

**IN THE MATTER OF AN OPPOSITION by
Max Mara fashion Group S.r.l. to Application
No. 803758 for the Trade-mark MAXI & CIE filed
by Provigo Distribution Inc.**

On February 2, 1996, Provigo Distribution Inc. (the «Applicant»), filed an application, based on proposed use, to register the trade-mark MAXI & CIE. (the «Mark») in association with: periodic product advertising circulars (the “Wares”) and the services inherent to or incidental to the operation of food chain supermarket businesses; services inherent to or incidental to the operation of retail department businesses; services inherent to or incidental to the operation of a computer centre; retail photography store and film processing services; audio and video rental services; retail optical store and opticians' and optometrists' services; the operation of a pharmacy and pharmacists' services; the operation of a restaurant and snack bar services; dry cleaning services; the operation of a flower shop; the operation of a business centre providing access to automatic telling machines allowing the user to transact directly with banks and other financial institutions (the “Services”).

The application was advertised on March 26, 1997, for opposition purposes. On August 20, 1997, Max Mara Fashion Group S.r.l. (the «Opponent») filed a statement of opposition in which the grounds of opposition can be summarized as follows:

- 1) The Mark is not registrable as it is confusing with the Opponent’s registered trade-mark MAX & CO., registration number TMA435440, for use in association with women’s clothing, women’s footwear, headgear, leather and imitation of leather; animal skins, trunk and suitcases, bags, parasols, umbrellas and canes;
- 2) The Applicant is not the person entitled to registration as at the date of filing of the application, the Mark was confusing with the Opponent’s trade-mark MAX & CO. which had been previously used in Canada by the Opponent (Section 16(3)(a) of the Trade-Marks Act (the “Act”)) and for which an application for registration, number 788370,

had been previously filed by the Opponent (Section 16(3)(b) of the Act);

- 3) The Mark is not distinctive in that it is not adapted to distinguish the wares and services of the Applicant from those of the Opponent, since the Mark is confusing with the Opponent's trade-mark MAX & CO.;
- 4) The Application does not conform to the requirements of Section 30 of the Act in that the application does not contain a statement in ordinary terms of the specific wares or services in association with which the Mark is proposed to be used.

The Applicant filed on October 16, 1997, a counter statement denying the grounds of opposition. Both parties filed written submissions and were represented at the hearing.

The evidence

The Opponent filed the affidavit of Deborah Rathwell. An affidavit of Luigi Maramotti was also filed but was returned to the Opponent pursuant to Rule 44(5) of the Trade-marks Regulations, (the "Regulations") as it was unable to provide Mr. Maramotti for cross-examination.

The Applicant filed the affidavit of Marie-France Gibson together with exhibits MG-1 to MG-9.

The Opponent produced the affidavit of Jo-Anne Kennedy as reply evidence. The Applicant objected to the filing of such affidavit on the ground that it did not constitute proper reply evidence. By a decision rendered on April 5, 2001, the Board ruled that the Hearing Officer should decide this issue at the final decision stage. I shall dispose of this matter after summarizing the pertinent extracts of the affidavits filed in the record.

Ms. Rathwell has been employed as a secretary by the Opponent's agents firm. She filed a certificate of authenticity of registration number TMA435440 for the trade-mark MAX & CO., owned by the Opponent, registered in association with women's clothing, namely, suits, dresses, jackets, blazers, coats, raincoats, shirts, skirts, sweaters, vests, pants, jeans, shorts, trousers, T-shirts, hosiery, shawls,

scarves, neckties, gloves, belts; women's footwear, namely, shoes, boots; headgear, namely, hats, rain hats; leather and imitation leather; animal skins; trunks and suitcases; bags, namely, handbags; parasols, umbrellas and canes. She also filed a certificate of authenticity for application bearing number 788370 for the trade-mark MAX & CO. attesting that such application was filed on July 21, 1995 for registration in association with, inter alia, cosmetics and beauty products, watches, spectacles, glasses and sunglasses, bags, briefcases, umbrellas, wallets and purses, bed sheets, blankets, bed covers, pillow cases, table covers, napkins, towels, dishcloths, all articles that could be found in a retail departmental store, as well as computers.

She also filed a certificate of authenticity for each of the following registered trade-marks owned by the Opponent:

TMA276972	MAX MARA & Design	women's clothing
TMA348867	MAX MARA & Design	perfume and leather articles
TMA496128	MAX MARA	cosmetics and beauty products
TMA357522	SPORTMAX	women's clothing
TMA363324	SPORTMAX & Design	beauty products, leather articles Bags, handbags, belts, parasols, umbrellas and canes
TMA310091	SPORTMAX	women's clothing
TMA338395	WEEKEND BY MAX MARA	clothing and accessories, handbags and purses, cosmetics.

It should be noted that the Opponent did not refer to any of these registrations in its statement of opposition nor did it seek leave to amend it in order to be able to raise as possible additional grounds of opposition the existence of these registrations or of a family of trade-marks.

Ms. Gibson has been the Applicant's Vice-President Marketing. The Applicant operates supermarkets and large surface grocery stores in association with the trade-marks MAXI and MAXI & CIE. Two thirds of the surface of the MAXI & CIE stores are used for the sale of food products and the balance for the sale of kitchenware, books, compact discs, cosmetics and other articles. Services are also provided such as dry cleaning, banking and pharmacy services. The first store operating under the trade-mark MAXI & CIE (NOTE: the affiant is referring to the Mark without a period at the end of

CIE . Such difference will not have an impact on my decision as the use of MAXI & CIE could well be considered use of the Mark in view of *Promafil Canada Ltée v. Munsingwear Inc.(1992), 44 C.P.R. (3d) 59*) opened in September 1996 in the province of Quebec. There are no products sold by the Applicant in association with the Mark. As of April 2000, there were 14 stores operating in the province of Quebec by the Applicant in association with the Mark. The total sales between September 1996 and September 1999 of all stores operated by the Applicant in association with the Mark were over 870 million dollars while over 13 million dollars were spent during the same period in marketing campaigns on radio, television and in flyers to promote the Mark in association with large surface grocery stores.

She filed a sample of a promotional brochure for the opening of a store in Pointe-Claire, Quebec in October 1997 (Exhibit MG-3). Samples of magazines entitled MAXI, MAXI & CIE and MAXIMAG were also annexed to her affidavit in which there are references to products and services found in the MAXI & CIE stores. Exhibit MG-9 is a photograph of a typical sign placed on the facade of each MAXI & CIE store.

She filed a copy of certificate of registration TMA509645 for the trade-mark MAXI & CIE and Design, registered on March 19, 1999, illustrated hereinafter:



in association with the Wares and Services.

She alleges that the Applicant is the owner of a family of trade-marks having as a component the word MAXI and filed as exhibits a copy of the certificates of registration or a copy of an application for the following trade-marks:

MAXI	TMA346072
MAXI & Design	TMA489766

MAXI & Design TMO1,029,042
MAXI & Design TMA460455

She alleges that the Applicant has operated, since 1984 in the province of Quebec, smaller grocery stores in association with the trade-mark MAXI. There are no sales figures for these stores provided by the Applicant.

I shall disregard the remainder of her affidavit, as it constitutes either arguments in law or opinion and not facts.

Ms. Kennedy is a trade-mark searcher employed by the Opponent's agents firm. She is alleging that the Opponent owns all the trade-marks listed in the Rathwell's affidavit, filed as the Opponent's evidence, plus two other trade-marks. I have to determine if her affidavit does constitute proper reply evidence. In view of the content of Ms. Gibson's affidavit as summarized above, I conclude that the content of the Kennedy's affidavit is not proper reply evidence as contemplated by Rule 43 of the Regulations. It was open to Ms. Rathwell to include in her first affidavit the two additional trade-marks owned by the Opponent. I shall therefore disregard, for the purpose of this decision, the content of Ms. Kennedy's affidavit.

The law

The legal burden is upon the Applicant to show that its application complies with the provisions of Section 30 of the Act, but there is however an initial evidential burden on the Opponent to establish the facts relied upon by it in support of its grounds of opposition. Once this initial burden is met, the burden shifts to the Applicant who must prove that the particular grounds of opposition should not prevent registration of the Mark [See *Joseph E. Seagram & Sons Ltd. et al v. Seagram Real Estate Ltd.*, (1984) 3 C.P.R. (3d) 325, at pp. 329-330; and *John Labatt Ltd. v. Molson Companies Ltd.*, (1990) 30 C.P.R. (3d) 293].

The material time for considering the issue of non-entitlement based on Subsection 16(3) of the Act is the filing date of the application (February 2, 1996) [Section 16 of the Act]. The material date for assessing the issue of distinctiveness is generally accepted to be the date of filing of the opposition (August 20, 1997) while registrability under 12(1)(d) must be assessed as of the date of my decision. [See *Andres Wines Ltd. and E&J Gallo Winery (1975)*, 25 C.P.R. (2d) 126 at 130 (F.C.A.) and *Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd. (1991)*, 37 C.P.R. (3d) 413 at 424 (F.C.A.)]

The Opponent failed to file any evidence of use of its trade-mark MAX & CO. prior to the material dates with respect to the second ground of opposition, in so far as Section 16(3)(a) is concerned, and the third ground of opposition. Therefore those grounds of opposition are dismissed for failure by the Opponent to meet its initial onus of proof.

As for the fourth ground of opposition based on Section 30(a) of the Act, the former Chair of the Opposition Board, Mr. Gary Partington, in *Everything for a Dollar Store (Canada) Inc v. Dollar Plus Bargain Centre Ltd, (1998)* 86 C.P.R. (3d) 269 stated:

“As for the test to be applied under section 30(a) of the Act, the former Registrar of Trade-marks stated in *Dubiner v. Heede International Ltd. (1975)*, 23 C.P.R. (2d) 128 (T.M.O.B.), that an applicant in its application "must clearly set forth wares or services as they are customarily referred to in the trade" (emphasis added). In *McDonald's Corp. v. M.A. Comacho-Saldana International Trading Ltd. (1984)*, 1 C.P.R. (3d) 101 (T.M.O.B.) at p. 104, the Hearing Officer concluded that it was only necessary for the opponents to present sufficient argument in order to meet the initial burden on the opponents in respect of a section 30(a) ground of opposition.

While a statement of services may be more difficult to define in terms of the specific services as contrasted to a statement of wares, section 30(a) of the Trade-marks Act does require a measure of specificity in respect of the services covered in a trade-mark application where it is reasonable to expect that a specific statement of services in ordinary commercial terms can be provided by an applicant (see *Sentinal Aluminium Products Co. v. Sentinel Pacific Equities Ltd. (1983)*, 80 C.P.R. (2d) 201 (T.M.O.B.)). Thus, in *Stanhope Inc. v. Les Encheres Stanley Inc. (1983)*, 82 C.P.R. (2d) 20 (T.M.O.B.), it was found that the applicant's statement of services of "operating a business specializing in the retail sale of classes of household and commercial wares" sufficiently defines the nature of the services being rendered without the necessity of the applicant delimiting the products being sold either in

specific terms or by way of general categories. Likewise, in *S.C. Johnson and Son, Inc. v. Peerless Carpet Corp.*, a yet unreported Opposition Board decision dated September 25, 1997 [now reported *79 C.P.R. (3d) 558*], it was [page274] concluded that the "operation of a business dealing in the manufacture, marketing, distribution and sale of floor coverings, carpets, adhesives and carpet installation systems . . ." by itself sufficiently defines the nature of the services being rendered without the necessity of the applicant delimiting the "floor covering" in specific terms. Also, in *Pro Image Sportswear Inc. v. Pro Image, Inc. (1992)*, *42 C.P.R. (3d) 566 (T.M.O.B.)*, it was concluded that the applicant is not required to identify in its application the nature of the "sporting goods" associated with its services in order to meet the requirements of section 30(a) of the Trade-marks Act." (Emphasis added)

The Opponent argues that the Gibson affidavit fails to adequately establish whether the Services are offered for the benefit of a third party. The application is based on proposed use and as such the Applicant does not have to establish, at this stage, that the Services will be provided for the benefit of third parties. In any event, the brochures MG-3, MG-4 and MG-5 show that the Applicant is providing the Services for the benefit of its clients. As for the description of the Services, it complies with the test set out in *Everything for a Dollar Store (Canada) Inc, supra*.

The Opponent argues moreover, under the umbrella of the provisions of Section 30(a) of the Act, that the Applicant failed to establish that "periodic product advertising circulars" are wares that are transferred in the ordinary course of trade. It alleges that the evidence "...indicates that circulars, such as the example shown in Exhibit MG-4 to the Gibson's affidavit, are freely distributed to consumers for the sole purpose of promoting the Applicant's services".

At the filing stage of its application, the Applicant has the obligation to satisfy the Registrar that its application complies with the requirements of Section 30(a) of the Act, namely that the application must contain a description of the wares in ordinary commercial terms. The question as to whether circulars should be considered as wares or as incidental to services has been the subject of several decisions. [See for example *Joseph Seagram & Sons Ltd. v. Cosby Distilleries Ltd. (1978)* *42 C.P.R. (2d) 264*, *Time Inc. v. Saskatchewan Wheat Pool, (1991)* *37 C.P.R. (3d) 174*, *Barrigar & Oyen v. Apache Communications International Corp., (1994)* *58 C.P.R. (3d) 123*, *Gowling, Strathy & Henderson v. Royal Bank of Canada, (1995)* *63 C.P.R. (3d) 322*, *Now Communications Inc. v. Chum Ltd., (2000)* *5 C.P.R. (4th) 275* and *Mutual Investco Inc. v.*

Knowledge is Power Inc., (2001) 14 C.P.R. (4th) 117] This question was put forward however in the context of “use” of a mark, under either Section 30(b) of the Act when an opponent is challenging the date of first use of the mark applied for, or when an opponent is relying on an earlier date of first “use” or when the registered owner of a mark has to show use of its mark after receiving a notice from the Registrar under Section 45 of the Act. Therefore I conclude that the issue raised by the Opponent is premature, as the Applicant does not have to establish use of the Mark, as defined in the Act, at this stage since it was filed on the basis of proposed use. The critical date as mentioned above, under this ground of opposition, is the filing date of the application. Any evidence of facts occurring after such date is irrelevant for the purpose of such ground of opposition. If the application had been filed based on use, I would have had to determine if the Applicant was making use of the Mark in association with the Wares or if it was incidental to the Services provided by the Applicant. The Opponent’s fourth ground of opposition is therefore dismissed.

Confusion is a key issue to the remaining grounds of opposition, namely registrability (Section 12(1)(d) of the Act) and entitlement to registration of the Mark (Section 16(3)(b)). On the issue of registrability of the Mark, I shall only consider the likelihood of confusion with the Opponent’s registered trade-mark MAX & CO., certificate of registration TMA435440, as the statement of opposition does not refer to any other registered trade-marks of the Opponent. The Registrar does not have jurisdiction to rule on a ground of opposition not raised in the statement of opposition. [See ***Imperial Developments Ltd. v. Imperial Oil Ltd., (1984) 79 C.P.R. (2d) 12***]

In order to determine whether the Mark is confusing with the Opponent’s Registered Trade-mark, or its pending application, Section 6(5) of the Act directs the Registrar to have regard to all of the surrounding circumstances, including: 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.

The burden of proof lies on the Applicant who must convince the Registrar, on a balance of probabilities, that there is no likelihood of confusion between the Mark and the Opponent's registered trade-mark at the abovementioned relevant dates [see *Sunshine Biscuits Inc. c. Corporate Foods Ltd. (1982)*, 61 C.P.R. (2d) 53 and *Christian Dior, S.A. v. Dion Neckwear Ltd [2002] 3 C.F.405*].

It has been established that the criteria listed in section 6(5) of the Act are not exhaustive and it is not necessary to give each one of them equal weight [See *Clorox Co. v. Sears Canada Inc. (1992)*, 41 C.P.R. (3d) 483 (F.C.T.D.) and *Gainers Inc. v. Marchildon (1996)*, 66 C.P.R.(3d) 308 (F.C.T.D.)].

In considering the similarity of trade marks it has been held repeatedly that it is not the proper approach to set the marks side by side and to critically analyze them for points of similarities and differences, but rather to determine the matter in a general way as a question of first impression. Mr. Justice Cattanach describe the test of confusion in the following words in *Canadian Schenley Distilleries Ltd. v. Canada's Manitoba Distillery Ltd. (1975)*, 25 C.P.R. (2d) 1:

«To determine whether two trade marks are confusing one with the other it is the persons who are likely to buy the wares who are to be considered, that is those persons who normally comprise the market, the ultimate consumer. That does not mean a rash, careless or unobservant purchaser on the one hand, nor on the other does it mean a person of higher education, one possessed of expert qualifications. It is the probability of the average person endowed with average intelligence acting with ordinary caution being deceived that is the criterion and to measure that probability of confusion the Registrar of Trade Marks or the Judge must assess the normal attitudes and reactions of such persons. not for the purpose of determining similarities and differences but rather to assess the attitude of the average reasonable purchaser of the wares as a matter of first impression.»

I shall examine the issue of confusion in the context of registrability of the Mark first and then under entitlement to the registration because of the difference in the material dates and in the list of wares covered by certificate of registration 435440 and application 788370.

Hearing Officer M. Herzig in an opposition to the registration of the Opponent's trade-Mark MAX & CO., application number 788370 which forms the basis of the second ground of opposition, made the following comments with respect to the Opponent's trade-mark MAX & CO.:

“The applied for mark MAX & CO. possesses little inherent distinctiveness as the dominant portion of the mark would be perceived either as the name of a person or as a laudatory term formed by truncating the word “maximum.” The subject application for MAX & CO. is based on use and registration abroad and there is no evidence that the applied for mark had become known in Canada at any material date. Accordingly, the extent to which the parties’ marks have become known in Canada favours the opponent.”

I adopt such finding and conclude that the Opponent’s trade-mark possesses little inherent distinctiveness. Moreover, there is no evidence to determine to what extent the Opponent’s trade-mark has become known in Canada.

The Mark is comprised of a truncated version of the word “maximum” and the French abbreviation for the word “company”. As such the Mark also possesses a low degree of inherent distinctiveness. The sales figures of the Applicant’s supermarkets operated in the Province of Quebec under the Mark are quite impressive. There is evidence of “use” of the Mark since at least September 1996 in association with the services inherent to or incidental to the operation of food chain supermarket businesses. The Mark is known, at least in the Province of Quebec in association with such services, and as such this factor favours the Applicant.

In general, when considering the nature of the wares, services and trades of the parties, it is the statement of wares or services in the parties' trade-mark application or registrations that governs in respect of the issue of confusion arising under subsection 12(1)(d) (See *Mr. Submarine Ltd. v. Amandista Investments Ltd. (1987)*, 19 C.P.R. (3d) 3 (F.C.A.); *Miss Universe, Inc. v. Bohna (1984)*, 58 C.P.R. (3d) 381 (F.C.A.)). However, evidence of the actual trades of the parties could be useful in reading the statement of wares/services with a view to determining the probable type of business or trade intended by the parties rather than all possible trades that might be encompassed by the wording (*McDonald's Corp. v. Coffee Hut Stores Ltd. (1996)*, 68 C.P.R. (3d) 168 (F.C.A.) and *McDonald's Corp. v. Silcorp Ltd. (1989)*, 24 C.P.R. (3d) 207 (F.C.T.D.)).

There is no evidence filed by the Opponent to enable the Registrar to draw a conclusion on the nature of its business. On the other hand there is, in the evidence filed by the Applicant, some indications as to the nature of the business operated by the Applicant in association with the Mark,

and on this issue, Exhibit MG-3 is quite relevant. It consists of a flyer to promote the opening of one of the Applicant's stores operated in association with the Mark, which when unfolded depicts a caricatured representation of the various departments to be found in a typical store operated under the Mark.

There is an area identified under the headings: Health & Beauty in which it is reasonably probable that cosmetics, health care and beauty products could be sold. In fact on the cover page of MG-3 there is an illustration of a lipstick container wherein the lipstick has been replaced by the head of an asparagus and on one of the inside pages there are cosmetics, deodorants and eau de cologne illustrated. There is no restriction in the description of the Services that would prevent the Applicant from offering for sale those types of wares as well as articles of clothing. There is therefore an overlap between such wares and the services inherent to or incidental to the operation of retail department businesses. [See *Wall Mart Stores, Inc v. Tough Stuff Distributors, Inc, (1999) 1 C.P.R. (4th) 271*]

The Mark and the Opponent's registered trade-mark MAX &CO. are quite similar visually and when the word MAX is taken as an abbreviation for the word "maximum" the marks in issue have virtually the same meaning since the word MAXI could also be viewed as an abbreviation for maximum. The second portion of the marks are identical in the idea suggested as they both stand, in French (CIE) and in English (CO), for the word "company".

As an additional surrounding circumstance the Applicant argues that it has already obtained a registration for the trade-mark MAXI & CIE and design. I adopt the position taken by the former Chairperson of the Board, G. W. Partington in *Groupe Lavo Inc. v. Proctor & Gamble Inc., (1990) 32 C.P.R. (3d) 533*, at p. 538 on this issue:

"As a further surrounding circumstance, the applicant pointed to the fact that it was the registered owner of the registered trade marks LAVA, registration No. UCA18486 and LAVA, registration No. NFLD2894, both as applied to soap. However, as pointed out by the hearing officer in *Coronet-Werke Heinrich Schlerf GmbH v. Produits Menagers Coronet Inc. (1984), 4 C.P.R. (3d) 108 at p. 115*, s. 19 of the Trade-marks Act does not give the owner of a registration the automatic right to obtain any further registrations no matter how closely they may be related to the original registration."

There might be all sorts of reasons as to why the Opponent did not oppose the application which lead to the registration of MAXI & CIE and Design. At this stage it would be pure speculation on my part to comment on any of them. I shall therefore not take into consideration such additional surrounding circumstance.

I therefore maintain the Opponent's first ground of opposition only with respect to the services inherent to or incidental to the operation of retail department businesses as there exists, on a balance of probabilities, a likelihood of confusion between the Mark and the Opponent's trade-mark MAX & CO in so far as those services are concerned. The Applicant has however discharged its burden to prove on a balance of probabilities that there is no likelihood of confusion between the Mark and the Opponent's registered trade-mark MAX & CO. with respect to the Wares and the other services covered by the present application.

The last portion of the second ground of opposition still has to be examined. The Opponent has established that its application 788370 was still pending at the time of advertisement of the present application as it appears from the certificate of authenticity dated May 5, 1998, filed by the Opponent with respect to such application [Section 16(4) of the Act]. The same conclusions reached above with respect to the inherent distinctiveness of the marks in issue and the extent to which they have become known, the length of time they have been in use and the degree of resemblance would still apply.

On the Applicant's flyer under the title "A Lot More Than a Grocery Store", exhibit MG-3, there is a reference to software that could be purchased in such department store. The wares covered by application 788370 are different than those covered by registration 435440. When comparing the Services with the wares covered by application 788370, I conclude that there is an overlap between the Applicant's services inherent to or incidental to the operation of retail department businesses, services of a retail optical store and opticians and optometrists as well as the services of the operation of a computer centre and the Opponent's wares listed above that could be sold in a department store as well as computers, spectacles, glasses and sunglasses covered by application 788370.

On the basis of the evidence filed, I maintain the Opponent's second ground of opposition based on Section 16(3)(b) of the Act, but only in so far as services inherent to or incidental to the operation of retail department businesses; services inherent to or incidental to the operation of a computer centre and retail optical store and opticians' and optometrists' services are concerned. I reach this conclusion on the basis that, on the balance of probabilities, there is a likelihood of confusion between the Mark and the Opponent's trade-mark MAX & CO. the subject of Application 788370, only in so far as those services are concerned.

Having been delegated authority by the Registrar of Trade-marks by virtue of Section 63(3) of the Act, and applying the principles enunciated in the case of *Produits Ménagers Coronet Inc. v. Coronet Werke Heinrich SCH (1986) 10 C.P.R. (3d) 482*, I refuse, pursuant to Subsection 38(8) of the Act, the Applicant's application for the registration of the Mark, only with respect to the following services:

“ Services inherent to or incidental to the operation of retail department businesses, services inherent to or incidental to the operation of a computer centre and retail optical store and opticians' and optometrists' services”.

DATED, IN MONTREAL, QUEBEC, THIS DAY 2nd DAY OF JULY 2004.

Jean Carrière,
Member,
Trade-mark Opposition Board