IN THE MATTER OF AN OPPOSITION by Anacomp Inc. to application No. 743,675 for the trade-mark XIDEX filed by THE HOUSER & SWIRE GROUP INC.

On December 21, 1993, the applicant, THE HOUSER & SWIRE GROUP INC., filed an application to register the trade-mark XIDEX based upon use of the trade-mark in Canada since January 1992 in association with:

> "Computer supplies, namely, diskettes, equipment covers, data tape cassettes and cartridges, floppy disks, magnetic cards and disks; computer hardware and software, monitors, reading disks, keyboards, joy sticks, printers, and other accessories, namely, modems, extension cable packs, electronic surge protector, computer care kits, baskets, foot supports, power bars, anti-static mats, radios, television, VCRs and cellular telephones."

The present application was advertised for opposition purposes in the ***Trade-marks Journal*** of November 9, 1994 and the opponent, Anacomp Inc., filed a statement of opposition on April 10, 1995, a copy of which was forwarded to the applicant on June 7, 1995. The applicant served and filed a counter statement on July 7, 1995. The opponent submitted as its evidence the affidavit of Paul Jarvis, together with certified copies of registration Nos. 245,409 and 433,154 and a certified copy of a letter dated November 1, 1991 issued by the Trade-marks Office under Section 45 of the ***Trade-marks Act*** in respect of registration No. 245,409. Further, the opponent was subsequently granted leave by the Opposition Board to replace the Jarvis affidavit with a corrected affidavit of Paul Jarvis dated August 14, 1996. The applicant submitted as its evidence the affidavit of Lorenzo Tartamella. The opponent alone submitted a written argument and neither party requested an oral hearing.

The first ground of opposition is based on Section 30 of the ***Trade-marks Act***, the opponent alleging that:

> (i) The application does not comply with Subsection 30(b) of the ***Act*** in that the applicant has not used the trade-mark XIDEX in Canada in association with the wares listed in the present application since January 1992;
>
> (ii) The application does not comply with Subsection 30(i) of the ***Act*** in that the applicant could not have been satisfied that it was entitled to use the trade-mark XIDEX in Canada in association with the wares described in the application because the applicant is, and has been since prior to the filing of the present application, aware of the opponent's trade-mark registration No. 245,409 and trade-mark application No. 732,275 (now registration No. 433,145) and the use in Canada by the opponent and its predecessors-in-title, Xidex Corporation (a Delaware corporation)

> and Xidex Corporation (a Delaware corporation), of the trade-mark XIDEX in association with diazo and vesicular heat developing duplicating microfilm, since prior to January 1992, the applicant's trade-mark being confusing with registration No. 245,409 and application No. 732,275 and with its trade-mark XIDEX used in Canada by the opponent and its predecessors-in-title in association with diazo and vesicular heat developing duplicating microfilm.

While the legal burden is upon the applicant to show that its application complies with Section 30 of the ***Trade-marks Act***, there is an initial evidential burden on the opponent to establish the facts relied upon by it in support of its Section 30 grounds [see ***Joseph E. Seagram & Sons Ltd. et al v. Seagram Real Estate Ltd.***, 3 C.P.R. (3d) 325, at pp. 329-330; and ***John Labatt Ltd. v. Molson Companies Ltd.***, 30 C.P.R.(3d) 293]. In this regard, the opponent may rely upon the applicant's affidavit evidence to meet its evidential burden in relation to this ground. In such a case, however, the opponent must show that the applicant's evidence is 'clearly' inconsistent with the applicant's claims set forth in its application. The material time for considering the circumstances respecting the issues of non-compliance with Section 30 of the ***Act*** is the filing date of the application [see ***Georgia-Pacific Corp. v. Scott Paper Ltd.***, 3 C.P.R.(3d) 469, at p. 475].

No evidence has been furnished by the opponent in support of its Subsection 30(b) ground and, while the applicant's evidence shows use of its trade-mark XIDEX only in association with diskettes, this evidence is not 'clearly' inconsistent with the claim that it has used the trade-mark XIDEX in Canada since January of 1992 in association with all the wares identified in the present application. I have therefore dismissed this aspect of the first ground.

With respect to the Subsection 30(i) issue, the opponent's evidence points to the applicant's trade-mark agents having requested the Registrar to forward a Section 45 notice to Xidex Corporation in relation to the registered trade-mark XIDEX Design, registration No. 245,409. Further, the evidence shows that the Trade-marks Office issued the Section 45 notice on November 1, 1991, more than two years prior to the filing date of the present application [December 21, 1993]. While it arguably might be inferred that the applicant was aware of the opponent's registered trade-mark prior to filing the present application, the applicant could nevertheless have been satisfied that it was entitled to use its trade-mark XIDEX in Canada on the basis that there would be no reasonable likelihood of confusion between its mark and the opponent's trade-marks XIDEX and XIDEX

Design. Thus, the success of this ground is contingent upon a finding that the applicant's trade-mark is confusing with one or other of the opponent's trade-marks, as alleged in the remaining grounds of opposition [see ***Consumer Distributing Co. Ltd. v. Toy World Ltd.***, 30 C.P.R. (3d) 191, at p. 195; and ***Sapodilla Co. Ltd. v. Bristol-Myers Co.***, 15 C.P.R. (2d) 152, at p. 155]. I will therefore consider the remaining grounds relied upon by the opponent.

As its second ground, the opponent has alleged that the applicant's trade-mark XIDEX is not registrable in view of Paragraph 12(1)(d) of the ***Trade-marks Act*** in that it is confusing with the registered trade-marks XIDEX and XIDEX Design, registration Nos. 433,154 and 245,409. In assessing whether there would be a reasonable likelihood of confusion between the trade-marks at issue, the Registrar must have regard to all the surrounding circumstances including, but not limited to, those specifically enumerated in Subsection 6(5) of the ***Trade-marks Act***. Further, the Registrar must bear in mind that the legal burden is upon the applicant to establish that there would be no reasonable likelihood of confusion between its trade-mark XIDEX and the opponent's trade-marks XIDEX and XIDEX Design as of the date of decision, the material date in respect of the Paragraph 12(1)(d) ground of opposition [see ***Park Avenue Furniture Corp. v. Wickes/Simmons Bedding Ltd. et al***, 37 C.P.R. (3d) 413 (F.C.A.)].

With respect to the inherent distinctiveness of the trade-marks at issue [Para. 6(5)(a)], both the applicant's trade-mark XIDEX and the opponent's trade-marks XIDEX and XIDEX Design are inherently distinctive as applied to the respective wares of the parties. Further, while the applicant has shown that it has used its trade-mark XIDEX in Canada in association with diskettes, the Tartamella affidavit fails to provide any information from which I could determine the extent to which the applicant's trade-mark has become known in this country. I have concluded, therefore, that the applicant's mark has not become known to any measurable extent in Canada. On the other hand, the Jarvis affidavit establishes that the opponent's trade-mark XIDEX has become known in Canada with sales of its diazo and vesicular duplicating microfilm from 1988 to 1995 inclusive exceeding $22,800,000. Thus, the extent to which the trade-marks at issue have become known [Para. 6(5)(a)] clearly favours the opponent. Likewise, the length of time the trade-marks at issue have been in use [Para. 6(5)(b)] is a further factor weighing in the opponent's favour, the applicant

having commenced use of its trade-mark XIDEX in January 1992 whereas the opponent's evidence shows that it has used its trade-mark XIDEX in Canada since at least 1988.

As for the degree of resemblance between the trade-marks at issue [Para. 6(5)(e)], the applicant's trade-mark XIDEX is identical to the opponent's trade-mark XIDEX and very similar to the opponent's XIDEX Design mark. Thus, the degree of resemblance between the trade-marks of the parties is yet another factor which favours the opponent. The only remaining criteria under Subsection 6(5) of the ***Act*** are the nature of the wares [Para. 6(5)(c)] of the parties and the nature of the trade [Para. 6(5)(d)] associated with the trade-marks at issue. In this regard, the opponent's registered trade-mark XIDEX Design, registration No. 245,409 covers "Unexposed roll and sheet microfilm, engineering reprographic film" while the registered trade-mark XIDEX, registration No. 433,154, covers "Diazo and vesicular heat developing duplicating microfilm". These wares bear little similarity to any of the wares covered in the present application which include "Computer supplies, namely, diskettes, equipment covers, data tape cassettes and cartridges, floppy disks, magnetic cards and disks; computer hardware and software, monitors, reading disks, keyboards, joy sticks, printers, and other accessories, namely, modems, extension cable packs, electronic surge protector, computer care kits, baskets, foot supports, power bars, anti-static mats, radios, television, VCRs and cellular telephones."

In his affidavit, Paul Jarvis, General Manager of Anacomp Canada Inc., the Canadian distributor of the opponent's XIDEX diazo and vesicular heat developing duplicating microfilm, states that his company also distributes the opponent's open reel computer tape, as well as servicing and distributing the opponent's microfiche camera systems and roll film duplicators. The Jarvis affidavit is silent as to whether the trade-mark XIDEX is associated with these wares or services and, from exhibit B to the affidavit, it would appear that such is not the case. Furthermore, while open reel computer tape would appear to be related to the applicant's computer supplies, there is no evidence as to the extent of sales in Canada of these wares. Also, even if the mark XIDEX were associated with the services provided by Anacomp Canada Inc., such use of the mark would not accrue to the benefit of the opponent as no evidence of a license arrangement between the opponent and Anacomp Canada has been adduced by the opponent. As a result, this evidence is of little

assistance in assessing the likelihood of confusion between the applicant's mark and the opponent's registered trade-marks.

As for the channels of trade associated with the trade-marks at issue, Mr. Jarvis in his affidavit states that the opponent's diazo and vesicular heat developing duplicating microfilm are distributed by his company to financial institutions, telephone companies and other businesses having image duplicating requirements. In his affidavit, Lorenzo Tartamella states that the applicant's customers are varied and include associations, individuals, private corporations, public corporations, legal and professional firms, and small and medium sized businesses. There would, therefore, appear to be a potential overlap in the respective customers of the parties. Further, I would expect that those persons who might purchase the opponent's wares on behalf of those businesses or firms which have image duplicating requirements would be the same persons who are involved in the acquisition of computer supplies for their companies or institutions.

Given the inherent distinctiveness of the opponent's trade-mark and the fact that it has become known to a fair extent in Canada, and bearing in mind that there could be a potential overlap in the channels of trade of the parties, I am left in a state of doubt in relation to the issue of confusion in this case. Consequently, I must resolve that doubt against the applicant which has the legal burden upon it to satisfy the Registrar that there would be no reasonable likelihood of confusion between its trade-mark XIDEX and the opponent's identical trade-mark XIDEX.

In view of the above, and having been delegated by the Registrar of Trade-marks by virtue of Subsection 63(3) of the ***Trade-marks Act***, I refuse the present application pursuant to Subsection 38(8) of the ***Trade-marks Act***.

DATED AT HULL, QUEBEC, THIS 26th DAY OF APRIL, 1999.

G.W. Partington,
Chairperson,

Trade-marks Opposition Board