IN THE MATTER OF AN OPPOSITION by Ports International Limited to application No. 563,170 for the trade-mark PORTOBELLO'S & Design filed by Agenco S.p.A.

On May 23, 1986, the applicant, Agenco S.p.A., filed an application to register the trade-mark PORTOBELLO'S & Design (illustrated below) based on use in Canada since February 28, 1985 with a long list of clothing wares. The application was advertised for opposition purposes on December 31, 1986.

The opponent, Ports International Limited, filed a statement of opposition on February 13, 1987, a copy of which was forwarded to the applicant on March 12, 1987. The grounds of opposition include, among others, that the applicant is not the person entitled to registration pursuant to the provisions of Section 16(1) of the Trade-marks Act because, as of the applicant's claimed date of first use, the applied for trade-mark was confusing with the trade-mark PORTS previously used in Canada in association with "wearing apparel and accessories."

The applicant filed and served a counter statement in which it denied the allegations of fact and grounds of opposition set forth in the statement of opposition. In its counter statement, the applicant also listed a number of third party trade-mark registrations for trade-marks including the word PORT.

As its evidence, the opponent filed the affidavits of Harold Shapiro and Lorraine King. As its evidence, the applicant filed the affidavits of Dianne C. Nickerson, Holly-Ann Huard Drouin and Johanna Nojer. Ms. Nojer was cross-examined on her affidavit and the transcript of that cross-examination forms part of the record of this opposition. Both parties filed a written argument and an oral hearing was conducted at which both parties were represented.

As for the opponent's ground of prior entitlement, it was encumbent on the opponent to evidence use of its trade-mark PORTS prior to the applicant's claimed date of first use of February 28, 1985 and non-abandonment of its mark as of the applicant's date of advertisement. The Shapiro affidavit satisfies both of these requirements.

The ground of prior entitlement therefore remains to be decided on the issue of confusion between the applicant's mark PORTOBELLO'S & Design and the opponent's mark PORTS. The material time for considering the circumstances is as of the applicant's claimed date of first use. Furthermore, the onus or legal burden is on the applicant to show no reasonable likelihood of confusion between the marks at issue. Finally, in applying the test for confusion set forth in Section 6(2) of the Act, consideration is to be given to all of the surrounding circumstances including those specifically set forth in Section 6(5) of the Act.

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The marks of both parties are inherently distinctive, neither having any readily apparent meaning relating to the respective wares. As of the material time, the applicant's mark had not become known at all in Canada. By way of contrast, as of that date, there had been extensive use and advertising of the opponent's mark in association with womens' wearing apparel. Thus, I am able to conclude that the opponent's mark PORTS had become well known in Canada.

The length of time the marks have been in use clearly favors the opponent. As conceded by the applicant, the wares and trades of the parties are essentially identical (see page 7 of the applicant's written argument).

As for Section 6(5)(e) of the Act, I find there to be some degree of visual and phonetic resemblance between the marks although there is no resemblance in the respective ideas suggested by the marks. The applicant has adopted almost the entirety of the opponent's mark as the first component of its mark PORTOBELLO'S & Design. Similar observations were made respecting the opponent's mark and the mark PORTOFINO in the opposition decision in <u>Ports International Ltd.</u> v. <u>Amcan Charter Imports Ltd.</u> (1984), 4 C.P.R. (3d) 390.

The applicant submitted that confusion was unlikely because the two marks had recently coexisted in the same location with no instances of actual confusion having come to light. In support of that submission, the applicant relied on the re-examination of Ms. Nojer by her own trade-mark agent which followed the opponent's cross-examination of Ms. Nojer on her affidavit. However, the relevant portion of the re-examination relied on by the applicant (see pages 51 to 54 of the Nojer transcript) was not in the nature of reply or clarification. Rather, it was an attempt to introduce into evidence the location and manner of operation of retail boutiques in the Toronto area operating under the applicant's trade-mark PORTOBELLO'S. The balance of the re-examination deals with similar matters including the introduction of a number of physical exhibits. Such matters should have been introduced as part of the applicant's own evidence through the provisions of Rule 44 or Rule 46(1) of the Trade-marks Regulations. They cannot be introduced indirectly by means of re-examination. Thus, the portion of the re-examination relied on by the applicant is inadmissible: see the opposition decision in Clegg & Hamilton v. Matwel Industries Inc. (1989), 28 C.P.R. (3d) 490 at 493.

The applicant submitted that the evidence entered on re-examination should be considered since the opponent raised no objection until the oral hearing. However, unless the opponent agrees, it would be unfair to consider such evidence since the opponent did not have a full opportunity to consider it and, if necessary, cross-examine Ms. Nojer on it.

Even if the portion of the Nojer re-examination relied on by the applicant had been admissible, it would not necessarily have supported the applicant's position to any significant extent. The applicant contended that the Nojer re-examination established that a PORTOBELLO'S store carried on business in close proximity to a PORTS store with no confusion having taken place. Even if this is true, there is no direct evidence to show the extent of sales through any particular PORTOBELLO'S store. The earlier Canadian sales figures set out in paragraph 2 of the Nojer affidavit suggest a minimal presence by the applicant in Canada in relation to its PORTOBELLO'S mark for the period 1985 to 1987. The copies of invoices provided by the applicant in answer to an undertaking given during the Nojer cross-examination suggest that there may have been more significant sales

in 1988 and late 1987 through one particular PORTOBELLO'S outlet in Toronto. However, the applicant failed to clarify this matter by providing its own evidence on point.

As noted by the opponent, the absence of incidents of actual confusion would be of limited relevance in any event since the applicant has failed to establish that any such incidents would have come to the attention of the applicant or that there was any procedure in place for the reporting of any such incidents. And given that the applicant is an Italian company who sells to importers who in turn sell to Canadian retailers, it is unlikely that any reports of actual confusion by consumers would be passed along that extensive commercial chain to the applicant. Finally, even if there was some evidence of the coexistence of two stores without confusion, the issue at hand is whether there would be confusion between the two marks in relation to wares, not services. In other words, the issue is more properly whether or not there would be confusion if the opponent's PORTS clothing was sold in the same area (e.g. - through the same store) as the applicant's PORTOBELLO'S & Design clothing.

The applicant also sought to rely on state of the register evidence by way of the Nickerson affidavit to establish that marks including the word PORT are common to the clothing trade. However, the Nickerson affidavit can be given little weight. Ms. Nickerson identifies herself as a secretary with the applicant's agents and simply attaches to her affidavit a "...print-out from the TMRK data base...." She fails to indicate what the TMRK data base is, how the printout was obtained or what it means. There is no indication that she conducted any search of the trade-marks register.

Even if the printout attached to the Nickerson affidavit could be given some weight as an accurate representation of the trade-mark registrations listed in the applicant's counter statement, it would still be of little assistance in supporting the applicant's case. Some of the references appended to the Nickerson affidavit are for design marks with no representation of the design provided. Some of the marks listed are not PORT-prefixed marks like the two at issue in this case. Some are not relevant in that they are known English words like PORTRAIT and PORTLY. Finally, some of the registrations do not cover clothing wares.

At best, the printout covers four or five relevant marks. Even if the Nickerson affidavit had not otherwise been deficient, the existence of four or five third party registrations for PORT-prefixed marks for clothing with no evidence of use of those marks is far from sufficient to allow me to infer that any of those marks has been in active use. It would have been impossible to infer from such evidence that there had been common adoption of such marks in the trade such as to reduce the likelihood of confusion between the two marks at issue: see the opposition decision in Molson Cos. Ltd. v. Oland Breweries Ltd. (1988), 20 C.P.R. (3d) 270 at 274-275.

In applying the test for confusion, I have considered that it is a matter of first impression and imperfect recollection. In view of my conclusions above, and particularly in view of the similarities between the wares and trades of the parties, the reputation associated with the opponent's mark and the degree of resemblance between the two marks, I find that the applicant has failed to satisfy the onus on it to show that its mark is not confusing with the opponent's previously used mark PORTS. Thus, the ground of prior entitlement is successful and the remaining grounds need not be considered.

In view of the above, I refuse the applicant's application.

DATED AT HULL, QUEBEC, THIS 31st DAY OF OCTOBER 1991.

David J. Martin, Member, Trade Marks Opposition Board.