

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

Citation: 2018 TMOB 159 Date of Decision: 2018-12-20

IN THE MATTER OF AN OPPOSITION

Hardex Brakes Corp.

Opponent

and

Hardex Corporation Sdn. Bhd.

Applicant

1,627,849 for HARDEX & Design

Application

FILE RECORD

[1] On May 23, 2013, Filtex Marketing Sdn. Bhd. (located in Malaysia) filed an application to register the trade-mark HARDEX & Design, shown below:



[2] The application is based on proposed use in Canada in association with a long list of goods including gasket making products namely, form-in-place silicone gaskets used in the repair and servicing of cars and trucks; various lubricants; various cleaning preparations; various adhesives; various sealants and cement. Only the gasket making products relate to the

automotive industry. The application was subsequently assigned to Hardex Corporation Sdn. Bhd. (also located in Malaysia), the present applicant of record, on December 29, 2016.

[3] The subject application was advertised for opposition purposes in the *Trade-marks Journal* issue dated June 24, 2015 and was opposed by Hardex Brakes Corp. (located in Vancouver, BC) on November 24, 2015. The Registrar forwarded a copy of the statement of opposition to the applicant on December 22, 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.

[4] The opponent's evidence consists of the affidavits of Rebecca Tinsley and Alireza Rasekh. The applicant's evidence consists of the affidavit of D. Jill Roberts. Both parties filed written arguments. Only the applicant was represented at an oral hearing.

STATEMENT OF OPPOSITION

[5] The opponent pleads that it is the owner of the registered marks HARDEX and HARDEX PREMIUM BRAKE PADS used in association with the goods automotive brake pads, automotive supplies and the retail sale of those goods. The opponent further pleads that its marks "have been extensively used and/or advertised in Canada in association with the goods and [retail sale] services . . ."

[6] The first ground of opposition, pursuant to section 30(a) of the *Trade-marks Act*, alleges that the application does not set out the applicant's goods in ordinary commercial terms. The first ground may be summarily dismissed because there is no evidence of record to support the allegation.

[7] The second ground of opposition, pursuant to section 30(e) of the *Act*, alleges that the applicant did not and does not intend to use the applied-for mark in association with its goods. Again, the second ground may be summarily dismissed because there is no evidence of record to support the allegation.

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[8] The third ground of opposition alleges that the applicant has not complied with section 30(i) of the *Act*, that is, the applicant could not be satisfied that it is entitled to register the applied-for mark because the applicant was aware, or ought reasonably to have been aware, of the significant public recognition of the opponent's marks HARDEX and HARDEX PREMIUM BRAKE PADS used in association with automotive brake pads and automotive supplies. The third ground may also be summarily dismissed. In this regard, the facts pleaded by the applicant do not support a s.30(i) ground of opposition. Rather, non-compliance with section 30(i) is established by showing that the applicant has acted in bad faith or fraudulently or is in non-compliance with a Federal statute: see, for example, *Sapodilla Co. Ltd. v. Bristol-Myers Co.* (1974), 15 CPR (2d) 152 (TMOB) at 155 and *Canada Post Corporation v. Registrar of Trade-marks* (1991), 40 CPR (3d) 221 (FCTD).

[9] The determinative issue for decision raised by the remaining grounds of opposition is whether the applied-for mark HARDEX & Design is confusing with the opponent's mark HARDEX used in association with automotive brakes, brake pads and with the retail sale of those goods. The material dates to assess the issue of confusion are (i) the date of filing the application (May 23, 2013) with respect to the ground of opposition alleging that the applicant is not entitled to register the applied-for mark; (ii) the date of my decision with respect to the ground of opposition alleging that the applied-for mark is not registrable; and (iii) the date of opposition (November 24, 2015) with respect to the ground of opposition alleging that the applied-for mark is not distinctive of the applicant's goods.

[10] I will consider the issue of confusion after reviewing the parties' evidence.

OPPONENT'S EVIDENCE

Rebecca Tinsley

[11] Ms. Tinsley identifies herself as VP Operations for the firm representing the opponent. Her affidavit serves to introduce into evidence the results of a search of the trade-marks register for "active trade-mark applications or registrations which incorporate the term 'HARDEX' in the trade-mark." The search found (i) the opponent's two registrations relied on in the statement of opposition and (ii) the subject application.

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Alireza Rasekh

[12] Mr. Rasekh identifies himself as the General Manger (Export Office) for the opponent company. His evidence, summarized below, is sparse and lacking in detail. It does little to advance the opponent's case.

[13] The opponent is a Canadian company located in British Columbia. The opponent sells the following automotive supplies: disc brake pads, brake shoes, brake linings, brake fluids, transmission fluids, and lubricants. The opponent's mark HARDEX has been used in association with its automotive supplies since June 2009. The mark appears on the packaging of automotive supplies when goods are shipped to customers. The opponent has also used its trade-name "Hardex since at least as early as 2009 in the sale of Automotive supplies."

[14] In the absence of cross-examination, Mr. Rasekh's evidence is to be taken at face value. However, his evidence falls far short of supporting the pleadings in the statement of opposition that either of the opponent's marks has "been extensively used and/or advertised in Canada in association with the goods and [retail sale] services . . ."

APPLICANT'S EVIDENCE

D. Jill Roberts

[15] Ms. Roberts identifies herself as a graduate of a college law clerk program. Her affidavit serves to introduce into evidence, as exhibits, copies of screen shots accessible from the applicant's website. The date of the screen shots is December 20, 2016. The exhibits show that the various goods set out in the subject application were advertised as being available for purchase. Her evidence is of little probative value and does little to advance the applicant's case.

MEANING OF CONFUSION BETWEEN TRADE-MARKS

[16] 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.

[17] 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, sold under the mark HARDEX & Design, would believe that those goods were produced or authorized or licensed by the opponent who sells its automotive goods under the mark HARDEX.

TEST AND FACTORS FOR ASSESSING CONFUSION

[18] 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 section 6(5)(a) to section 6(5)(e) 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 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 section 6(5), it is the statutory factor that is often likely to have the greatest effect in deciding the issue of confusion.

CONSIDERATION OF FACTORS FOR ASSESSING CONFUSION

First Factor - Inherent and Acquired Distinctiveness

[19] The opponent's mark HARDEX necessarily possesses a fair degree of inherent distinctiveness as it is a coined or fanciful term rather than a dictionary word. However, the

inherent distinctiveness of the mark is lessened to the extent that the mark HARDEX would be recognized as being composed of the common dictionary word "hard" and the common English language preposition "ex." Also, the first component HARD, and the mark as a whole, has the suggestive connotation of "tough" or "durable" in relation to the opponent's goods, further lessening the inherent distinctiveness of the mark.

[20] Similar considerations apply to the applicant's mark HARDEX & Design as the dominant component of the applied-for mark is the word HARDEX. The design features of the mark add little to the inherent distinctiveness of the mark as a whole.

[21] Neither party has shown that its mark had, at any material time, acquired any significant reputation in Canada through use or advertising. The first factor, which is a combination of inherent and acquired distinctiveness, therefore favours neither party to any significant extent.

Second Factor - Length of Time in Use

[22] The length of time that the parties' marks have been in use favours the opponent as its mark has been in use since 2009 while the applicant's evidence indicates, at best, that its mark has been in use since December 2016. However, given that the opponent's evidence does not support anything more than minimal use of its mark over the period 2009 - 2016, the advantage to the opponent is not significant when all the factors in section 6(5) are considered together.

Third and Fourth Factors - Nature of the Goods and Channels of Trade

[23] The third factor favours the applicant as the parties' goods are, for the most part, dissimilar. In this regard, most of the applicant's goods are not connected to the automotive industry. In the absence of evidence to the contrary, I would also expect the parties' channels of trade to be dissimilar except in respect of the applicant's goods which have a connection to cars and trucks namely, "form-in-place silicone gaskets." In the absence of evidence to the contrary, I conclude that the applicant's goods would travel through different channels of trade than the opponent's automotive goods, except for the applicant's "form-in-place silicone gaskets" which would travel through the same channels of trade as the opponent's automotive goods. The fourth

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factor therefore favours the opponent with respect to the applicant's goods "form-in-place silicone gaskets" but otherwise the fourth factor favours the applicant with respect to the remaining goods specified in the subject application.

Fifth Factor - Resemblance between the Marks

[24] The parties' marks resemble each other to a high degree visually, and more so when sounded and in ideas suggested. In this regard, the applied-for mark incorporates the opponent's mark in its entirety and the term HARDEX is the dominant component of the applied-for mark. The parties' marks are essentially identical for the purpose of assessing confusion between trademarks. The fifth factor therefore significantly favours the opponent.

DISPOSITION

[25] Having regard to the above factors and weighing them all together, I find that, at all material times, there is no reasonable likelihood of confusion between the parties' marks except in respect of the applicant's goods which are likely to travel in the same channels of trade as the opponent's goods. Accordingly,

(i) the <u>application is refused</u> in respect of the goods "<u>gasket making products namely</u>, form-in-place silicone gaskets used in the repair and servicing of cars and trucks;"

(ii) otherwise, the opposition is rejected.

[26] 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*. Authority for a split decision is found in *Produits Ménagers Coronet Inc v Coronet-Werke Heinrich Schlerf Gmbh* (1986), 10 CPR (3d) 482 (FCTD).

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

APPEARANCES AND AGENTS OF RECORD

HEARING DATE 2018-10-30

APPEARANCES

No One Appearing James Palmer FOR THE OPPONENT FOR THE APPLICANT

AGENTS OF RECORD Cameron IP Moffat & Co.

FOR THE OPPONENT FOR THE APPLICANT