

LE REGISTRAIRE DES MARQUES DE COMMERCE THE REGISTRAR OF TRADE-MARKS

Citation: 2017 TMOB 2 Date of Decision: 2017-01-16

IN THE MATTER OF AN OPPOSITION

AIL International Inc. Opponent

and

Canadian Energy Services L.P. Applicant

1,624,178 for SUPERCORR Application

FILE RECORD

[1] On April 25, 2013, Canadian Energy Services L.P. filed an application to register the trade-mark SUPERCORR, based on use and registration of the mark by the applicant and a predecessor in title (Jacam Chemicals, LLC), in the United States of America. The application covers the following goods:

corrosion inhibitor in the nature of a protective coating for use in the petroleum extraction, water injection, and petroleum and chemical processing and transmission fields

The applicant provided the Registrar with a certified copy of its USA registration. The registration indicates that (i) the mark is registered for a term of 10 years from May 29, 2012, and (ii) the mark was first used in 1998.

- [2] The subject application was advertised for opposition purposes in the *Trade-marks Journal* issue dated November 12, 2014 and was opposed by AIL International Inc. on March 23, 2015. The Registrar forwarded a copy of the statement of opposition to the applicant on March 27, 2015, as required by s.38(5) of the *Trade-marks Act*, R.S.C. 1985, c. T-13. The applicant responded by filing and serving a counter statement generally denying the allegations in the statement of opposition. The opponent subsequently (prior to any evidence being filed) requested, and was granted leave, to amend the statement of opposition: see the Board ruling dated August 25, 2015. Further references to the statement of opposition are to the amended version.
- [3] The opponent's evidence consists of the affidavit of Wayne Ford. The applicant's evidence consists of the affidavit of Craig Nieboer. The opponent did not submit reply evidence. Neither party conducted a cross-examination. Only the applicant submitted a written argument, however, both parties participated in an oral hearing.

STATEMENT OF OPPOSITION

[4] The opponent pleads that it is the owner of the registered mark SUPER-COR used in association with corrugated drain pipe. The grounds of opposition may be summarized as follows:

Non-compliance with s.30

- [5] The application does not comply with
- (i) s.30(a) of the *Trade-marks Act* because "the statement of Goods is not set out in sufficient detail and thus not in ordinary commercial terms;"
- (ii) s.30(d) of the *Act* because the applicant has not used the applied-for mark in the USA prior to the filing date April 25, 2013;
- (iii) s.30(i) because the applicant "was aware of, or should have been aware of" the opponent's use and registration of its mark SUPER-COR.

Resigtrability - s.12(1)(d)

[6] The applied-for mark SUPERCORR is not registrable because it is confusing with the opponent's registered mark SUPER-COR.

Entitlement - s.16(2)

- [7] The applicant is not entitled to register the applied-for mark SUPERCORR because (i) as of the filing date of the application the applicant had not used its mark in the USA as claimed in the application,
- (ii) the applied-for mark SUPERCORR is confusing with the opponent's mark SUPER-COR previously used in Canada,
- (iii) "the United States is not the country of origin of the Applicant . . . section 16(2) . . . requires the underlying registration to be registered in the country of origin of the applicant."

Distinctiveness

- [8] The applied-for mark SUPERCORR is not distinctive of the applicant's goods in view of "the Opponent's Goods and Services associated with the Opponent's Trade-mark."
- [9] I will first review the parties' evidence, the evidential burden on the opponent, and the legal onus on the applicant, before addressing the allegations in the statement of opposition.

Opponent's Evidence

Wayne Ford

- [10] Mr. Ford identifies himself as VP of engineering services of a company ("Atlantic") affiliated with the opponent. He has access to the corporate and financial records of the opponent and a detailed knowledge of the opponent's business. His evidence may be summarized as follows.
- [11] The opponent AIL International Inc., as well as Atlantic, and their affiliated companies, are active in the mining, transportation, public works, railway and forestry sectors. The opponent has used its mark SUPER-COR in association with engineering design, construction, project management and consulting services in the fields of bridge construction, mining, forestry, public works and railways since at least as early as April 2008. The opponent has licensed its affiliated companies and other third parties to use its mark SUPER-COR in association with the opponent's goods and services. The opponent exercises direct control over the character and quality of the goods and services offered by its licensees.
- [12] Mr. Ford describes the nature of the opponent's goods at para. 13 of his affidavit:

- 13. The Opponent's Wares are deep corrugated structural steel plates for large infrastructure applications such as <u>bridges</u>, <u>tunnels</u>, <u>box culverts</u>, <u>stockpile tunnels</u>, <u>portals</u>, <u>road underpasses and heavy haul road arches</u>, among other things. The larger annular corrugations of the Opponent's Wares provide nine times the stiffness of conventional structural plate, allowing it to withstand the heaviest of loads. The Opponent's <u>Wares can span over 82 feet</u> and contain either a heavy <u>galvanized coating or a co-polymer coating</u> to the surface of the Opponent's Wares <u>to, inter alia, avoid corrosion</u> and rusting of that surface thereby extending the life span of the Opponent's Wares. (emphasis added)
- [13] I note that the opponent's registered mark SUPER-COR covers only the goods "corrugated drain pipe," which is a different product (and intended for a different purpose) than the "corrugated structural steel plates" referred to by Mr. Ford in quoted para. 13 above. I mention this only for the sake of clarification. The fact that the opponent is relying on use of its mark for goods in addition to those specified in its registration is not, in the circumstances of this case, prejudicial to the opponent.
- [14] Mr. Ford describes the nature of the opponent's business at paras. 14-17 of his affidavit:
 - 14. The Opponent's licensee . . . designs . . . the Opponent's Wares through its design team . . . While the Opponent's Wares are sold in standard sizes, they are also often custom designed due to the magnitude and uniqueness of each project involving the Opponent's Wares.
 - 15. In a typical transaction, the Opponent or its licensees will meet with clients and provide standardized written materials bearing the SUPER-COR trade-mark relating to the Opponent's Wares. The written materials allow clients to familiarize themselves with the features, standard sizes and specifications, including coatings, that are available with the Opponent's Wares. Due to the complexity of the infrastructure solutions sought by clients and the nature of the Opponent's Wares, the Opponent offers the Opponent's Services along with the Opponent's Wares as part of a package. (emphasis added)
 - 16. Once clients decide on the specifications of the Opponent's Wares, standard or custom, and depending on the size of the project, payment structure for the Opponent's Wares and Services package with the SUPER-COR trade-mark is decided . . .
 - 17. Atlantic [an affiliated company] prepares engineering drawings bearing the SUPER-COR trade-mark for clients demonstrating how the Opponent's Wares are to be constructed on the work sites. After drawings receive approval, the Opponent's Wares are manufactured and shipped to the work-site . . .

- [15] Between 2008 and 2015 inclusive, the opponent's sales of corrugated steel plate sold under the opponent's mark SUPER-COR ranged from \$3 million to \$11 million annually, averaging \$6 million annually. Over the same time period the opponent expended about \$800,000 annually "promoting the SUPER-COR trade-mark in Canada with the Opponent's Wares and Services." Such promotion included advertising on websites, at trade-shows and in trade publications.
- [16] From my review of Mr. Ford's affidavit and the voluminous exhibit materials, it appears to me that the mark SUPER-COR is used in association with goods but not with services. Rather, the opponent's engineering services are offered under the mark AIL. A variety of goods are offered under various marks including, for example, SUPER-COR, ULTRA-COR, and BOLT-A-PLATE. The different goods have different structural characteristics, are intended for different purposes and are therefore suited to different engineering projects. The opponent's clients understand that when they buy a SUPER-COR product (usually as part of a large scale engineering project) it will be of exceptional strength and coated to resist corrosion.

APPLICANT'S EVIDENCE

Craig Nieboer

- [17] Mr. Nieboer identifies himself as the CFO of the applicant company. He explains that the applicant provides "technically advanced consumable chemical solutions . . ." As I understand it, the applicant's products consist of (i) drilling fluids for use in oilfields (ii) production and specialty chemicals used in the North American oil and gas industry.
- [18] Mr. Nieboer explains the applicant's drilling fluids business in para. 6 of his affidavit:
 - 6. The Applicant's drilling fluids business operates throughout North America and generates revenue by selling a drilling fluid system to a customer, typically an operator of an oil or gas well or rig or pipeline. In advance of the sale of the drilling fluid system, the Applicant works collaboratively with the operator to design a drilling fluid system . . . The Applicant has an extensive product line with several proprietary drilling fluid solutions suitable for all of the onshore and shallow water off shore oil and natural gas drilling currently being done in the North America.

As I understand it, the applicant does not assert that it is using the mark SUPERCORR in association with its drilling fluid products or drilling services.

- [19] However, the applicant is asserting use of the mark SUPERCORR in association with the production chemicals and specialty chemicals part of its business. In this regard, Mr. Nieboer explains that on March 1, 2013 the applicant purchased the assets of Jacam (see para. 1 above) including "the SUPERCORR patents and trademark[sic]." The applicant then executed a license agreement granting Jacam the right to produce and sell the SUPERCORR products under "the applicable trademarks[sic]."
- [20] At the oral hearing, counsel for the opponent argued that Mr. Nieboer's evidence regarding licensed use of the mark SUPER-COR by Jacam was insufficient to establish that Jacam's use of the mark under the license inures to the benefit of the applicant. I agree. In this regard, there is no evidence that the license agreement provided for the applicant to have control over the quality of Jacam's products (as required by s.50(1) of the *Trade-marks Act*). Further, there is no evidence to show that public notice was given of either Jacam's license or of the applicant's ownership of the mark SUPER-COR (as required by s.50(2) of the *Trade-marks Act*). However, in view of the opponent's pleadings in the statement of opposition, these lacunae in the applicant's evidence are not fatal to the applicant's case: see para. 49 below.
- [21] Mr. Nieboer explains the applicant's production and specialty chemicals business in paras. 9-11 of his affidavit:
 - 9. The mark SUPERCORR has been used by the Applicant, its PureChem division, and the JACAM entities and their predecessors in association with a binary corrosion inhibitor product, which is in the nature of a protective coating for use in the petroleum extraction . . . SUPERCORR is a two-part product which is applied to the surface of metal and that binds to the metal becoming part of its matrix thus forming a tenacious net-like microfilm barrier to prevent corrosion. Attached hereto to this my affidavit as Exhibit "B" are examples of the packaging and labels for the SUPERCORR product showing use of the trademark.

- 10. Attached hereto to this my affidavit as Exhibit "C" are a sample invoice for sales of the SUPERCORR product and JACAM and CES sales and production information for the SUPERCORR product from 2013, 2014 and 2015.
- 11. The SUPERCORR products are marketed in numerous ways including direct sales contacts, tradeshows, trade publications, billboards, and the internet to customers in the relevant markets. The product is sold as part of a service package which includes analytical evaluation and application of the SUPERCORR product. In some instances, this is coupled with training on how to properly apply the SUPERCORR product.
- [22] It appears from Exhibit B that the applicant's chemicals are sold in standard size drums (55 US gal), and that the mark SUPERCORR is featured in the upper right portion of a large information label glued to the drum.
- [23] From my examination of Exhibit C, I note that (i) the applicant's sales under its SUPERCORR mark amounted to \$276,000 in 2013; \$747,000 in 2014; and \$909,000 in 2015, (ii) the applicant's chemicals typically range from about \$6.70/gal to \$10.50/gal, (iii) typical orders for the chemicals are for hundreds of gallons.
- [24] However, Exhibit C does not differentiate between (i) sales of the product in Canada as opposed to the United States, and (ii) sales by the applicant (and its division PureChem) as opposed to sales by Jacam. Consequently, Mr. Nieboer's evidence of sales does not permit me to infer any acquired distinctiveness for the applied-for mark in Canada that inures to the benefit of the applicant.

Legal Onus and Evidential Burden

- [25] As mentioned earlier, before considering the grounds of opposition, it is necessary to review (i) the evidential burden on the opponent to support the allegations in the statement of opposition and (ii) the legal onus on the applicant to prove its case.
- [26] With respect to (i) above, there is in accordance with the usual rules of evidence, an evidential burden on the opponent to prove the facts inherent in its allegations pleaded in the

statement of opposition: see *John Labatt Limited v. The Molson Companies Limited*, 30 CPR (3d) 293 at 298 (FCTD). The presence of an evidential burden on the opponent with respect to a particular issue means that in order for the issue to be considered at all, there must be sufficient evidence from which it could reasonably be concluded that the facts alleged to support that issue exist. With respect to (ii) above, the legal onus is on the applicant to show that the application does not contravene the provisions of the *Trade-marks Act* as alleged by the opponent in the statement of opposition (for those allegations for which the opponent has met its evidential burden). The presence of a legal 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.

CONSIDERATION OF THE GROUNDS OF OPPOSITION

Compliance with s.30

- [27] The opponent has not provided any evidence to support the grounds of opposition alleging non-compliance with s.30(a) or s.30(d). Those grounds are therefore rejected because the opponent has not met its evidential burden to put those grounds into issue.
- [28] The ground of opposition alleging non-compliance with s.30(i) is also rejected. In this regard, the fact that an applicant knew of or ought to have known of the opponent's allegedly confusing trade-mark is not an exceptional circumstance which can form the basis of a ground of opposition pursuant to s.30(i): see *Luxo Laboratories Limited v Magistral Fabrication Inc*, 2004 CanLii 71818; *Woot Inc. v. WootRestaurants Inc. / Les Restaurants Woot Inc*, 2012 TMOB 197 (CanLII) at paras 10-11. A ground of opposition based on s.30(i) must allege exceptional circumstances such as bad faith or non-compliance with a Federal statute: see *Les Abris Harnois Inc v Prima Innovations Inc*, 2012 TMOB 27 (CanLII).

REMAINING GROUNDS OF OPPOSITION

[29] In the circumstances of this case, the remaining grounds of opposition turn on the issue of confusion between the applied-for mark SUPERCORR and the opponent's mark SUPER-COR. The material dates to assess the issue of confusion are April 25, 2013 (the filing date for SUPERCORR) with respect to the issue of entitlement; March 23, 2015 (the date of opposition)

with respect to the issue of distinctiveness; and the date of my decision with respect to the issue of registrability: for a review of case law concerning material dates in opposition proceedings see *American Retired Persons v. Canadian Retired Persons* (1998), 84 CPR(3d) 198 at 206 - 209 (FCTD).

Meaning of Confusion between Trade-marks

[30] Trade-marks are confusing when there is a reasonable likelihood of confusion within the meaning of s.6(2) of the *Trade-marks Act*, shown below:

The use of a trade-mark causes confusion with another trade-mark if the use of both trade-marks in the same area would be likely to lead to the inference that the goods or services . . . associated with those trade-marks are manufactured . . . or performed by the same person, whether or not the goods or services . . . are of the same general class.

Thus, s.6(2) does not concern mistaking one mark for the other, but confusion of goods or services from one source as being from another source. In the instant case, the question posed by s.6(2) is whether purchasers of the applicant's goods (corrosion inhibitors for use in petroleum extraction) sold under the mark SUPERCORR would believe that those goods were produced or authorized or licensed by the opponent who sells corrugated drain pipe and corrugated steel plate under the mark SUPER-COR. The legal onus is on the applicant to show, on the usual civil balance of probabilities standard, that there would be no reasonable likelihood of confusion.

Test for Confusion

[32] 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 "all the surrounding circumstances including" those specifically mentioned in s.6(5)(a) to s.6(5)(e) of the *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 goods, 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 and all relevant factors are to be considered. Further, all factors do not necessarily have equal weight as 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 CPR(3d) 308 (FCTD). However, as noted by Mr. Justice Rothstein in

Masterpiece Inc. v. Alavida Lifestyles Inc. (2011), 92 CPR(4th) 361 (SCC), although the degree of resemblance is the last factor cited in s.6(5), it is the statutory factor that is often likely to have the greatest effect in deciding the issue of confusion.

Factor 1 - Inherent and Acquired Distinctiveness

- [33] The opponent's mark SUPER-COR possesses little inherent distinctiveness as it is comprised of a laudatory prefix and a suffix which, in relation to the opponent's goods, is suggestive of a "corrugated" product. Similarly, the applied-for mark SUPERCORR possesses little inherent distinctiveness as it is comprised of a laudatory prefix and a suffix which, in relation to the applicant's goods, is suggestive of products related to "corrosion." The parties' marks are therefore inherently weak.
- The opponent's mark had acquired some degree of distinctiveness as of the earliest material date (April 25, 2013), and continued to acquire distinctiveness up to the later material dates, owing to the opponent' sales under its mark and promotion of its mark beginning in 2008. However, it is difficult to come to any definitive conclusion concerning the extent to which the opponent's mark acquired distinctiveness owing to the general nature of the opponent's evidence. In particular, the evidence does not address whether the millions of dollars in sales annually under mark SUPERCORR are the result of just a few, or numerous, engineering projects. In this regard, the acquired distinctiveness of the mark would of course increase with the number of sales to different persons.
- [35] As discussed earlier (see paras. 19-20), I am unable to ascribe any acquired distinctiveness to the applied-for mark SUPERCORR that would benefit the applicant, at any material time.
- [36] The first factor, which is a combination of inherent and acquired distinctiveness, favours the opponent. However, because it is difficult to assess the extent to which the opponent's mark acquired distinctiveness, I am unable to find that the first factor significantly favours the opponent.

Second Factor - Length of Time the Marks have been in Use

[37] The opponent has evidenced use of its mark since 2008, that is, since five years prior to the earliest material date. The applicant's evidence is insufficient to establish that it has used its mark in Canada at any material time. The second factor therefore favours the opponent.

Third and Fourth Factors - Nature of the Goods, Business and Trade

[38] The applicant's submissions with respect to the third and fourth factors are found at page 7 of its written argument:

The nature of the Applicant's Goods and those of the wares and services of the Opponent are entirely different. The Opponent appears to operate entirely in the fields of mining, bridge and road construction, forestry and railways. The evidence filed by the Opponent clearly indicates that they are an engineering firm with sophisticated clients who are purchasing customized solutions for tunnels and bridges. The invoices indicated that the cost of the Opponent's goods and services are considerable. They have provided no evidence that they operate or sell goods and services to the oil and gas industry. In contract[sic] the Applicant operates exclusively in the oil and gas industry and specifically in drilling. The customers of the Applicant are also sophisticated purchasers who are specialists in drilling and completion. The Goods of the Applicant are chemicals for oil and gas production and are not available in retail or wholesale settings but rather are sold in conjunction with services. No evidence has been presented to suggest the nature of wares and services or the nature of trade of the two parties would in any way overlap. (emphasis added)

[39] I agree with the applicant's above submissions. The third and fourth factors significantly favour the applicant.

Fifth Factor – Degree of Resemblance

[40] The parties' marks are nearly identical, that is to say, they resemble each other to a very high degree. The fifth factor favours the opponent very significantly.

Jurisprudence concerning Weak Marks

[41] In *Handi-Foil Corporation v. Sunbeam Products Inc.* 2014 TMOB 35 (unreported) this Board considered whether the applied-for mark COOK & CARRY, based on proposed use in Canada for "portable heated casseroles," was confusing with the opponent's mark *cook-n-carry* for "storage containers formed of aluminum foil with plastic lids."

- [42] The Board discussed the degree of resemblance between the marks as follows:
 - [36] The marks COOK-N-CARRY and COOK & CARRY resemble each other to a very high degree visually, are essentially identical in sounding and are entirely identical in ideas suggested. The fifth factor therefore strongly favours the opponent. However, it appears that in cases involving inherently weak marks the fifth factor in s.6(5), that is, resemblance, becomes a less important factor and the other factors acquired distinctiveness, length of time in use, the nature of the wares/services and the nature of the trades assume greater importance; further, the ambit of protection accorded to descriptive marks is narrow . . .
- [43] The Board then went on to review the jurisprudence concerning the influence of the fifth factor when the opponent's mark is inherently weak:
 - [37] I have taken guidance from jurisprudence concerning "weak" marks generally and more particularly from the Court's approach to marks which are weak because they are descriptive, discussed below.
 - [38] In *Coventry Inc. v. Abrahamian* (1984), 1 CPR (3d) 238 (FCTD), the opponent was relying on its mark SARAH used in association with costume jewellery to oppose the mark ZAREH used in association with custom-made (real) jewellery. The opponent's mark was not inherently strong and had not acquired significant distinctiveness through use or advertising or other means:

at p. 240

The trade mark SARAH is a commonly used female Christian name and as such offers <u>little inherent distinctiveness</u>: *Bestform Foundations Inc. v. Exquisite Form Brassiere (Canada) Ltd.* (1972), 34 C.P.R. (2d) 163. <u>Such marks are considered to be weak marks and are not entitled to a broad scope of protection:</u> American *Cyanamid Co. v. Record Chemical Co. Inc.* (1972), 7 C.P.R. (2d) 1, [1972] F.C. 1271; and *GSW Ltd. v. Great West Steel Industries Ltd. et al.* (1975), 22 C.P.R. (2d) 154. . . . However, the degree of distinctiveness attributed to a weak mark may be enhanced through extensive use: *GSW Ltd. v. Great West Steel, supra.*

(underlining added)

- [39] The Court in *Coventry* upheld the Board's finding that the marks were not confusing. I am aware that the *Coventry* case is distinguishable from the instant case in that (i) there was less resemblance between the marks in issue and (ii) the parties' wares were sold through different channels of trade.
- [40] The principles set out in *Coventry* have been applied in numerous cases including, for example, *Boston Pizza International Inc. v. Boston Chicken Inc.* (2001), 15 CPR (4th) 345 (FCTD). Boston Pizza sought to expunge registration of the trademark BOSTON CHICKEN, used in association with takeout restaurant and catering services, alleging confusion with its mark BOSTON PIZZA, used in association restaurant services and wares including pizza. The Court found that the marks were

not confusing. Shown below is the Court's discussion of the ambit of protection to be accorded to descriptive marks, at para. 66:

[66] I commence with para. 6(5)(a) - the inherent distinctiveness of the trademarks or trade names and the extent to which they have become known. Neither the applicant's mark [BOSTON PIZZA], nor that of the respondent [BOSTON CHICKEN] is inherently distinctive. I adopt, in that regard, the words of Rouleau J. in *Prince Edward Island Mutual Insurance v. Insurance Co. of Prince Edward Island* (1999), 86 C.P.R. (3d) 342 (F.C.T.D.), where the learned judge states the following at paras. 32, 33 and 34:

[32] With respect to the first factor in subsection 6(5) of the Act, inherent distinctiveness of the trade marks in question, it is well established that marks which contain descriptive words are not inherently distinctive and will be afforded only a minimal degree of protection by the Court. In particular, trade-marks or trade-names which contain a reference to a geographic location, such as those in issue here, are descriptive rather than distinctive and do not deserve a wide ambit of protection. Where the court is called upon to determine the "likelihood of confusion" in respect of a descriptive name or mark, even small differences between the marks will be sufficient to diminish the "likelihood of confusion".

[33] Furthermore, where a party adopts a descriptive name, it must accept that a certain amount of confusion may arise. In *Walt Disney Productions v. Fantasyland Hotel Inc.* (1994), 56 C.P.R. (3d) 129 (Alta. Q.B.); affirmed (1996) 67 C.P.R. (3d) 444 (Alta. C.A.); the Court made the following comments in this regard at p. 183:

"Even where services are identical, where the name is descriptive rather than distinctive, a certain amount of confusion may be inevitable without sanction . . . Office Cleaning Services Ltd. v. Westminster Window and Sign General Cleaners Ltd., supra. In the latter authority, Lord Simonds, at p. 41, said:

'So long as descriptive words are used by two traders as part of their respective trade names, it is possible that some members of the public will be confused whatever the differentiating words may be . . . It comes in the end, I think, to no more than this, that where a trader adopts words in common use for his trade name, some risk of confusion is inevitable. But that risk must run unless the first user is allowed unfairly to monopolize the words. The Court will accept comparatively small differences as sufficient to avert confusion. A greater degree of discrimination may fairly be expected from the public where a trade name consists wholly or in part of words descriptive of the articles to be sold or the services to be rendered."

Of course, the principles that apply to trade-names apply equally to trade-marks.

[41] Former Chairman Partington applied the principles in *Coventry*, above, in *Drexel Heritage Furnishings Inc. v Hoo Cheung Industries Limited*, 1998 CanLII 18462 (CA TMOB) at page 4:

With respect to the inherent distinctiveness of the trade-marks at issue, both the applicant's trade-mark HERITAGE CEILING FANS & Design as applied to "Ceiling fans" and the opponent's registered trade-mark HERITAGE covering "Living room, bedroom and dining room furniture, occasional tables and chairs for household, office and public use" possess little inherent distinctiveness. As noted by the then Registrar of Trade-marks in *Drexel Enterprises Division*, *U.S. Plywood-Champion Papers Inc. v. National Homes Ltd.*, 21 C.P.R. (2d) 149, at p. 152, the word "Heritage" is commonly understood to refer to something of value from the past and when used in respect of such wares as furniture, the word indicates furniture being a replica or incorporating the design of older accepted styles. Likewise, the applicant's mark suggests that its ceiling fans are based on designs from the past. As a result, the trade-marks at issue are weak marks and, in the absence of significant evidence of acquired distinctiveness, are only entitled to a narrow ambit of protection.

(emphasis added)

- [42] In the result the opposition was rejected. I am aware that, unlike the present case, Chairman Partington did "not expect there to be any overlap in the channels of trade" between the parties' wares.
- [44] In *Handi-Foil* above, as in the instant case, the Board found that the first and second factors did not favour the opponent to any significant extent. With respect to the third and fourth factors, the Board found that:
 - [35] . . . the parties' wares are different as an electrical appliance is intrinsically different from an aluminum storage container . . . the parties' wares are sold in proximity through the same retail outlets which is not surprising since both parties' wares fall under the general category of kitchen wares. The third factor therefore favours the applicant while the fourth factor favours the opponent.

The Board ultimately rejected the opposition.

[45] In the instant case the applicant has relied on further jurisprudence reflecting the import of the third and fourth factors, at page 8 of its written argument:

There is considerable case law establishing that even identical trade-marks may coexist when used in association with different wares and services and in different areas of trade. For example in *Bridgestone Corp.* v. *Campagnolo S.R.L.* 2014 FC 37, 117 C.P.R. (4th) l, the Federal Court found that the identical marks POTENZA and POTENZA were not confusing. In this case, the Federal Court refused an appeal of a decision of the Trade-mark Opposition Board (the "TMOB") that rejected the ground of opposition based on s.12(l)(d). The Court upheld the TMOB's decision that the

mark POTENZA used in association with various bicycle parts and accessories, specifically excluding tires, wheels, and rims, was NOT confusing with the Opponent's mark POTENZA registered in association with tires, tubes and wheels. While the Opponent was an automotive manufacture and part of the Court's reasoning centered around the fact that the parties' respective statements of services must be read with a view to determining the probable types of business or trade in which the goods would be sold, the Court ultimately held that the TMOB's decision was reasonable . The Court found that despite the marks being identical (and factors 6(5)(a), (b), and (e) favoring the Opponent): (i) the <u>nature of the respective goods were fundamentally</u> distinct; (ii) the channels would not overlap due to the specialized nature of the goods; and (iii) due to the level of sophistication of the purchasers of the Applicant's goods they would likely know the difference between a Campagnolo and Bridgestone bicycle tires if Bridgestone was ever eventually to sell bicycle tires in Canada. The findings in this case are directly relevant to the matter at hand and favour the Applicant. In this decision the wares in question were even more similar than those of the Applicant and Opponent in the present matter and still the channels of trade and the sophistication of the purchasers were sufficient for the Court to find that the marks were not confusing.

[46] In the circumstances of the instant case I have concluded that the opponent's mark SUPER-COR is not entitled to a wide ambit of protection, that is, protection that extends much beyond the opponent's goods and channels of trade. In view of the factors in s.6(5) as discussed above, and in view of the guidance in the above cited prior cases, I find that, at all material times, the applied-for mark SUPERCORR was not confusing with the opponent's mark SUPER-COR despite their near identity.

DISPOSITION

- [47] In view of the foregoing, the opposition is rejected.
- [48] This decision has been made pursuant to a delegation of authority by the Registrar of Trade-marks under s.63(3) of the *Trade-marks Act*.
- [49] I would add that the last ground of opposition alleging non-distinctiveness of the appliedfor mark is based solely on the opponent's activities in association with its mark. However, the
 opponent might have requested leave to further amend the statement of opposition (see para. 2
 above) to expand on the last ground to include third party use of the mark SUPERCORR. The
 opponent might have done so after reviewing the deficiencies in the applicant's evidence
 regarding its license agreement with Jacam. Such requests for leave to amend a statement of

opposition, after the applicant has filed its evidence, are quite common in opposition proceedings and are regularly granted. The opponent might well have succeeded on the last ground had it alleged that the applied-for mark was not distinctive in Canada owing to the apparent activities of the applicant's licensee Jacam.

Myer Herzig, Member, Trade-marks Opposition Board Canadian Intellectual Property Office

APPEARANCES AND AGENTS OF RECORD

HEARING DATE: 2016-11-16

APPEARANCES

Nathan Fan FOR THE OPPONENT

Brigitte Chan FOR THE APPLICANT

AGENTS OF RECORD

Sim & McBurney FOR THE OPPONENT

Bereskin & Parr FOR THE APPLICANT