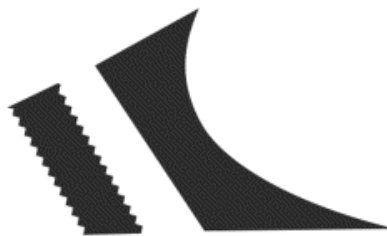


LE REGISTRAIRE DES MARQUES DE COMMERCE
THE REGISTRAR OF TRADE-MARKS

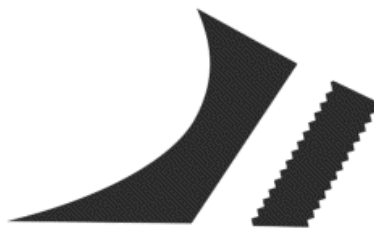
Citation: 2014 TMOB 87
Date of Decision: 2014-04-25

**IN THE MATTER OF OPPOSITIONS by
adidas AG to application Nos. 1,407,596
and 1,407,601 for the trade-marks Left
Stripe Design and Right Stripe Design in
the name of Globe International
Nominees Pty Ltd**

[1] adidas AG (the Opponent) opposes registration of the trade-marks Left Stripe Design and Right Stripe Design (shown below) that are the subject of application Nos. 1,407,596 and 1,407,601 respectively by Globe International Nominees Pty Ltd (the Applicant):



App. No. 1,407,596



App. No. 1,407,601

[2] Filed on August 18, 2008, each application is based on registration and use of the mark in Australia with footwear, use of the mark in Canada since at least as early as June 2008 with footwear, as well as proposed use of the mark in Canada with wares that can be generally described as clothing and accessories, headgear, bags and cases, sport equipment and games. The particulars of each application are set out in Schedule “A” to this decision.

[3] In each case, the Opponent alleges that: (i) the application does not conform to sections 30(b), 30(d) and 30(e) of the *Trade-marks Act*, RSC 1985, c T-13 (the Act); (ii) the trade-mark is not registrable under section 12(1)(d) of the Act; (iii) the Applicant is not the person entitled to registration of the trade-mark under sections 16(1)(a), 16(1)(b), 16(2)(a), 16(2)(b), 16(3)(a) and 16(3)(b) of the Act; and (iv) the trade-mark is not distinctive under section 2 of the Act. Aside from the section 30 grounds of opposition, the remaining grounds turn on the issue of confusion with 13 of the Opponent’s registered design marks, including registration No. TMA770,551, shown below:



[4] For the reasons that follow, the oppositions ought to be rejected.

The Record

[5] The Opponent filed its statements of opposition to applications No. 1,407,596 and No. 1,407,601 on April 30, 2010. The Applicant then filed and served its counter statements denying all of the grounds of opposition alleged in each statement of opposition on June 23, 2010. The Opponent was granted leave to file an amended statement of opposition with respect to each proceeding on February 28 and January 28, 2013 respectively.

Opponent’s Evidence

[6] In support of each opposition, the Opponent filed the affidavit of Steven Ralph, President of adidas Canada Limited, sworn October 20, 2010, with Exhibits “1” to “27”, and the certified

copies of 13 registrations for a three-stripe design as applied to shoes, clothing and bags. The particulars of these registrations are set out in Schedule “B” to this decision; I will refer to them collectively as the 3-Stripes Design. Mr. Ralph was not cross-examined on his affidavit.

Applicant’s Evidence

[7] In support of each application, the Applicant filed the affidavit of Matthew Wong, President of Global Product of the Applicant, sworn May 23, 2011, with Exhibits “NW1” and “NW2”, the affidavit of Lilian Shneidman, licensed private investigator at King-Reed & Associates Inc., sworn May 26, 2011, with Exhibits “A” to “E”, and the affidavit of Elenita Anastacio, a searcher employed by the Applicant’s trade-mark agent, sworn May 26, 2011, with Exhibits “A” to “D”. In each case, the Applicant was subsequently granted leave to file a supplemental affidavit of Elenita Anastacio, sworn November 14, 2011, with Exhibits “A” to “E”, in substitution for Mr. Wong’s affidavit as the affiant could not be made available for cross-examination. None of the Applicant’s affiants were cross-examined.

Written Arguments and Oral Hearing

[8] Both parties filed written arguments in each case; both parties were represented at an oral hearing for both opposition proceedings.

The Parties’ Respective Burden or Onus

[9] The Applicant bears the legal onus of establishing, on a balance of probabilities, that each of its applications complies 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 Ltd v Molson Companies Ltd* (1990), 30 CPR (3d) 293 (FCTD) at 298].

Grounds of Opposition Summarily Dismissed

[10] The grounds of opposition raised under sections 30(b), 30(d) and 30(e) of the Act against each application are summarily dismissed for the reasons that follow.

[11] An opponent's initial burden under section 30(b) is light [*Tune Masters v Mr P's Mastertune Ignition Services Ltd* (1986), 10 CPR (3d) 84 (TMOB) at 89] and can be met by reference not only to the opponent's evidence but also to the applicant's evidence [see *Labatt Brewing Company Limited v Molson Breweries, a Partnership* (1996), 68 CPR (3d) 216 (FCTD) at 230]. In the present case, the Opponent has not provided any evidence in support of its section 30(b) ground of opposition, nor did the Applicant file any evidence of use of its trade-marks. Instead, the Opponent submits that there is nothing in the Applicant's evidence to suggest that it has used its trade-marks in association with footwear in Canada since June 2008. In the absence of any evidence suggesting that the Applicant has not used its trade-marks in Canada as of the alleged date of first use, the Applicant is under no obligation to positively evidence such use. I therefore find that the Opponent has failed to meet its evidential burden and I dismiss this ground of opposition accordingly with respect to each application.

[12] To the extent that the Applicant has easier access to the facts, the burden of proof on the Opponent in regard to the ground of opposition based on the failure to respect section 30(d) is also less onerous [see *Tune Masters* and *105272 Canada Inc v Grands Moulins de Paris, Société Anonyme* (1990), 31 CPR (3d) 79 (TMOB)]. An opponent can discharge its initial burden of proof in regard to section 30(d) by relying on the applicant's evidence [see *Labatt Brewing Co v Molson Breweries, a Partnership* (1996), 68 CPR (3d) 216 (FCTD); *Molson Canada v Anheuser-Busch Inc* (2003), 29 CPR (4th) 315 (FCTD); *York Barbell Holdings Ltd v ICON Health and Fitness, Inc* (2001), 13 CPR (4th) 156 (TMOB); *Ivy Lea Shirt Co v 1227624 Ontario Ltd* (1999), 2 CPR (4th) 562 at 565-6 (TMOB), *aff'd* 11 CPR (4th) 489 (FCTD)].

[13] In the present case, the Opponent has not provided any evidence in support of its section 30(d) ground of opposition, nor did the Applicant file any evidence in this regard. In the absence of any evidence suggesting that the Applicant has not used its trade-marks in Australia as of the filing date of the subject applications, the Applicant is under no obligation to positively evidence such use. I therefore find that the Opponent has failed to meet its evidential burden and I dismiss this ground of opposition accordingly with respect to each application.

[14] Since each application contains a statement that the Applicant by itself or through a licensee intends to use its trade-marks in Canada, it formally complies with section 30(e) of the

Act. Thus the issue becomes whether or not the Applicant has substantially complied with section 30(e) of the Act. The Opponent has failed to provide any evidence or submissions in support of this ground of opposition and accordingly, it is dismissed for the Opponent's failure to meet its evidential burden with respect to each application.

Analysis of the Remaining Grounds of Opposition

[15] The remaining grounds revolve around the likelihood of confusion between the Applicant's trade-marks and the Opponent's registered trade-marks. I will analyse each of the grounds in turn.

[16] As the parties' respective evidence and submissions in each proceeding are essentially the same and there is no significant difference between the two proceedings, I will consider both applications together in analysing the remaining grounds of opposition. I will refer to the Applicant's trade-marks collectively as "the Marks" and distinguish between them where necessary. Also, I will use the singular form in my consideration of the essentially identical affidavits filed by Steven Ralph, Lillian Shneidman and Elenita Anastacio, in each proceeding.

Are the Marks Confusing with the Opponent's Registered Trade-marks?

[17] The material date for considering this issue, which arises from the section 12(1)(d) grounds of opposition, is the date of my decision [see *Park Avenue Furniture Corporation v Wickes/Simmons Bedding Ltd and The Registrar of Trade Marks* (1991), 37 CPR (3d) 413 (FCA)]. For the reasons that follow, I refuse the registrability ground of opposition and decide this issue in favour of the Applicant with respect to each application.

[18] Having exercised the Registrar's discretion, I confirm that the Opponent's 13 registrations of the 3-Stripes Design are extant. Since the Opponent has satisfied its initial evidential burden, the issue becomes whether the Applicant has met its legal burden to establish, on a balance of probabilities, that there is no reasonable likelihood of confusion between the Marks and the Opponent's registered trade-marks.

[19] 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 if the use of both trade-marks in the same area would be likely to lead to the inference that the wares or services associated with those trade-marks are manufactured, sold, leased, hired or performed by the same person, whether or not the wares or services are of the same general class.

[20] In applying the test for confusion, the Registrar must have regard to all the surrounding circumstances, including those specifically enumerated in section 6(5) of the Act, namely: (a) the inherent distinctiveness of the trade-marks and the extent to which they have become known; (b) the length of time each has been in use; (c) the nature of the wares, services or business; (d) the nature of the trade; and (e) the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them. These enumerated factors need not be attributed equal weight [see *Mattel, Inc v 3894207 Canada Inc* (2006), 49 CPR (4th) 321 (SCC); *Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée et al* (2006), 49 CPR (4th) 401 (SCC); and *Masterpiece Inc v Alavida Lifestyles Inc* (2011), 92 CPR (4th) 361 (SCC) for a thorough discussion of the general principles that govern the test for confusion].

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

[21] The overall consideration of the section 6(5)(a) factor, which involves a combination of inherent and acquired distinctiveness of the parties' trade-marks, clearly favours the Opponent.

[22] Both parties' marks possess some inherent distinctiveness although I do not consider these particular juxtapositions of stripes and simple geometric shapes to be inherently strong [see *Levi Strauss & Co v Vivant Holdings Ltd* (2003), 34 CPR (4th) 53 (TMOB)]. The strength of a trade-mark may be increased by means of it becoming known in Canada through promotion or use. In this regard, the Opponent has provided extensive evidence of promotion and use of the 3-Stripes Design in Canada for an extended period of time whereas the Applicant has not filed any evidence of promotion or use of the Marks in Canada.

[23] In his affidavit, Mr. Ralph explains that the Opponent is one of the world's leading manufacturers of athletic footwear, apparel, accessories and sports equipment. He further states

that adidas Canada is a wholly-owned subsidiary of the Opponent and that it is the exclusive licensee and authorized distributor of adidas brand merchandise in Canada, including footwear, apparel, accessories and sports equipment bearing the 3-Stripes Design.

[24] In terms of use, Mr. Ralph states that the 3-Stripes Design was first used in association with footwear in Germany in 1949 and in Canada since at least as early as 1954. The range of products bearing the 3-Stripes Design has since grown to include apparel, sports gear, and accessories, designed for professional athletes as well as for premium fashion. According to the affiant, the 3-Stripes Design is “an exceptionally valuable and distinctive trade-mark because of its high degree of visibility from a distance”.

[25] Attached as Exhibit “2” to the Ralph affidavit are excerpts of catalogues dated between 1965 and 2010 depicting a large number of the Opponent’s products available in Canada during that time. Mr. Ralph states that the products depicted in the exhibit are representative of the manner in which the 3-Stripes Design has been used in association with the Opponent’s footwear since at least as early as 1954 and in association with the Opponent’s apparel since at least as early as 1967 in Canada. Various models of athletic footwear, apparel and bags bearing the 3-Stripes Design, some with serrated stripes while others with plain stripes, are shown. Some of the products appear to be designed for specific sport activities such as soccer, American football, basketball, track & field, tennis and swimming.

[26] In addition to the use on the Opponent’s products, the 3-Stripes Design also appears on packaging, labels and boxes. Attached as Exhibit “3” to the Ralph affidavit are copies of packaging materials, including shoe boxes, hang tags, soccer ball packaging, and shopping bags, said to be representative of the manner in which the 3-Stripes Design appears on the packaging at the time of sale over the last 10 years. Again, the 3-Stripes Design is shown, often accompanied by what appears to be the Opponent’s other trade-marks.

[27] In terms of channels of trade, Mr. Ralph states that the Opponent’s footwear, apparel and accessories bearing the 3-Stripes Design are sold through 19 adidas retail and outlet stores across Canada, and since 2005, via adidas Canada’s website *www.shopadidas.ca* as well. Moreover, the affiant explains that 3-Stripes Design products are distributed to a wide variety of third party

retailers in Canada, including major department stores, luxury retailers, shoe stores, sports stores, and clothing stores. Attached as Exhibits “4” to “6” to the Ralph affidavit are a list of close to 1,500 third party retailers of 3-Stripes Design products across Canada, as well as photos of adidas retail and outlet stores in Ontario, Quebec and British Columbia. Attached as Exhibit “7” are screenshots of the website *shopadidas.ca*, said to be representative of the manner in which the 3-Stripes Design products are shown on the website since 2005. I note that the 3-Stripes Design is prominently displayed on the outside and inside of the adidas stores, on the *shopadidas.ca* website, as well as on the Opponent’s products.

[28] In terms of sales, Mr. Ralph provides that a “substantial portion” of the annual sales figures from the *shopadidas.ca* website, which vary between \$87,000 and \$1.92 million from 2005 to 2009, relates to the sale of footwear, apparel and accessories bearing the 3-Stripes Design. The affiant further states that the “vast majority” of the annual sales figures for adidas footwear, which vary between \$44 and 67 million dollars from 2001 to 2009, relate to the sale of footwear bearing the 3-Stripes Design in Canada. Similarly, “more than half” of the annual sales figures for adidas apparel, which vary between \$46 and 62 million dollars from 2001 to 2009, relate to the sale of apparel bearing the 3-Stripes Design in Canada. Finally, a “substantial portion” of the annual sales figures for adidas accessories, which vary between \$7 and 15 million dollars from 2001 to 2009, relate to the sale of accessories bearing the 3-Stripes Design in Canada.

[29] In terms of advertising, Mr. Ralph states that the 3-Stripes Design has been used and promoted continuously in Canada since 1954, and that the Opponent has become known in Canada as “The Brand with the Three Stripes”. In this regard, he indicates that the Opponent’s annual advertising expenditures for all of its footwear and apparel in Canada vary between \$4.6 and 10.8 million dollars from 2001 to 2009, most of which feature the 3-Stripes Design.

[30] According to Mr. Ralph, the Opponent has used and continues to use a wide variety of methods to advertise and to promote footwear, apparel, and accessories bearing the 3-Stripes Design in Canada. Sample advertisements of the 3-Stripes Design are attached as Exhibits “8” to “16” of the Ralph affidavit, described as:

- print advertisements;

- merchandising materials and products designed to maximize the visibility of the mark in retail space;
- advertisements on billboards and public transit shelters in Canada;
- online via *www.adidas.com/ca/homepages.asp* as well as third-party retailers' websites such as *www.sportcheck.ca* and *www.footlocker.ca*;
- the Opponent's social media's pages and online channels;
- local sporting events across Canada; and
- promotional items such as keychains, lanyards, inflatable toys, etc.

[31] In addition to various merchandising items and displays, the 3-Stripes Design can be seen on footwear, apparel, sports equipment, and bags in these sample advertisements.

[32] Mr. Ralph states that the Opponent also promotes its 3-Stripe Mark via sponsorship and media opportunities in Canada. Attached as Exhibits "17" to "20" are described as:

- setup and banners at the Vancouver International Marathon from 2001 to 2006;
- paper and online ads in support of the National Terry Fox Run since 2006; and
- sponsorship of the Toronto FC professional soccer team, the Canadian national soccer team (men's and women's), and the Toronto Raptors professional basketball teams.

[33] In addition to various merchandising items and displays, the 3-Stripes Design can also be seen on athletic footwear and apparel in these exhibits.

[34] Mr. Ralph sets out some of the Opponent's international sponsorship opportunities throughout the years, including those of individual athletes in various sports, national Olympic teams, the Olympic Games, the FIFA World Cup soccer tournament, the NBA, the NFL Super Bowl, the Boston Marathon, the French Open, and the MBL All-Star Game. According to the affiant, athletes can be seen wearing footwear and apparel bearing the 3-Stripes Design in sporting events that are televised throughout the world, including Canada. Attached as Exhibit "25" of the Ralph affidavit are photographs from a number of events depicting athletes wearing footwear and apparel bearing the 3-Stripes Design.

[35] Finally, attached as Exhibit "26" of the Ralph affidavit are movie posters and movie stills said to be from major motion pictures, as well as from music videos, between 1983 and 2008, in which products bearing the 3-Stripes Design can be seen.

[36] In view of the foregoing, I am satisfied that the Opponent has acquired substantial reputation in its 3-Stripes Design and that it has become well known if not famous throughout Canada.

Section 6(5)(b) – the length of time the trade-marks have been in use

[37] As per my review of the Ralph affidavit, this factor clearly favours the Opponent.

Sections 6(5)(c) and (d) – the nature of the wares, trade and business

[38] Sections 6(5)(c) and (d) factors, which involve the nature of the wares, trade and business, also favour the Opponent to a large extent.

[39] When considering sections 6(5)(c) and (d) of the Act, it is the statement of wares as defined in each of the registrations relied upon by the Opponent and in the application for the each of the Marks that govern the assessment of the likelihood of confusion under section 12(1)(d) of the Act [see *Henkel Kommanditgesellschaft auf Aktien v Super Dragon Import Export Inc* (1986), 12 CPR (3d) 110 (FCA); and *Mr Submarine Ltd v Amandista Investments Ltd* (1987), 19 CPR (3d) 3 (FCA)].

[40] The Opponent's 3-Stripes Design is registered with a variety of footwear and apparel, both casual and athletic, as well as travel bags and suitcases. In his affidavit, Mr. Ralph provided evidence that the Opponent's footwear, apparel and accessories bearing the 3-Stripes Design are sold in its 19 retail and outlet stores across Canada and through the website *www.shopadidas.ca*. They are also distributed to over 1,500 third-party retailers across Canada, including sports stores and clothing stores.

[41] In comparison, the Applicant's Marks are applied for use in association with wares that can be generally described as casual and athletic footwear, bags and cases, clothing and accessories, headgear, sport equipment and games. As stated earlier, the Applicant did not provide any evidence of use or of its channels of trade in Canada.

[42] In the absence of evidence from the Applicant and for the purpose of assessing confusion, I conclude that with the exception of "board games", "hand held electronic games" and "parlour

games”, there is overlap between the parties’ wares and potential for overlap in their channels of trade.

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

[43] 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 *Beverley Bedding & Upholstery Co v Regal Bedding & Upholstering Ltd.* (1980), 47 CPR (2) 145, conf (1982), 60 CPR (2d) 70 (FCA)]. In *Masterpiece*, the Supreme Court of Canada discussed the importance of the section 6(5)(e) factor in conducting an analysis of the likelihood of confusion as follows (see para 49):

...the degree of resemblance, although the last factor listed in section 6(5), is the statutory factor that is often likely to have the greatest effect on the confusion analysis ... if the marks or names do not resemble one another, it is unlikely that even a strong finding on the remaining factors would lead to a likelihood of confusion. The other factors become significant only once the marks are found to be identical or very similar.

[44] When considering the degree of resemblance, the law is clear that the trade-marks must be considered in their totality. It is not correct to lay them side by side and compare and observe similarities or differences among the elements or components of the trade-marks. Moreover, the preferable approach when comparing trade-marks is to begin by determining whether there is an aspect of the trade-mark that is particularly striking or unique [see *Masterpiece* at para 64]. For the reasons that follow, this factor favours the Applicant.

[45] The Opponent’s 3-Stripes Design consists of three seemingly equally spaced parallel stripes applied at an angle to the side of footwear, along the sleeve or the side of clothing, and at an angle on bags and suitcases. I note that several of the Opponent’s registrations for footwear depict three serrated stripes instead of plain stripes. In comparison, the Applicant’s Left Stripe Design consists of an oblique serrated stripe parallel to an undefined geometric plane figure, reminiscent of a rotated trapezoid with a concave base. The Right Stripe Design is the mirror image of the Left Stripe Design.

[46] In terms of appearance, I find the most striking or unique element of the Opponent’s 3-Stripes Design to be the overall visual effect created by the repetitive pattern of “3 equally

spaced parallel stripes”. Similarly, I am of the view that the distinctive feature of the Applicant’s Marks is the overall combination of a stripe parallel to an unusual geometric figure. When the marks are viewed in their entirety, I fail to see one particular component of the design to be more prominent than another. Rather, it is the overall appearance of each design that is particularly striking or unique.

[47] If one were to dissect the marks into their respective components, there are certainly some similarities between the parties’ marks owing to the presence of a stripe, followed by negative space. However, that is not the proper test for confusion. When the marks are assessed in their totality, bearing in mind that the particularly striking or unique feature of each mark is its overall design rather than its individual components, as a matter of first impression and imperfect recollection, I consider the parties’ marks to be sufficiently different visually to outweigh any similarities of a particular component.

[48] The parties were silent on the sound or ideas suggested by the marks. I am of the view that neither is susceptible of being sounded and neither suggests any idea in particular [see *Levi Strauss & Co v Benetton Group SpA* (1997) 77 CPR (3d) 233 (TMOB)].

[49] Accordingly, the section 6(5)(e) factor favours the Applicant.

Additional Surrounding Circumstance

[50] Both parties point to additional surrounding circumstances that should be taken into consideration in the confusion analysis.

Positioning of the Applicant’s Marks

[51] The Opponent submits that screenshots of the Applicant’s footwear attached as Exhibit “E” of the Supplemental Anastacio affidavit suggest that both parties’ marks are positioned in a similar manner on footwear, which serves to further emphasize the similarities between the parties’ marks. The said screenshots pertain to websites purported to show the sale of the Applicant’s footwear in foreign markets, not in Canada. As noted, there is no evidence of use of the Marks in Canada in association with any of the applied for wares, including footwear.

Accordingly, I do not consider this to be a significant surrounding circumstance in the present case. Even if I were to accept these screenshots as representative of the manner in which the Marks are applied to the Applicant's footwear sold in Canada, it would not alter the outcome of my overall confusion analysis, as I do not find there to be a sufficient degree of resemblance between the Opponent's 3-Stripes Design and the Marks for there to be a likelihood of confusion.

Notoriety of the 3-Stripes Design

[52] The Opponent submits that, as a further surrounding circumstance, I should consider the notoriety of its 3-Stripes Design. As per my review of the Ralph affidavit, I am satisfied from the Opponent's evidence that its 3-Stripes Design has become very well known if not famous in Canada in association with athletic footwear and apparel. In view of the fame and reputation of the Opponent's mark, I agree with the Opponent that it should be afforded a wider ambit of protection [see *United Artists Corp v Pink Panther Beauty Corp* (1998), 80 CPR (3d) 247 (FCA) at 267].

[53] As evidenced by the many exhibits attached to the Ralph affidavit, it is apparent that the Opponent has used its 3-Stripes Design in a consistent manner in Canada for over fifty years. The Opponent has successfully turned a design with relatively low inherent distinctiveness into one of the most recognizable trade-marks associated with footwear, apparel and accessories. However, the notoriety of the Opponent's 3-Stripes Design lies, as its description suggests, in the consistent use and promotion of three seemingly equally spaced parallel stripes. As wide as the ambit of protection is for the 3-Stripes Design, I do not think that the Opponent's claim to monopoly can be extended to cover the use of any single stripe with geometric design marks in association with footwear, apparel and accessories.

State of the Marketplace

[54] The Applicant contends that since stripe designs are in common use in the Canadian marketplace for athletic footwear, the stripe element of the 3-Stripes Design cannot be distinctive of the Opponent. In this regard, the Anastacio affidavit introduces into evidence screenshots dated May 26, 2011 from four websites, said to be of Canadian online retailers for athletic

footwear, showing various casual and athletic footwear. Similarly, the Shneidman affidavit introduces into evidence photos and receipts for the purchase of third party footwear from various retailers in Richmond Hill and Toronto, Ontario, on May 14 and 16, 2011. Both affidavits are purported to show that a number of third party footwear bearing stripe designs are available for purchase in the Canadian marketplace at a given time.

[55] Even if I disregarded the hearsay issues, the website printouts of the Anastacio affidavit would still be of no assistance to the Applicant because there is no indication that Canadians have visited or have purchased footwear from the said websites. In terms of Ms. Shneidman's affidavit, all that I can conclude is that a consumer was able to purchase third party footwear bearing stripe designs in May of 2011 in Ontario. However, given the lack of information regarding the duration and the extent of such sales in Canada, I am unable to assess the extent to which stripe designs are used on footwear by third parties in the Canadian market [see *Vivat Holdings Ltd v Levi Strauss & Co* (2005), 41 CPR (4th) 8 (FC)].

[56] In any case, I agree with the Opponent that some of the designs on the footwear purchased by Ms. Shneidman appear to involve designs that are much more elaborate than those in the present case. In particular, among the 10 pairs of footwear purchased, I do not consider the designs shown on the shoes sold under the brands Puma, Reebok and Timberland to have common elements with the marks in the present proceedings.

[57] Accordingly, the state of the marketplace evidence is not a significant surrounding circumstance in the present case.

Co-Existence in Canada

[58] As yet another surrounding circumstance, the Applicant submits that there has been no evidence of actual cases of confusion between the marks despite over two years of co-existence in Canada. In support, the Applicant relies on the date of first use of June 2008 alleged in its applications for use in association with footwear.

[59] Absence of evidence of actual confusion over a relevant period of time, despite an overlap in the parties' services and channels of trade, may entitle the Registrar to draw a negative

inference about the likelihood of confusion [see *Mattel, supra* at p 347.] Nevertheless, the Opponent is under no obligation to submit evidence of instances of actual confusion. Moreover, the absence of such evidence does not necessarily raise any presumptions unfavourable to the Opponent for the burden is on the Applicant to demonstrate the absence of likelihood of confusion.

[60] In the present case, the Applicant has not provided any information with respect to the manner in which its Marks have been used in Canada in association with footwear. There is no information on the extent of the Applicant's sales, its advertising expenditures, its channels of trade, or the geographical areas where its footwear would have been sold, since the alleged date of first use in Canada. Under these circumstances and given the relatively short period of co-existence of the parties' marks, I am not prepared to draw any negative inference regarding the likelihood of confusion from the lack of evidence of actual confusion.

Co-existence in Foreign Jurisdictions

[61] The Applicant also submits that it is significant that it has registered the Marks in many countries of the world and that they have co-existed with the Opponent's marks abroad, with no evidence being presented of confusion abroad. In support, attached as Exhibits "B" to "D" to the Supplemental Anastacio affidavit are excerpts from the Australian, the OHIM CTM and the USPTO trade-marks databases, regarding the parties' foreign registrations of the Marks and the 3-Stripes Design. Furthermore, attached as Exhibit "E" are printouts from three different websites dated November 2, 2011, purported to show that the Applicant's footwear bearing the Marks are "available for sale in Australia, Europe and the U.S.", the same geographical areas where the Opponent's footwear bearing the 3-Stripes Design are said to be sold according to the Ralph affidavit.

[62] As there may be factors that justify the co-registration of marks in a foreign jurisdiction that do not exist in Canada (e.g. differences in the law or a different state of the register), little can be drawn from the fact that trade-marks coexist in other jurisdictions, for the Registrar's decision must be based on Canadian standards, having regard to the situation in Canada [see *Quantum Instruments, Inc v Elinca SA* (1995), 60 CPR (3d) 264 (TMOB) and *Vivat Holdings Ltd v Levi Strauss & Co* (2005), 41 CPR (4th) 8 (FC) citing *Re Haw Par Brothers International Ltd v*

Registrar of Trade Marks (1979), 48 CPR (2d) 65 (FCTD) and *Sun-Maid Growers of California v Williams & Humbert Ltd* (1981), 54 CPR (2d) 41 (FCTD)].

[63] In terms of the alleged evidence of concurrent use in foreign markets, I would simply note that screenshots of footwear bearing the Marks extracted from three websites with no additional details, including the extent of the Applicant's and the Opponent's use of their marks in those markets, is insufficient for any inference to be drawn with respect to the potential for confusion in any jurisdiction.

Conclusion in the likelihood of confusion

[64] In *Masterpiece*, the Supreme Court of Canada discussed the importance of section 6(5)(e) in conducting an analysis of the likelihood of confusion. Specifically, the Court noted that the degree of resemblance is the statutory factor that is often likely to have the greatest effect on the confusion analysis; the other factors become significant only once the marks are found to be identical or very similar.

[65] 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, despite the notoriety of the Opponent's 3-Stripes Design, its extensive use and promotion in Canada, and the clear overlap in the nature of most of the parties' wares as well as their channels of trade, I am of the view that the dissimilarity in the overall appearance of the Marks and that of the 3-Stripes Design is significant enough to shift to balance of probabilities in favour of the Applicant.

[66] Consequently, the Applicant has discharged its burden to prove, on a balance of probabilities, that there is no likelihood of confusion between the Marks and any of the registered trade-marks relied up on by the Opponent in the present proceedings.

[67] Accordingly, the non-registrability ground of opposition is rejected with respect to each application.

Was the Applicant the Person Entitled to Registration of the Marks?

[68] The material date for considering the entitlement grounds of opposition under section 16(1) of the Act is the alleged date of first use of the Marks, namely June 2008; under section 16(2) is the priority filing date of the applications, namely February 18, 2008; under section 16(3) is the priority filing date claimed in the application for the Left Stripe Design, namely February 18, 2008, and filing date of the application for the Right Stripe Design, namely August 18, 2008. For the reasons that follow, I reject the entitlement grounds of opposition and decide this issue in favour of the Applicant with respect to each application.

[69] With respect to the sections 16(1)(a), 16(2)(a) and 16(3)(a) grounds of opposition, the Opponent has the initial burden of proving that at least one of its trade-marks alleged in support of these grounds of opposition was used in Canada prior to the material date and had not been abandoned at the date of advertisement of the application for the Mark [section 16(5) of the Act]. I am satisfied that the Opponent has discharged its evidentiary burden to show prior use and non-abandonment of the 3-Stripes Design.

[70] With respect to the sections 16(1)(b), 16(2)(b) and 16(3)(b) grounds of opposition, I have exercised my discretion to check the Trade-marks Office records to confirm the existence of the Opponent's pending application Nos. 1,382,217 and 1,382,219 [see *Royal Appliance Mfg Co v Iona Appliances Inc* (1990), 32 CPR (3d) 525 (TMOB) at 529]. With respect to the section 16(1)(b) ground, I note that both applications were filed prior to the date of first use claimed in each application. With respect to the section 16(2)(b) ground, I note that both applications were filed prior to the priority filing date claimed in each application. With respect to the section 16(3)(b) ground, I note that both applications were filed prior to the priority filing date claimed in the application for the Left Stripe Design and the filing date of the application for the Right Stripe Design. As the Opponent's applications were both pending as of the date of advertisement of each of the Applicant's applications, namely December 30, 2009 and March 3, 2010, I am satisfied that the Opponent has discharged its initial burden with respect to the sections 16(1)(b), 16(2)(b) and 16(3)(b) grounds of opposition.

[71] Assessing each of the section 6(5) factors as of February 18, 2008, June 2008 or August 18, 2008, rather than as of today's date, does not significantly impact my previous analysis of the surrounding circumstances of this case. I conclude that the Applicant has discharged its burden of showing, on a balance of probabilities, that there is no reasonable likelihood of confusion between the Marks and the Opponent's 3-Stripes Design in association with the applied for wares as of the relevant material dates.

[72] Accordingly, the entitlement grounds of opposition under sections 16(1)(a), 16(1)(b), 16(2)(a), 16(2)(b), 16(3)(a) and 16(3)(b) are rejected with respect to each application.

Were the Marks Distinctive of the Applicant's Wares?

[73] The ground of opposition as pleaded is based upon the likelihood of confusion between the Marks and the Opponent's 3-Stripes Design. The material date to assess the ground of opposition is the filing date of the statement of opposition, namely April 30, 2010 [see *Metro-Goldwyn-Mayer Inc v Stargate Connections Inc* (2004), 34 CPR (4th) 317 (FC)]. For the reasons that follow, I reject the ground of opposition and decide this issue in favour of the Applicant with respect to each application.

[74] I am satisfied that the Opponent has met its evidentiary burden to establish that its 3-Stripes Design had a substantial, significant or sufficient reputation in Canada, as of April 30, 2010, to negate the distinctiveness of the Marks [see *Motel 6, Inc v No 6 Motel Ltd* (1981), 56 CPR (2d) 44 (FCTD); *Bojangles' International, LLC and Bojangles Restaurants, Inc v Bojangles Café Ltd* 2006 FC 657 (CanLII), (2006), 48 CPR (4th) 427 (FC)].

[75] Assessing each of the section 6(5) factors as of April 30, 2010 does not significantly impact my previous analysis of the surrounding circumstances of this case. For reasons similar to those expressed previously, I conclude that the Applicant has discharged its burden of showing, on a balance of probabilities, that there is no reasonable likelihood of confusion between its Mark and the Opponent's 3-Stripes Design in association with its applied for wares as of April 30, 2010.

[76] Accordingly, the non-distinctiveness ground of opposition is rejected with respect to each application.

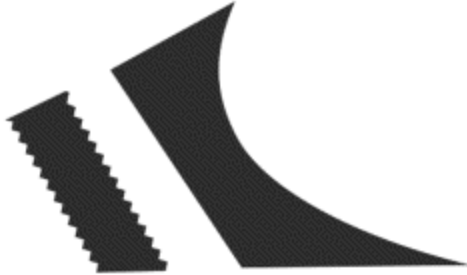
Disposition

[77] Pursuant to the authority delegated to me under section 63(3) of the Act, I reject the opposition under section 38(8) of the Act with respect to each application.

Pik-Ki Fung
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office

Schedule "A"

Applicant's trade-mark:



Application No.:

1,407,596

Wares:

(1) Athletic bags, backpacks, book bags, duffel bags, gym bags, school bags, tote bags, beach bags, handbags; trunks and travelling bags; leather and imitations of leather; purses; wallets; satchels, brief cases; attache cases; key cases; umbrellas; clothing, namely singlets, T-shirts, socks, jeans, trousers, sweatshirts, pullovers, vests, tanktops, tops, shirts, pants, skirts, shorts, sweaters, coats, jackets, pyjamas, dressing gowns, bathrobes, underwear, belts for clothing, gloves, scarves, neckties; headgear, namely hats, beanies, caps and sun visors; skateboards, skateboard wheels sold both separately and as a unit, hardware and parts therefor, namely, trucks, bearings, mounting hardware, decks, grip tape, and riser pads; waterskis; surf skis; skis; edges of skis; scrapers for skis; seal skin coverings for skis; ski bindings; sole coverings for skis; wax for skis; surfboards; surfboard leashes; bags especially designed for skis and surfboards; body boards; wake boards; snowboards; sleighs; sailboards; harness for sailboards; masts for sailboards; paragliders; ice skates; roller skates; hockey sticks; protective padding for parts of sports suits; elbow guards; knee guards; shin guards; punching bags; rackets; strings for rackets; stationary exercise bicycles; balls for games; bats for games; kites; kite reels; play articles for swimming pools; board games; hand held electronic games; parlour games.

(2) Footwear, namely, shoes, skateboard shoes, casual shoes, athletic shoes, beach shoes, thonged and strapped sandals, sneakers, boots, slippers.

Claims:

Priority Filing Date: February 18, 2008, Country: AUSTRALIA, Application No: 1224825 in association with the same kind of wares.

Used in CANADA since at least as early as June 2008 on wares (2).

Used in AUSTRALIA on wares (2).

Registered in or for AUSTRALIA on February 18, 2008 under No. 1224825 on wares (2).

Proposed Use in CANADA on wares (1).

Applicant's trade-mark:



Application No.:

1,407,601

Wares:

- (1) Footwear, namely shoes, skateboard shoes, casual shoes, athletic shoes, beach shoes, thonged and strapped sandals, sneakers, boots, slippers.
- (2) Footwear, namely shoes, skateboard shoes, casual shoes, athletic shoes, beach shoes, thonged and strapped sandals, sneakers, boots, slippers.
- (3) Athletic bags, backpacks, book bags, duffel bags, gym bags, school bags, tote bags, beach bags, handbags; trunks and travelling bags; leather and imitations of leather; purses; wallets; satchels, brief cases; attache cases; key cases; umbrellas; clothing, namely singlets, T-shirts, socks, jeans, trousers, sweatshirts, pullovers, vests, tanktops, tops, shirts, pants, skirts, shorts, sweaters, coats, jackets, pyjamas, dressing gowns, bathrobes, underwear, belts for clothing, gloves, scarves, neckties; headgear, namely hats, beanies, caps and sun visors; skateboards, skateboard wheels sold both separately and as a unit, hardware and parts therefor, namely, trucks, bearings, mounting hardware, decks, grip tape, and riser pads; waterskis; surf skis; skis; edges of skis; scrapers for skis; seal skin coverings for skis; ski bindings; sole coverings for skis; wax for skis; surfboards; surfboard leashes; bags especially designed for skis and surfboards; body boards; wake boards; snowboards; sleighs; sailboards; masts for sailboards; paragliders; ice skates; roller skates; hockey sticks; protective padding for parts of sports suits; elbow guards; knee guards; shin guards; punching bags; rackets; strings for rackets; stationary exercise bicycles; balls for games; bats for games; kits; kit reels; play articles for swimming pools; board games; hand held electronic games; parlour games.

Claims:

Priority Filing Date: February 18, 2008, Country: AUSTRALIA, Application No: 1224826 in association with the same kind of wares (1), (2).





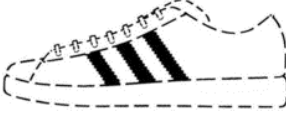
Used in CANADA since at least as early as June 2008 on wares (1).



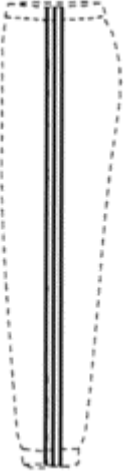

Used in AUSTRALIA on wares (2).

Registered in or for AUSTRALIA on February 18, 2008 under No. 1224826 on wares (2).

Proposed Use in CANADA on wares (3).

Schedule “B”

Opponent’s Trade-mark	Application No.	Registration No.	Wares
	311,988	TMA161,856	<p>(1) Sports footwear, namely: soccer and football boots and shoes; training, warm-up and jogging shoes; lacrosse boots; tennis shoes; track and field shoes; boxing and wrestling boots; hockey skate boots; rugby boots; coaches’ and official’s shoes; cross country shoes; basketball shoes and boots; fencing shoes.</p> <p>(2) Baseball shoes and badminton shoes.</p> <p>(3) Ski boots and bowling shoes.</p> <p>(4) Curling shoes.</p>
	522,076	TMA307,373	<p>(1) Footwear, namely, leisure and athletic shoes.</p>
	1,382,211	TMA757,178	<p>(1) Clothing, namely, shirts, T-shirts, sweatshirts, jackets, and coats.</p>
	1,382,217	TMA770,670	<p>(1) Athletic footwear and leisure footwear.</p>
	1,382,219	TMA770,551	<p>(1) Athletic footwear and leisure footwear.</p>

Opponent's Trade-mark	Application No.	Registration No.	Wares
	1,258,970	TMA680,728	(1) Footwear, namely slides.
	1,258,968	TMA680,723	(1) Footwear, namely slides.
	1,382,213	TMA757,203	(1) Sports and leisure wear, namely trousers, shorts, three quarter length pants, running tights, fleece pants, track suit bottoms; swimming trunks and swimsuit bottoms; all the aforementioned goods being in the nature of trousers or shorts.
	1,382,212	TMA757,177	(1) Clothing, namely, shirts, T-shirts, sweatshirts, vests, jackets, and coats.

Opponent's Trade-mark	Application No.	Registration No.	Wares
	361,222	TMA194,221	(1) Sports boots and shoes.
	248,077	TMA117,725	(1) Football boots, racing shoes, training shoes, ice-hockey, handball, boxing and wrestlers' boots, bicycle-racing shoes, field-hockey boots.
	341,864	TMA186,434	(1) Travel bags and suitcases.
	783,256	TMA531,944	(1) Pants.