

**IN THE MATTER OF AN OPPOSITION by Clean Duds, Inc. to  
application no. 648,307 for the trade-mark SUDS & Design filed  
by 802248 Ontario Limited c.o.b. as Suds**

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On January 8, 1990, 802248 Ontario Limited c.o.b. as Suds filed an application to register the trade-mark SUDS & Design, a representation of which appears below, based on use of the trade-mark in Canada since at least November, 1988 in association with “laundromat services”. The applicant disclaimed the right to the exclusive use of the word LAUNDROMAT apart from the trade-mark.

The trade-mark was advertised for opposition purposes in the *Trade-marks Journal* of January 30, 1991 and the opponent, Clean Duds, Inc., filed a statement of opposition on June 28, 1991. As its first ground, the opponent alleged that the trade-mark SUDS& Design is not registrable under Section 12(1)(b) of the *Trade-marks Act* because it is either clearly descriptive or deceptively misdescriptive in the English language of the character or quality of the services with which it is associated. The second ground is based on Section 16(1) of the *Trade-marks Act*, the opponent alleging that the applicant is not the person entitled to registration in that the applicant’s trade-mark is confusing with its DUDS ‘N SUDS trade-marks which are the subject of application Nos. 674,557, 674,555 and 674,556 and which trade-marks have been used or made known in Canada since at least 1984 by the opponent’s predecessor-in-title, Duds ‘N Suds Corporation, in association with franchise

services and laundromat services. As its third ground, the opponent alleged that the applicant is not the person entitled to registration of the trade-mark SUDS & Design in view of the use or making known of the trade-name DUDS 'N SUDS in Canada by the opponent's predecessor-in-title, Duds 'N Suds Corporation, since at least 1984 in association with franchise services and laundromat services. As its final ground, the opponent alleged that the applicant's trade-mark is not distinctive as it was confusing with the various DUDS 'N SUDS trade-marks and trade-name referred to above.

The applicant filed a counter statement denying the allegations set forth in the statement of opposition. Both parties filed evidence and the applicant alone filed a written argument. Further, neither party requested an oral hearing.

The opponent submitted as its evidence the affidavit of its President, Philip Akin, dated April 6, 1992. Mr. Akin states that Clean Duds, Inc. is the successor in interest to Duds 'N Suds Corporation which is now dissolved and that he was President and founder of Duds 'N Suds Corporation. According to the affiant, the service mark DUDS 'N SUDS, which is the subject matter of three registrations in the United States, has been used in the United States continuously and extensively since its adoption in April of 1983. Mr. Akin noted that the trade-mark DUDS 'N SUDS has become known both in the United States and Canada as a result of the operation of 65 stores throughout the United States and one store in Canada under the DUDS 'N SUDS marks and that the franchise began business in Canada in 1991. Mr. Akin has annexed to his affidavit photocopies of articles and advertisements from various magazines which the affiant states were published in Canada, the articles and advertisements relating to the opponent's business and dated between March of 1984 and August 31, 1987.

The applicant submitted as its evidence the affidavit of Bart Beaumont, President and owner of 802248 Ontario Limited c.o.b. as Suds, the original applicant. Mr. Beaumont states that 802248 Ontario Limited has continuously operated a laundromat in Toronto under the trade-marks SUDS and SUDS & Design and trade-name Suds since at least as early as November of 1988. According to Mr. Beaumont, 802248 Ontario Limited applied to register the trade-marks SUDS and SUDS & Design on January 8, 1990, the trade-mark SUDS proceeding to registration on February 15, 1991.

The affiant states that his company has advertised its services in the pink pages and by way of flyers distributed locally in the area of the laundromat. According to Mr. Beaumont, the trade-mark SUDS & Design has been used on signage both inside and outside of the laundromat, pictures thereof being annexed to his affidavit. Finally, the affiant asserts that on or about January 25, 1993, his company reorganized its business and transferred its trade-marks to 1014847 Ontario Limited and subsequently became a registered user of the trade-marks.

With regard to the first ground of opposition based on Section 12(1)(b) of the Act, the material date is the date of my decision [see *Lubrication Engineers, Inc. v. The Canadian Council of Professional Engineers*, 41 C.P.R. (3d) 243]. While the onus is on the applicant to prove that its trade-mark is registrable, the opponent has an initial evidentiary burden to adduce sufficient evidence to support the truth of the allegations relied upon by it in respect of this ground. In the present case, no evidence has been adduced by the opponent in support of its allegation that the trade-mark SUDS & Design is either clearly descriptive or deceptively misdescriptive of the character or quality of laundromat services. Rather, the opponent's evidence is directed solely to proving its use and making known of its own trade-marks and trade-name in Canada. As a consequence, I find that the opponent has not met the evidentiary burden upon it in respect of the Section 12(1)(b) ground and have therefore dismissed this ground of opposition.

The material date for considering each of the three grounds of opposition based on Section 16(1) of the *Trade-marks Act* is the applicant's claimed date of first use, that is, November 30, 1988. With respect to the Section 16(1)(b) ground, there is a burden on the opponent to show that it had, as of November 30, 1988, filed an application to register an allegedly confusing trade-mark in Canada. Since the trade-mark applications relied upon by the opponent were filed in January of 1991, the opponent has failed to meet the burden upon it and I have therefore dismissed this ground of opposition.

Considering next the Section 16(1)(a) ground, and having regard to the provisions of Sections 16(5) and 17(1) of the *Trade-marks Act*, the opponent must show that it had either used or made known its allegedly confusing trade-mark in Canada as of November 30, 1988 and, further, that it

had not abandoned its trade-mark as of the date of advertisement of the applicant's mark [January 30, 1991]. In order to establish that it had used its trade-mark in association with services in Canada, the opponent must show that the trade-mark was used or displayed in the performance or advertising of the services within the scope of Section 4(2) of the *Trade-marks Act*. The services must also have been available in Canada at the time of the advertisements. Mr. Akin has attached to his affidavit photocopies of numerous articles written about, or otherwise mentioning, the opponent's Duds 'N Suds laundromats, as well as some advertising for the franchise services offered by the opponent under its trade-mark. These articles are dated from 1984 to 1988 and appear to be all from United States publications which Mr. Akin asserts have circulation in Canada although no evidence has been furnished by the opponent in support of this claim. Even if I were to accept the articles and advertisements as evidence of advertising relating to the opponent's laundromat services in Canada, it is clear that the laundromat services themselves were not available in Canada until 1991. Further, the advertisements relating to the obtaining of a DUDS 'N SUDS franchise is *per se* not evidence that franchising services were being rendered in Canada by the opponent in association with its trade-mark.

In order to show that the mark has been made known in Canada in association with services in accordance with Section 5 of the Act, the opponent must prove that the trade-mark has been used in a country of the Union, that the services have been advertised in Canada and that the mark has become well known throughout Canada as a result of the advertising. The advertising can be through radio or through any publication circulated in Canada in the ordinary course of commerce among potential dealers in or users of the services. Even were I to accept the opponent's articles and advertisements as evidence that the services have been advertised in printed publications circulated in Canada, this evidence alone would not have been sufficient to support the conclusion that the opponent's trade-mark had become *well known* throughout Canada.

The remaining Section 16(1) ground is based on the opponent's allegation relating to its prior use of its trade-name in Canada. In my view, there is no evidence that the opponent's predecessor-in-title used the trade-name Duds 'N Suds Corporation in Canada. Further, with the dissolution of the opponent's predecessor, the opponent has failed to show that the trade-name had not been

abandoned as of January 30, 1991, the date of advertisement of the present application. As a result, the opponent has not met the burden upon it under Sections 16(5) and 17(1) of the *Trade-marks Act*. Accordingly, the ground of opposition under section 16(1)(c) must also fail.

The final ground of opposition related to the alleged non-distinctiveness of the applicant's trade-mark, the opponent alleging that the applicant's mark is not capable of distinguishing its services from the services of the opponent given the use that has been made of the opponent's DUDS 'N SUDS trade-marks and trade-name. The material date for considering this ground of opposition is the filing date of the statement of opposition, namely June 28, 1991 [see *Re Andres Wines Ltd. and E. & J. Gallo Winery*, 25 C.P.R. (2d) 126, at pg. 130 (F.C.A.)]. While the legal burden is upon the applicant to show that its trade-mark distinguishes its services from those of others including the opponent, there is an initial evidentiary burden on the opponent to prove the allegations of fact which it has alleged in support of its non-distinctiveness ground. In this regard, the issue arises as to whether the opponent has presented sufficient evidence to show that its trade-marks or trade-names have become known to such an extent that the distinctiveness of the applicant's mark is put into question. In addition to its evidence of articles and advertisements in various publications which Mr. Akin indicates were circulated in Canada, the opponent has relied upon the existence of a Duds 'N Suds franchise which opened in Canada in 1991. However, the excerpts from publications are of little assistance as there is no evidence as to the extent to which the publications were circulated in Canada. Further, there is insufficient evidence as to the date of opening of the Canadian Duds 'N Suds franchise in 1991 which may well have been subsequent to the date of opposition [June 28, 1991]. Absent such evidence, I am not prepared to accord any weight to the opening of the franchise in Canada. In view of these inadequacies in the opponent's evidence, I have concluded that the opponent has failed to meet the evidentiary burden upon it in respect of the final ground of opposition which I have dismissed.

Having been delegated by the Registrar of Trade-marks pursuant to Section 63(3) of the *Trade-marks Act*, I reject the opponent's opposition pursuant to Section 38(8) of the *Trade-marks Act*.

DATED AT HULL, QUEBEC, THIS 16<sup>th</sup> DAY OF OCTOBER, 1996.

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