

**IN THE MATTER OF AN OPPOSITION
by Easy Heat Ltd. to application
no. 1069051 for the trade-mark
SPIRAX EASIHEAT filed by
Spirax-Sarco Limited**

On July 27, 2000, the applicant Spirax-Sarco Limited filed an application to register the trade-mark SPIRAX EASIHEAT, based on proposed use in Canada, for industrial steam and compressed air equipment. The subject application claims a priority filing date, pursuant to Section 34 of the *Trade-marks Act*, based on the filing of an analogous application in the United Kingdom on May 3, 2000.

The Examination Section of the Trade-marks Office raised several objections to the application including (i) the wares were not described in specific terms and (ii) the applied for mark was confusing with the registered mark EASY-HEAT used in association with various electric heating equipment. In response, the applicant submitted a revised application describing the wares in more specific terms, and argued that its mark SPIRAX EASIHEAT was not confusing with the cited mark EASY-HEAT because (i) the marks themselves were significantly different and (ii) the marks were used for apparatus that had different applications. The Office accepted the applicant's revisions and arguments. The subject application was subsequently advertised for opposition purposes in the *Trade-marks Journal* issue dated June 26, 2002. The application was opposed by Easy Heat Ltd., the owner of the cited mark EASY-HEAT referred to above, on July 24, 2002. The applicant responded by filing and serving a counter statement.

During the course of this proceeding, the applicant further revised its wares as follows:

heat exchangers (for steam to water, water to water, oil to water heat exchanger systems);

plate heat exchanger;

products used in connection with heat exchangers namely steam traps, separators, control valves, isolation valves, stop valves, check valves, pressure reducing valves, strainers;

heat exchanger parts and fittings for all the aforesaid goods including temperature controllers, pump traps, high limit controllers, gaskets, and pipelines and pipeline ancillaries.

During the course of this proceeding the opponent was twice granted leave to amend its statement of opposition: see the Board rulings dated June 20, 2003 and January 15, 2004. The applicant responded by submitting a revised counter statement dated June 12, 2003.

STATEMENT OF OPPOSITION

The grounds of opposition may be summarized as follows:

(a) The application does not comply with Section 30(i) of the *Trade-marks Act* because the applicant must have had knowledge of the opponent's trade-mark EASY-HEAT.

(b) The application does not comply with Section 30(e) of the *Act* because the applicant did not intend to use the applied for mark SPIRAX EASIHEAT. Rather, the applicant has adopted and has been using the mark EASIHEAT.

(c) The applied for mark is not registrable, pursuant to Section 12(1)(d) of the *Act*, because it is confusing with the opponent's trade-mark EASY-HEAT (no. 166,075 registered on November 7, 1969) covering the wares

electric heat bands, electric roof cable kits, electric stock tank heaters, electric copper tube heaters, electric concrete floor heaters, portable heat mats, electric soil cables, electric seed starter kits,

electric snow melting cable, electric snow melting mats, electric heating cable, power switches, power contractors, mineral insulated heating cables, thermostats.

(d) The applicant is not entitled to register the applied for mark, pursuant to Section 16(3)(a) of the *Act*, because at the date of filing the mark SPIRAX EASIHEAT was confusing with the opponent's mark EASY-HEAT which had been previously used in Canada in association with the above-noted wares since at least 1965.

(e) The applicant is not entitled to register the applied for mark, pursuant to Section 16(3)(c) of the *Act*, because at the date of filing the mark SPIRAX EASIHEAT was confusing with the opponent's trade-name Easy Heat Ltd. which had been used by the opponent since as early as 1997.

(f) The applied for mark is not adapted to distinguish the applicant's wares from the opponent's wares.

EVIDENCE

The opponent's evidence consists of the affidavits of Andrew Donlan, Director of Engineering of the opponent company; Barbara Gallagher, law clerk; and Generosa Castiglione, trade-mark searcher. The applicant's evidence consists of the affidavits of Robert Grattage, President and General Manager of Spirax Sarco Canada Limited; Eileen Castellano, trade-mark searcher; Gay Owens, trade-mark searcher; and Olivia Tang. The opponent's reply evidence consists of a second affidavit of Andrew Dolan. Both parties filed a written argument and both were represented at an oral hearing.

Mr. Dolan's evidence may be summarized as follows. The opponent manufactures, imports and distributes a variety of heating and electrical related products and electrical equipment under its trade-name Easy Heat and under its trade-mark EASY-HEAT. The opponent, through predecessors in title, has been using its mark EASY-HEAT (or in the form

EASYHEAT) since 1965 although the opponent has been operating under the company name Easy Heat Ltd. only since July 1997. Mr Dolan asserts (at paragraph 6 of his affidavit) that the opponent "has sold virtually all of its heating and electrical products and equipment under the trade name 'Easy Heat Ltd.' " However, from my review of the exhibits attached to Mr. Dolan's affidavit, I find that the opponent has used the term EASYHEAT, both as a trade-mark and as a trade-name, to the exclusion of EASY-HEAT as a trade-mark and to the exclusion of Easy Heat Ltd. as a trade-name. In any event, for the purposes of this proceeding, I am prepared to treat the opponent's trade-mark EASYHEAT as equivalent to the mark EASY-HEAT relied on in the statement of opposition.

The opponent has averaged about \$4.1 million in sales annually for the period 1999-2002 inclusive. Promotion and advertising costs under the opponent's trade-mark and trade-name have averaged about \$150,000 annually for the period 1997-2002 inclusive. Promotion, advertising and sales are targeted to both industrial customers and the ordinary consumer. One of the opponent's customers, Westburne-Wolseley Canada Inc., operates a network of industrial/commercial supply stores offering plumbing, electrical and other products across Canada. Westburne's website contains a listing of suppliers wherein both the applicant and the opponent are cited in the same index. Mr. Dolan asserts that heating and electrical wares are often sold in the same channels of trade as plumbing wares, and that steam tracing equipment such as that supplied by the applicant can compete with the opponent for applying heat to pipes, normally accomplished by using electric heating cables.

Ms. Gallagher's affidavit, also filed on behalf of the opponent, serves to introduce into evidence, by way of exhibit material, product literature concerning the applicant's wares. The exhibits consist of brochures available on request from the applicant or product descriptions downloaded from websites. From my review of the exhibit material, I conclude that the applicant has been using the trade-marks EASIHEAT, EASYHEAT and SPIRAX/SARCO but not the applied for mark SPIRAX EASIHEAT. It also appears that the term Easyheat has been used as a trade-name by EGS Electrical Group, a joint venture of the applicant and another person.

Ms. Castiglione's affidavit serves to introduce into evidence, by way of exhibit material, (i) the Office file for the subject trade-mark application, and (ii) a copy of the opponent's trade-mark registration for EASY-HEAT.

Mr. Grattage's evidence may be summarized as follows. His company namely, Spirax Sarco Canada Limited, uses the mark EASIHEAT under license from the applicant Spirax-Sarco Limited. The applicant itself is a member of the Spirax-Sarco Engineering Plc Group of companies which operates throughout the world in the field of steam and fluid technology. Mr. Grattage states that, as of January 2004, the applicant intends to use its mark SPIRAX EASIHEAT in Canada but has not yet done so. However, the mark EASIHEAT has been used by the applicant in association with the same wares that have been specified in the subject trade-mark application for SPIRAX EASIHEAT. The applicant's EASIHEAT product is an industrial device which incorporates a heat exchanger that utilises steam to heat water. According to Mr. Grattage there is no resemblance physically or in application between the applicant's product and

the products sold by the opponent. The applicant sells heat exchangers intended to produce hot water. The wares are used for industrial and commercial purposes such as hospitals, universities, pharmaceutical companies and food companies. The wares are marketed directly to such end users, not to the residential market. Engineers and other specialized personnel are involved in purchasing the applicant's wares directly from the applicant's sales agents. Since July 31, 2000 the applicant has sold more than 50 heat exchangers (and ancillary devices) under its mark EASIHEAT for a total sales value of about \$808,000, that is, for an average of about \$16,000 per sale. Mr. Grattage further explains, at paragraph 11 of his affidavit:

11. In paragraph 20 of the opponent's Donlan affidavit, Mr. Donlan refers to the company Westburne, whose web site lists both Easy Heat Ltd. and Spirax-Sarco along with some 300 other companies which are listed by Westburne as their suppliers. However, Westburne is a wholesaler, and Spirax-Sarco does not sell its EASIHEAT products to Westburne.

MAIN ISSUES

I agree with the applicant that the first ground of opposition denoted by (a) above, as pleaded, does not raise a valid ground for consideration. The remaining determinative issues defined by the statement of opposition are (i) whether the applicant intends to use the applied for mark SPIRAX EASIHEAT and (ii) whether the applied for mark SPIRAX EASIHEAT is confusing with the opponent's trade-mark EASY-HEAT.

In regard to (i) above, the opponent has not presented any affirmative evidence suggesting that the applicant does not intend to use the applied for mark. Rather, the opponent's case rests

upon the absence of use of the applied for mark SPIRAX EASIHEAT for a period of about three years following the date of filing the application. The inference urged by the opponent is that the applicant never intended to use the mark. On the other hand, Mr. Grattage's testimony for the applicant clearly states that as of January 2004 the applicant intends to use the applied for mark although it has as yet not done so. In the absence of cross-examination of Mr. Grange which might have tested his evidence, I have no reason to doubt the veracity of his statement. Thus, the weight of the evidence falls in favour of the applicant with respect to the first issue.

In regard to (ii) above, the material times to consider the question of confusion are (1) the date of my decision with respect to ground of opposition alleging non-registability; (2) the date of filing the application (that is, the priority filing date May 3, 2000) with respect to the ground of opposition alleging non-entitlement; and (3) the date of opposition (July 24, 2002) with respect to the ground of opposition alleging non-distinctiveness: for a review of case law concerning material dates in opposition proceedings see *American Retired Persons v. Canadian Retired Persons* (1998), 84 C.P.R.(3d) 198 at 206 - 209 (F.C.T.D.). However, in the circumstances of this case, nothing turns on whether the issue of confusion is determined at a particular material date.

The legal onus is on the applicant to show that there would be no reasonable likelihood of confusion, within the meaning of Section 6(2) of the *Trade-marks Act*, between the applied for mark SPIRAX EASIHEAT and the opponent's mark EASY-HEAT. The presence of an onus on the applicant means that if a determinate conclusion cannot be reached once all the evidence is

in, then the issue must be decided against the applicant: see *John Labatt Ltd. v. Molson Companies Ltd.* (1990) 30 C.P.R.(3d) 293 at 297-298 (F.C.T.D.). The test for confusion is one of first impression and imperfect recollection. Factors to be considered, in making an assessment as to whether two marks are confusing, are set out in Section 6(5) of the *Trade-marks Act*: the inherent distinctiveness of the marks and the extent to which they have become known; the length of time each has been in use; the nature of the wares, services or business; the nature of the trade; the degree of resemblance in appearance or sound of the marks or in the ideas suggested by them. This list is not exhaustive; all relevant factors are to be considered. All factors do not necessarily have equal weight. The weight to be given to each depends on the circumstances: see *Gainers Inc. v. Tammy L. Marchildon and The Registrar of Trade-marks* (1996), 66 C.P.R.(3d) 308 (F.C.T.D.).

CONSIDERATION OF SECTION 6(5) FACTORS

The opponent's mark EASY-HEAT possesses very little inherent distinctiveness because the mark is descriptive, if not clearly descriptive, of the function of the opponent's wares, that is, an easy way to provide heat. In fact, opponent's wares function by providing heat by direct contact. The wares are used for a variety of residential, commercial and industrial purposes such as melting ice and snow and heating pipes. The opponent's mark EASY-HEAT would have acquired some reputation for electrical heating devices at all material dates. The applied for mark SPIRAX EASIHEAT possesses a fair degree of inherent distinctiveness owing to the prefix SPIRAX which is a coined word not having any meaning in relation to steam heat exchangers.

The applied for mark would not have acquired any distinctiveness at any material date. However, the applicant's mark EASIHEAT would have acquired some reputation at the later material dates.

It should also be noted that Ms. Owens has evidenced in excess of 950 registered trade-marks which are comprised of the component EASY or its phonetic equivalent (including EZ, EEZY, ESI, ESEE) for a plethora of products and services. From such a large number of registrations I infer that many of those marks are in active and widespread use, further diminishing the distinctiveness of the parties' marks. That so many traders have adopted the phrase EASY (or its phonetic equivalent) as a component of a trade-mark underscores the low inherent distinctiveness of the word in a trade-mark context. The length of time that the marks in issue have been in use favours the opponent as the opponent has been using its mark EASY-HEAT since 1965 while the applicant's mark is a proposed use mark.

The natures of the parties' wares are intrinsically different. In this regard, the opponent's wares are relatively inexpensive electrical devices, typically under \$200 (although some products sell for \$1600 to \$2000), and may be used for fairly straightforward applications. By contrast, the applicant sells highly technical and specialized products that use steam to heat water for non-domestic applications. Complex technical specifications are required to purchase the wares. Further, the applicant's wares, for the most part, appear to be more akin to plumbing and steam equipment than to electrical devices. The applicant targets its wares to a specific market and advertises its wares by means of trade journals and brochures. The applicant does not promote its wares through retail catalogues or inserts in national and local newspapers in the manner of the

opponent. While it is true that plumbing and electrical supplies are often sold in the same retail outlets, the weight of the evidence suggests that there is no significant overlap in the parties' channels of trade. The parties' marks resemble each other to a fair degree visually, aurally and in ideas suggested as they share the phonetically equivalent components EASIHEAT and EASY-HEAT. However, the component SPIRAX serves to distinguish the applicant's mark from the opponent's mark and it is the first portion of a trade-mark that is more important for the purpose of distinction: see *Conde East Publications Inc. v. Union Des Editions Moderns* (1979) 46 CPR(2d) 183 at 188 (F.C.T.D.), *Pernod Ricard v. Molson Breweries* (1992), 44 CPR (3d) 359 at 370 (F.C.T.D.).

Having regard to the above, and considering in particular the low inherent distinctiveness of the opponent's mark and the distinctive prefix component of the applied for mark, I find that the applicant has met the legal onus on it to show, on a balance of probabilities, that there is no reasonable likelihood of confusion between the marks in issue. Accordingly, the opposition is rejected.

DATED AT VILLE DE GATINEAU, QUEBEC, THIS 19th DAY OF SEPTEMBER, 2006.

Myer Herzig,
Member,
Trade-marks Opposition Board