



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

Citation: 2010 TMOB 40
Date of Decision: 2010-03-29

**IN THE MATTER OF AN OPPOSITION
by Scouts Canada to application
No. 1,270,788 for the trade-mark EAGER
BEAVERS in the name of Beaver County
Productions Inc.**

The Pleadings

[1] On August 25, 2005 Beaver County Productions Inc. (the “Applicant”) filed an application to register the trade-mark EAGER BEAVERS, (the “Mark”) application number 1,270,788 on the basis of proposed use in Canada in association with clothing namely T-shirts, tank tops, sweaters, sweat tops, sweat pants, shorts, underwear; electronic recording media namely, pre-recorded digital video discs containing images and music (the “Wares”).

[2] The application was advertised on August 16, 2006 in the Trade-marks Journal for opposition purposes. Boys Scouts of Canada, which later on changed its name to Scouts Canada, (the “Opponent”) filed a statement of opposition on October 3, 2006 which was forwarded by the Registrar on November 6, 2006 to the Applicant. The Applicant filed on November 24, 2006 a counter statement denying all grounds of opposition.

[3] The Opponent filed as its evidence the affidavit of John Robert Stewart while the Applicant filed the affidavit of Robert Petkovski. Only the Opponent filed a written argument and was represented at an oral hearing.

[4] I wish to point out that the Applicant, by letter dated January 11, 2010 indicated that it would make its representations by phone and provided a telephone number where a Mr. Mauro Pontiero could be reached at the date and time the oral hearing was scheduled to take place. Just prior to the beginning of the oral hearing, I personally placed two calls at the phone number provided but there was no answer. As the Registrar was not advised that the Applicant would not be available at the date and time scheduled, the oral hearing took place without any representation from the Applicant.

The Grounds of Opposition

[5] The grounds of opposition pleaded are:

1. The Application does not comply with the requirements of s. 30 of the Trade-marks Act, R.S.C. 1985 c. T-13 (the “Act”) in that the Mark is non-distinctive and is incapable of being used by the Applicant for the purpose of distinguishing or so to distinguish the Wares from those manufactured, sold, leased or hired by the Opponent. The Mark is not a trade-mark or a proposed trade-mark within the meaning of s. 2 of the Act. Accordingly, the application does not comply with the requirements of s. 30 of the Act because it is not an application for the registration of a trade-mark;
2. The Mark is not registrable because it is a mark the adoption of which is prohibited under s. 9 of the Act. The Opponent gave notice under s. 9 of the Act of the trade-mark BEAVERS in association with wares and services in April 1989 and as well gave notice under s. 10 of its Act of Incorporation;
3. The Applicant is not the person entitled to registration of the Mark pursuant to the provisions of s. 38(2)(c) and 16 of the Act because:
 - i) the Applicant has not filed an application in accordance with s. 30 for the registration of a trade-mark that is registrable;
 - ii) the Mark was at the filing date of the application confusing with the Opponent’s BEAVER trade-marks;
4. Pursuant to s. 38(2)(d) and s. 2 of the Act, the Mark is not distinctive of the Wares since the Mark is not adapted to distinguish the Wares from the wares and services of others, in particular, it is not adapted to distinguish them from the wares and services of the Opponent.

Burden of Proof in Trade-marks Opposition Proceedings

[6] The legal burden is upon the Applicant to show that its application complies with the provisions of the Act, but there is however an initial evidential onus 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 onus 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.*, 3 C.P.R. (3d) 325, at pp. 329-330; *John Labatt Ltd. v. Molson Companies Ltd.*, 30 C.P.R. (3d) 293 and *Wrangler Apparel Corp. v. The Timberland Company*, [2005] F.C. 722].

Ground of Opposition Based on s. 30(i) of the Act

[7] Section 30(i) of the Act requires a statement from the Applicant that it is satisfied that it is entitled to use the trade-mark applied for in Canada in association with the wares and services described in the application. The Applicant has provided such statement in its application. A s. 30(i) ground of opposition should only succeed in exceptional cases such as where there is evidence of bad faith on the part of the applicant [*Sapodilla Co. Ltd. v. Bristol-Myers Co.* (1974), 15 C.P.R. (2d) 152 at 155]. I have no evidence that the Applicant was in bad faith when it filed its application. Consequently the second ground of opposition is dismissed.

Ground of Opposition Based on Entitlement (s. 16 of the Act)

[8] The relevant date associated with this ground of opposition, when the application is based on proposed use, is the filing date of the application (see s. 16(3) of the Act). Moreover the Opponent must show that it had not abandoned such use at the advertisement date of the application (August 16, 2006) [see 16(5) of the Act]. Therefore the Opponent has an initial evidential burden to prove that it has used its trade-mark(s) prior to August 25, 2005.

[9] Mr. Stewart described himself as Executive Commissioner and Chief Executive Officer for the Opponent and has been on its staff since February 1, 1982. He provides a brief history of the Opponent. In summary it offers programs and training for young boys and girls. Founded in 1914, it groups its members by sections. The youngest group is called “Beavers”. It has been in

existence since 1971. Mr. Stewart has filed corporate documents to support his allegations concerning the Opponent's history.

[10] Throughout the affidavit Mr. Stewart makes reference to either "BEAVER" or "BEAVERS". I do not consider the absence or presence of the letter "S", as the case may be, to be a determining factor in this decision. I believe that any evidence of use of the trade-mark BEAVERS to be use of the trade-mark BEAVER and vice versa [see *Canada (Registrar of Trade-marks) v. Cie. Internationale pour l'informatique CII Honeywell Bull, S.A.* (1985), C.P.R. (3d) 523]. Any reference hereinafter to the trade-mark BEAVER shall also include the trade-mark BEAVERS.

[11] Mr. Stewart explains that "eager beavers" is an expression used by the Opponent to designate "...[a] Beaver who has learned his or her Law and Promise, and has been invested." (see pages 3-8 and 12-4 of the book entitled "Beaver Leader's Handbook", exhibit 5 to Mr. Stewart's affidavit).

[12] The deponent does provide information on how the trade-marks "BEAVER" and "EAGER BEAVER" have been used since at least 1972 to date in association with various wares. He explains that the Opponent's wares are manufactured in accordance to the Opponent's specifications and are essential to the participation in the Opponent's activities (for example clothing, uniforms, accessories, badges, camping equipment, backpacks, carry-alls). The Opponent's BEAVER wares include the following: Uniforms and items of clothing such as vests, T-shirts, hats, neckers, necker woggles; books, song books, song cassettes, video cassettes; accessories, pencils, pins, metal buttons, mugs, backpacks, emblems, crests, beaver tails, stickers, name tags, buggies; plush toy beavers and ribbons. Prior to 1996, the most common practice of selling those wares was to distribute them through retail stores that were identified as "official dealer" of the Opponent. The Opponent has also operated its own stores identified in the affidavit as "Scout Shop". Currently there are 22 Scout Shops and there remains one dealer outlet.

[13] To further substantiate the allegation of use of the trade-marks "BEAVER" and "EAGER BEAVER" the deponent has filed samples or copies of the Opponent's yearly catalogue, the oldest one filed going back to 1978. In the catalogues, there are illustrations of

uniforms, sweat pants, slipper socks, hat, T-shirt, tuque and a video cassette all bearing or being offered for sale in association with the trade-mark BEAVER. The catalogues filed contain also illustrations of a crest, a book and a neckerchief all being offered for sale in association with the trade-mark EAGER BEAVER.

[14] From this evidence I conclude that the Opponent has met its initial burden to prove its use of the trade-marks BEAVER and EAGER BEAVER prior to the filing date of the application (August 25, 2005) and that it had not abandoned same at the advertisement date of the application (s. 16(5) of the Act). Hence the Applicant has to prove, on a balance of probability that there is no likelihood of confusion between the Mark and the Opponent's trade-marks BEAVER and EAGER BEAVER when used in association with the Wares.

[15] The test to determine if there is a likelihood of confusion is set out in s. 6(2) of the Act and I must take into consideration all the relevant surrounding circumstances, including those listed in s. 6(5) of the Act: the inherent distinctiveness of the trade-marks or trade-names and the extent to which they have become known; the length of time the trade-marks or trade-names 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 or trade-names in appearance, or sound or in the ideas suggested by them. I refer to the decision of the Supreme Court of Canada in *Mattel, Inc. v. 3894207 Canada Inc.* (2006), 49 C.P.R. (4th) 321 for an analysis of those criteria.

[16] The Opponent has relied heavily on some of the conclusions reached by the Registrar in two previous decisions namely in *Boys Scouts of Canada v. Leslie Gagné* [2007] T.M.O.B. No. 38 where the applied trade-mark was BENNY THE BEAVER and *Boys Scouts of Canada v. Moehring* (1993), 48 C.P.R. (3d) 557 wherein the Opponent opposed the registration of the trade-mark EAGER BEAVER for use in association with a variety of wares including articles of clothing. Obviously the facts in each case differ and we do not have the details of the evidence filed in each of these cases. However those decisions contain conclusions in law that are not fact driven. For example, in the *Gagné* case the Registrar concluded that the parties' trade-marks were inherently distinctive. I do not see any reason why I should not apply the same conclusion in this case.

[17] The degree of distinctiveness of a trade-mark may be enhanced through use in Canada. Mr. Petkovski is the Applicant's Vice-president. He alleges that the Applicant sells clothing for girls and teenagers. He filed a sample of a pair of shorts on which the Mark is misspelled as the letter "S" in BEAVERS is missing. As mentioned before, I do not see the difference between BEAVER and BEAVERS to be crucial. However he states that it was never sold. Therefore there is no evidence of use of the Mark in Canada.

[18] The Opponent's evidence described above enables me to conclude that the trade-mark BEAVER was known in Canada as of the material date. The limited evidence relating to the use of the trade-mark EAGER BEAVER refrains me from reaching a similar conclusion. Therefore the first factor listed in s. 6(5) favours the Opponent.

[19] The second factor, the length of time the marks have been in use in Canada, also favours the Opponent.

[20] As mentioned previously the Applicant did not file a written argument and was not present at the oral hearing. It is therefore difficult to outline the Applicant's arguments. I have to presume, on the issue of the nature of the parties' respective wares, that the Applicant would be arguing that its articles of clothing would be sold to girls and teenagers while the Opponent's wares are sold to parents of young children who are members of the Opponent's organization. I do not consider the group age or the gender to be a relevant factor in this analysis. I have to compare the nature of the Opponent's wares with the Wares as described in the application. The Opponent has used the trade-mark BEAVER in association with articles of clothing and videos and the trade-mark EAGER BEAVER in association with accessories (crest and neckerchief) and books. There is a clear overlap in the nature of the parties' respective wares. As for their channels of trade, the evidence shows that the Opponent's wares have been distributed in authorized retail outlets. There is no evidence on the channels of trade that the Applicant would be using. In view of the similarity in the nature of the parties' respective wares, I can only assume that the Applicant's Wares would also be sold in retail outlets. Those two factors also favour the Opponent.

[21] When comparing the Mark with the Opponent's trade-mark EAGER BEAVER, the marks are identical. In so far as the Opponent's trade-mark BEAVER is concerned, as stated in

Gagné supra, the Opponent's mark BEAVER is the dominant portion of the Applicant's Mark. There is a high degree of resemblance visually and phonetically between BEAVER and the Mark. This factor also favours the Opponent.

[22] The Applicant filed the results of two searches conducted on the register: one for the trade-mark EAGER BEAVERS which reveals the existence of only one entry, namely the present application and another one for the trade-mark EAGER BEAVER which lists 11 entries. However we do not have the details of these entries except that, from the summary of the second search, we can draw the conclusion that only 4 of them were still on the register when the search was conducted on July 3, 2007. However we do not know the wares or services associated with those citations. In all, this evidence falls short from suggesting some use in Canada by third parties of the trade-mark EAGER BEAVER in association with related wares.

[23] Mr. Petkovski also filed extracts of a Toronto phone directory containing references to names of entities comprising the word "beaver". Mr. Petkovski does not provide the date of publication of the directory from which the extracts were taken. Moreover we have no evidence of use of any of the trade-names referred thereto as well as the nature of the businesses associated with these trade-names. Consequently, this evidence is also inconclusive on the state of the marketplace.

[24] From this analysis I conclude that the Applicant has failed to discharge its legal burden to prove, on a balance of probabilities, that there is no likelihood of confusion between the Mark and the Opponent's trade-marks BEAVER and EAGER BEAVER when used in association with the Wares. All factors listed under s. 6(5) of the Act favour the Opponent. Consequently I maintain the second portion of the fourth ground of opposition.

Distinctiveness

[25] The relevant date with respect to this ground of opposition is the filing date of the statement of opposition (October 3, 2006) [see *Andres Wines Ltd. and E & J Gallo Winery* (1975), 25 C.P.R. (2d) 126 at 130 and *Metro-Goldwyn-Meyer Inc. v. Stargate Connections Inc.* (2004), 34 C.P.R. (4th) 317]. The Opponent has to prove that its trade-marks BEAVER or EAGER BEAVER had become sufficiently known at that date that it negates any distinctiveness

of the Mark [*Motel 6, Inc. v. No. 6 Motel Ltd.* (1981), 56 C.P.R. (2d) 44 at 58]. Once this burden is met, the Applicant has a legal onus to show, on a balance of probabilities, that the Mark is not likely to create confusion with the Opponent's trade-marks BEAVER or EAGER BEAVER such that it is adapted to distinguish or actually distinguishes the Wares from the Opponent's wares and services throughout Canada [see *Muffin Houses Incorporated v. The Muffin House Bakery Ltd.* (1985), 4 C.P.R. (3d) 272].

[26] The Opponent's evidence summarized under the ground of opposition of entitlement (s 16 of the Act) does establish that the Opponent's trade-mark BEAVER was sufficiently known in Canada at the relevant date to negate any distinctiveness of the Mark. I wish to point out that even though the Opponent has shown prior use of the trade-mark EAGER BEAVER, I do not consider the evidence filed to be sufficient to conclude that it was sufficiently known in Canada at the relevant date in association with articles of clothing and audio or video cassettes to negate any distinctiveness of the Mark.

[27] The conclusion reached on the issue of the likelihood of confusion between the Mark and the Opponent's trade-mark BEAVER under of the ground of opposition of entitlement is equally applicable to this ground of opposition. The Mark is not adapted to distinguish nor actually distinguishes the Wares from the Opponent's wares and services. As a result the last ground of opposition is also maintained.

The Other Grounds of Opposition

[28] Given that the Opponent has already succeeded under two different grounds of opposition, it is not necessary to assess the other grounds of opposition.

Conclusion

[29] Pursuant to the authority delegated to me under s. 63(3) of the Act, I refuse the application pursuant to s. 38(8) of the Act.

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