not likely to cause confusion with the Opponent's registered trade-mark ASTRA. The test to determine this issue is set out in s. 6(2) of the Act. I must take into consideration all the relevant surrounding circumstances, including those listed in s. 6(5): the inherent distinctiveness of the trade-marks and the extent to which they have become known; the length of time the trade-marks have been in use; the nature of the wares, services, or business; the nature of the trade; and the degree of resemblance between the trade-marks in appearance, or sound or in the ideas suggested by them.
- [17] Those criteria are not exhaustive and it is not necessary to give each one of them equal weight. In its recent judgment in *Masterpiece Inc. v. Alavida Lifestyles Inc. et al.* 2011 S.C.C. 27 the Supreme Court of Canada has clearly indicated that the most

important factor amongst those listed under s. 6(5) of the Act is often the degree of resemblance between the marks.

- [18] "Astra" is a coined word and is therefore inherently distinctive when used in association with the parties' respective wares and services. The distinctiveness of a trademark may be enhanced through use or promotion in Canada. I shall now summarize the evidence filed by both parties that may serve to conclude that a particular trade-mark is more known in Canada than the other.
- [19] Mr. Nelson filed pictures of an ASTRA branded vehicle security system transmitter and remote module as well as the English and French version of the installation manual related to such device. The trade-mark ASTRA appears on both components and the manual.
- [20] Mr. Nelson provides the yearly sales figures of the products sold by the Opponent in association with the trade-mark ASTRA between the years 2003 and 2006. I note that the sales have constantly declined from over \$360,000 in 2003 to only \$282 in 2006. He filed invoices issued between 2003 and 2007 to illustrate the sale of wares bearing the trade-mark ASTRA. Those invoices relate to the sale of security and remote control devices only. In fact during his cross-examination Mr. Nelson admitted that the Opponent does not sell car audio and video components in association with the trade-mark ASTRA.
- [21] The Opponent has spent over \$12,000 in Canada between 2003 and 2004 to promote the sale of wares bearing the trade-mark ASTRA. He filed two price lists (one for 2003-2004 and the other one for 2004) on which appear some models of remote starters and vehicle security systems sold in association with the trade-mark ASTRA as well as an extract of a website dated August 3<sup>rd</sup>, 2007 on which is advertised similar wares. However there is no information in his affidavit as to the relationship between the Opponent and such website.
- [22] During his cross-examination Mr. Nelson made the following statements:
  - The size of its business consists of 25 employees excluding independent sales' agents;

- ➤ The Opponent is in an automotive electronics distributor. It does not sell at retail.

  The services are limited to repairing defective devices;
- ➤ The alarm system illustrated on exhibit 2 to his affidavit is a ASTRA model that was introduced in 2004 and sold in 2004 and 2005. It was manufactured by Scytek Electronics with the Opponent's software. The relationship with Scytek started in 2003. As of 2006 the Opponent was no longer stocking or acquiring any product under the trade-mark ASTRA and its relationship with Scytek had ended;
- ➤ Promotion done by the Opponent of the products bearing the trade-mark ASTRA is at the wholesale level only.
- [23] Mr. Kunkel is a licensed private investigator, co-owner and General Manager of Mitchell Partners Investigation Services, a company specializing in investigation services located in Vaughan, Ontario. He has held a Private Investigator license since 1986. He has been retained by the Applicant's agent to conduct an investigation. He was asked by the Applicant's agent to view a selection of products sold in association with the trademark ASTRA at www.shopperschoice.com (the website from which extracts were filed by Mr. Nelson) and to purchase samples of these products. He conducted a search on that website on December 19, 2007.
- [24] With this evidence the Applicant is trying to demonstrate that the Opponent's trade-mark ASTRA is not distinctive as it is possible to obtain from a third party similar wares bearing the trade-mark ASTRA. However Mr. Kunkel obtained those products from the United States and not Canada. Therefore I fail to see the relevancy of that portion of the Applicant's evidence. The fact that security and remote control devices bearing the trade-mark ASTRA can be obtained from the United States does not negate the distinctiveness of the Opponent's trade-mark in Canada.
- [25] Mr. Kunkel was also asked to visit the website of a third party, namely www.automobilitydistribution.com to obtain business information on the Opponent. The content of such website is inadmissible hearsay evidence [see *Envirodrive Inc. v.* 836442]

Alberta Inc. 2005 ABQB 446 and ITV Technologies Inc. v. WIC Television Ltd. [2003] F.C. 1056].

- [26] From this evidence I conclude that the Opponent's trade-mark is known to a limited extent in Canada in view of its declined sales and limited promotion of the trade-mark ASTRA in Canada in association with the Opponent's security and remote control devices.
- [27] Mr. Speranzini describes himself as "Director-Saturn Saab with General Motors of Canada Limited" (GM Canada). He has been with GM Canada since 1985. GM Canada is the Canadian distributor for Saturn Corporation. The latter and GM Canada are wholly owned subsidiaries of General Motors Corporation. GM Canada is licensed by the Applicant to use its trade-marks in Canada including SATURN and ASTRA.
- [28] The SATURN line was introduced in Canada in late 1991. Mr. Speranzini filed the details of the various SATURN trade-marks registered in Canada and owned by the Applicant. Since 1992 the Applicant has sold over 300,000 motor vehicles in Canada. The SATURN line is sold exclusively through a network of authorized dealerships across Canada. The dealerships prominently feature the SATURN trade-marks on signs visible both outside and inside the building.
- [29] The ASTRA sport compact motor vehicle is one of a number of models offered by the Applicant as part of its SATURN line with a retail price starting from \$17,900. It was unveiled in North America at the 2007 Chicago auto show. It was launched in Canada at the beginning of 2008. Between January and May 2008, 1700 units were sold in Canada. He filed a promotional card illustrating a motor vehicle offered for sale in association with the Mark as well as print-outs of pages from the GM Canada website promoting the motor vehicle sold in association with the trade-mark ASTRA. The trademark ASTRA appears on the back of the motor vehicle sold in Canada in association with that trade-mark. The SATURN trade-mark is also displayed on each motor vehicle.

- [30] He alleges that the ASTRA model has been well received by the press and public. It has won various prizes. He filed a selection of articles from Canadian newspapers discussing the launch of the ASTRA model as well as its award winning status.
- [31] Since its launch in 2008 the Applicant has spent approximately \$8 million in advertising and promotional expenses for the ASTRA brand.
- [32] From this evidence I have no hesitation to conclude that the Mark is more known at this date in Canada when used in association with motor vehicles than the Opponent's trade-mark ASTRA when used in association with security and remote control devices for motor vehicles. Consequently the first factor described in s. 6(5) of the Act favours the Applicant.
- [33] As for the length of time the parties' trade-marks have been in use in Canada, it appears from the evidence described above that the Opponent has been using its trademark ASTRA since at least 2003 while the Applicant began using the Mark in 2008. However the declining sales of the Opponent that lead to almost no sales in 2006 and no evidence of use since then combined with the launching in Canada in 2008 of the Applicant's motor vehicle in association with the Mark, leads me to conclude that such surrounding circumstance will not be a determining factor in this decision.
- When assessing those factors under s. 12(1)(d) ground of opposition I must compare the Wares to the wares and services covered by the Opponent's registration. It is the statement of wares in the application and the statement of wares and services in the Opponent's registration that govern. [See *Mr. Submarine Ltd. v. Amandista Investments Ltd.* (1987), 19 C.P.R. (3d) 3 at 10-11 (F.C.A.), *Henkel Kommanditgesellschaft v. Super Dragon* (1986), 12 C.P.R. (3d) 110 at 112 (F.C.A.) and *Miss Universe, Inc. v. Dale Bohna* (1994), 58 C.P.R. (3d) 381 at 390-392 (F.C.A.)]. However, those statements must be read with a view to determine the probable type of business or trade intended by the parties rather than all possible trades that might be encompassed by the wording. In this regard, evidence of the actual trades of the parties is useful [see *McDonald's Corporation v. Coffee Hut Stores Ltd.* (1996), 68 C.P.R. (3d) 168 at 169 (F.C.A.)].

- [35] On one hand we have "motor land vehicles, namely automobiles" versus what has been characterized by Mr. Nelson in his affidavit as: "vehicle security systems; remote starters; car radio and video components and radar detection and warning devices". The services offered by the Opponent in association with the trade-mark ASTRA consist of the wholesale distribution and sale through Internet of its wares. The Wares are sold by the Applicant through its dealerships. There is no evidence in the record that car manufacturers such as the Applicant also sell vehicle security systems, remote starters, car radio and video components. The only relationship between the Wares and the Opponent's security devices is that the latter could be installed in the Applicant's automobiles bearing the Mark. Would a consumer with a vague recollection of the Opponent's trade-mark ASTRA used in association with vehicle security systems, remote starters, car radio and video components be likely to associate the Opponent as the source of the Wares?
- [36] In *Suzuki Motor Corp. v. Sahara Corp.* (1988), 86 C.P.R. (3d) 235 (TMOB) the Registrar found booster seats for automobiles to be distinct from the vehicles themselves. Likewise in *Sports Car Club of America Inc. v. Amalgamated Industries Inc.* (1982), 72 C.P.R. (2d) 269 (TMOB), a comparable finding was reach when comparing car wax with vehicles. I reach a similar conclusion when comparing the nature of the Wares with the Opponent's products.
- [37] From this analysis of these surrounding circumstances I conclude that the Applicant has met, on a balance of probabilities, its burden to prove that there is no likelihood of confusion between the Mark when used in association with the Wares and the Opponent's trade-mark ASTRA. Therefore the second ground of opposition is dismissed.

## The Remaining Grounds of Opposition

[38] The first portion of the third and fourth grounds of opposition is based on the likelihood of confusion between the Mark and the Opponent's trade-mark ASTRA. The only difference between the registrability ground of opposition based on s. 12(1)(d) on one hand and entitlement based on s. 16(3)(a) and distinctiveness of the Mark based on

s. 2 of the Act on the other hand, is that the analysis of the surrounding circumstances listed at s. 6(5) of the Act would be done considering earlier dates (see relevant dates above). Even if I would not be able to conclude that the Mark was more known than the Opponent's trade-mark ASTRA at those earlier dates, still the difference in the nature of the parties' respective wares and their channels would be sufficient to negate any likelihood of confusion.

[39] Consequently those grounds of opposition are also dismissed.

# **Disposition**

[40] Having been delegated authority by the Registrar of Trade-marks by virtue of s. 63(3) of the Act, I reject pursuant to s. 38(8) of the Act the opposition to the registration of the Mark.

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Jean Carrière Member Trade-marks Opposition Board Canadian Intellectual Property Office