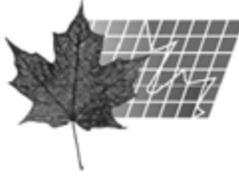


O P I C



C I P O

LE REGISTRAIRE DES MARQUES DE COMMERCE
THE REGISTRAR OF TRADEMARKS

Citation: 2020 TMOB 59

Date of Decision: 2020-03-25

IN THE MATTER OF AN OPPOSITION

Tea Living, Inc.

Opponent

and

Little Citizens Children's Apparel Inc.

Applicant

1,747,522 for LITTLE CITIZENS

Application

INTRODUCTION

[1] On September 24, 2015, Little Citizens Children's Apparel Inc. (the Applicant) filed application No. 1,747,522 (the Application) to register the trademark LITTLE CITIZENS (the Mark).

[2] The Application is in association with the following goods:

(1) Blankets; burp cloths; hats; leggings; onesies; rompers; scarves; shorts; sleepers; sweatshirts; tanktops; t-shirts

(2) Dresses; body suits; shirts

[3] In this decision, I will refer to the above-referenced categories of goods as “Goods (1)”, “Goods (2)”, or collectively, “the Goods”.

[4] The Application is based on use of the Mark in Canada since at least as early as November 1, 2014 in association with Goods (1) and proposed use in Canada in association with Goods (2).

[5] The Application was advertised for opposition purposes in the *Trademarks Journal* on May 18, 2016. On October 18, 2016, Tea Living, Inc. (the Opponent) filed a statement of opposition against the Application pursuant to section 38 of the *Trademarks Act*, RSC 1985, c T-13 (the Act). I note that the Act was amended on June 17, 2019. All references in this decision are to the Act as amended, with the exception of references to the grounds of opposition which refer to the Act as it read before it was amended (see section 70 of the Act which provides that section 38(2) of the Act as it read prior to June 17, 2019 applies to applications advertised prior to that date).

[6] The grounds of opposition are summarized below:

- (a) The Application does not comply with the requirements of section 30(b) of the Act in that the Applicant has not used the Mark in Canada in association with Goods (1) since the date of first use claimed in the Application.
- (b) The Application does not comply with the requirements of Section 30(i) of the Act in that the applicant could not have been satisfied that it was entitled to use the Mark in Canada in association with the Goods in light of the prior use and making known of the Opponent's trademarks LITTLE CITIZENS and FOR LITTLE CITIZENS OF THE WORLD in association with infant and children's clothing and associated online retail services in Canada.
- (c) The Applicant is not the person entitled to registration of the Mark in Canada having regard to the provisions of sections 16(1)(a) and 16(3)(a) of the Act, since at the date of first use alleged in the application, namely, November 1, 2014, and as of the filing date of the Application, namely, September 24, 2015, the Mark was confusing with the Opponent's trademarks which had been previously used in Canada by the Opponent.

(d) The Mark is not distinctive within the meaning of section 2 of the Act, since it does not distinguish nor has it been adapted so to distinguish the Goods from the goods and services associated with the Opponent's trademarks.

[7] On December 9, 2016, the Applicant filed a counter statement denying the grounds of opposition.

[8] Both parties filed evidence, which is discussed below. Only the Opponent filed a written argument. No hearing was held.

EVIDENCE

[9] The Opponent's evidence is comprised of the affidavit of Leigh Rawdon sworn April 20, 2017 (the Rawdon Affidavit). Ms. Rawdon is the CEO and co-founder of the Opponent. Ms. Rawdon attests to, *inter alia*, the following facts regarding the Opponent:

- The Opponent is headquartered in San Francisco, California and manufactures and sells children's and infant's apparel and accessories. The Opponent's children and infant apparel and accessories are sold in retail stores across North America, the Caribbean and Asia, and also via the Opponent's website *www.teacollection.com*.
- The products sold by the Opponent include children's and infant's sweaters, hats, shoes, jackets, outerwear, coats, dresses, pants, leggings, skirts, robes, swimwear, pajamas, mittens, cloth bibs, rompers, one-piece suits, blankets, burp cloths, infant undergarments and sleepers (the Opponent's Goods).
- Since at least as early as March 2004, the Opponent has continuously used the trademark FOR LITTLE CITIZENS OF THE WORLD (the Opponent's Trademark) in Canada in association with the Opponent's Goods. In particular, the Opponent's Trademark appears on all labels and/or hangtags affixed to the Opponent's Goods sold in Canada. Representative hangtags are included as Exhibit D to the Rawdon Affidavit. I note that the Opponent's display of the trademark FOR LITTLE CITIZENS OF THE WORLD on the hangtags appears to be as a secondary trademark in conjunction with the primary trademark TEA.

- The Opponent's Trademark also appears on the Opponent's website, as well as on promotional material including print catalogues.
- Beginning in 2004, the Opponent commenced the sale of children and infant clothing and accessories in Canada bearing the Opponent's Trademark, by selling the products directly to Canadian retailers. Between 2008 and 2011 the Opponent fulfilled over 5,600 Canadian orders of children and infant clothing and apparel items bearing the Opponent's Trademark which resulted in nearly 100,000 such items being shipped to Canadian retailers (representing in excess of \$1.23 million USD in Canadian sales revenue). Sales records included as Exhibit F to the Rawdon Affidavit show sales between 2008 and 2011 to retailers in multiple provinces including British Columbia, Alberta, Manitoba, Ontario, Quebec and Nova Scotia. In 2011, the Opponent began shipping its products to Canada through a distributor. From 2011 to 2014, via the distributor, the Opponent fulfilled over 2,800 wholesale orders that resulted in over 130,000 such items being shipped to retailers across Canada (representing in excess of \$1.75 million USD in sales revenue). Representative invoices from the sale of the Opponent's Goods bearing the Opponent's Trademark to Canadian retailers are included as Exhibit I to the Rawdon Affidavit.
- As of August 11, 2014, the Opponent also offered direct shipping to Canada for goods purchased from its website.
- The Opponent advertises its products in various ways, including via its website, in its catalogues, in various magazines which circulate in Canada, and on social media.

[10] The Applicant's evidence is comprised of the affidavit of Jenny White sworn August 24, 2017 (the White Affidavit). Ms. White is the President and founder of the Applicant. Ms. White attests to, *inter alia*, the following facts regarding the Applicant:

- The Applicant was incorporated on February 12, 2014 and is an online retailer and wholesaler of baby and children's apparel and accessories which are made in Vancouver, Canada. Ms. White describes the Applicant's business as both direct retail and wholesale to other retailers. In 2014 the Applicant launched its online retail store at

www.littlecitizens.com. The Applicant's baby and children's apparel and accessories are available online for purchase through this website. The Applicant also sells its products wholesale to other retailers (who operate bricks and mortar retail stores and have online retail stores services or are exclusively online retailers).

- All of the Applicant's baby and children's apparel and accessories have either a label or hangtag affixed to the item which bears the trademark LITTLE CITIZENS, or are packaged in a manner in which the product's wrapping will bear the trademark LITTLE CITIZENS. Examples of such use of the Mark are included as Exhibits E, F and G to the White Affidavit.
- Ms. White indicates that the Applicant's first sale of its products occurred at least as early as October 26, 2014. A copy of a screen shot of the Applicant's Square account (a credit card processing service) showing this sale, dated October 26, 2014, is included as Exhibit D to the White Affidavit. This document lists the items sold as follows: "Organic Cotton Leggings (Regular Price), 2 x Organic Cotton Sleepers (Regular Price), 2 x Organic Cotton Knotted Hat (Regular Price), 2 x Organic Cotton Sleepers (Regular Price), 2 x Organic Cotton Knotted Hat (Regular Price), Organic...". Ms. White states that the Applicant has continuously used the Mark on baby and children's apparel and accessories since that date.
- The Applicant's annual sales figures in Canada for products bearing the Mark, including both units sold, dollar value, and province of sale, are included in the White Affidavit. By way of example, from October 26, 2014 to December 31, 2014 the Applicant sold 296 items representing \$11,207 CAD in revenue, and in 2015 the Applicant sold 3,157 items representing \$100,957 CAD in revenue.
- The Applicant engages the use of social media to promote its products, and representative examples and annual expenditures for this activity are included.

[11] Neither Ms. Rawdon nor Ms. White were cross-examined on their respective affidavits.

ONUS AND MATERIAL DATES

[12] The Applicant bears the legal onus of establishing, on a balance of probabilities, that the Application complies with the requirements of the Act. This means that if a determinate conclusion cannot be reached in favour of the Applicant after a consideration of all of the evidence, then the issue must be decided against the Applicant. However, there is an initial evidential burden on the Opponent to adduce sufficient admissible evidence from which it could reasonably be concluded that the facts alleged to support each ground of opposition exist [*John Labatt Limited v The Molson Companies Limited* (1990), 30 CPR (3d) 293 (FCTD) at 298].

[13] The material dates with respect to the grounds of opposition are as follows:

- Sections 38(2)(a)/30 of the Act - the filing date of the Application, namely, September 24, 2015 [*Georgia-Pacific Corp v Scott Paper Ltd* (1984), 3 CPR (3d) 469 (TMOB) at 475];
- Sections 38(2)(c)/16(1)(a) of the Act – the date of first use of the Applicant’s Mark in association with Goods (1) claimed in the Application, namely, November 1, 2014;
- Sections 38(2)(c)/16(3)(a) of the Act – the filing date of the Application, namely, September 24, 2015; and
- Sections 38(2)(d)/2 of the Act - the filing date of the opposition, namely, October 18, 2016 [*Metro-Goldwyn-Mayer Inc v Stargate Connections Inc*, 2004 FC 1185, 34 CPR (4th) 317 (FC)].

GROUND OF OPPOSITION SUMMARILY DISMISSED

Section 30(b) Ground of Opposition

[14] With a ground of opposition based on section 30(b) of the Act, it is well established that if the date of use claimed in the application is earlier than the applicant’s actual date of first use of the trademark in Canada, the section 30(b) ground of opposition is successful [see *Scenic Holidays (Vancouver) Ltd v Royal Scenic Holidays Ltd*, 2010 TMOB 63; *Pharmacia AB v*

Homeocan Inc (2003), 33 CPR (4th) 375 (TMOB) at paras 6-8; *Hearst Communications Inc v Nesbitt Burns Corp* (2000), 7 CPR (4th) 161 (TMOB) at paras 7-11].

[15] An opponent's initial burden under section 30(b) is light [*Tune Masters v Mr P's Mastertune Ignition Services Ltd* (1986), 10 CPR (3d) 84 (TMOB) at 89] and can be met by reference not only to the opponent's evidence but also to the applicant's evidence [*Labatt Brewing Co v Molson Breweries, A Partnership* (1996), 68 CPR (3d) 216 (FCTD) at 230]. However, an opponent may only successfully rely upon the applicant's evidence to meet its initial burden if the opponent shows that the applicant's evidence puts into issue the claim set forth in the application [*Corporativo de Marcas GJB, SA de CV v Bacardi & Company Ltd*, 2014 FC 323 at paras 30-38].

[16] In the present case, the Application includes a claim that the Mark has been used in Canada since at least as early as November 1, 2014 in association with Goods (1), which are described in the Application as follows: "Blankets; burp cloths; hats; leggings; onesies; rompers; scarves; shorts; sleepers; sweatshirts; tanktops; t-shirts".

[17] The Opponent did not file any evidence which calls that claimed date into question. Instead, the Opponent seeks to rely solely on the Applicant's evidence to meet the Opponent's initial evidential burden for the section 30(b) ground. The Opponent's position with respect to this ground of opposition is effectively twofold: (1) the October 26, 2014 sale by the Applicant does not address all of the items listed in Goods (1) of the Application; and (2) the White Affidavit does not expressly state that the examples of the use of the Mark that are included in the White Affidavit are representative of how the Mark was displayed as of the October 26, 2014 sale.

[18] In my view, the Opponent in this case cannot meet its evidential burden for the section 30(b) ground of opposition via the White Affidavit alone. In particular, there is no evidence in the White Affidavit which is inherently or clearly inconsistent with date of use claimed in the Application. The Applicant provides evidence of a sale which took place on October 26, 2014, which is consistent with the claimed date of use in the Application, namely, "since at least as early as November 1, 2014". While it appears that sale may cover only a subset of Goods (1) listed in the Application, there is no statement in the White Affidavit to suggest that this first sale

was exhaustive and the only sale prior to the claimed date of use in the Application. Further, there is no evidence in the White Affidavit to suggest that the items sold by the Applicant on October 26, 2014 did not bear the Mark in the same manner as the examples provided in Exhibits E, F and G to the White Affidavit. I note that the Opponent had the opportunity to cross-examine on the White Affidavit to the extent the Opponent felt that statements in the affidavit were unclear or incomplete, and the Opponent elected not to do so. While I appreciate that in some cases an applicant's affidavit alone will be sufficient for the opponent to meet its initial evidential burden under section 30(b) without the need to cross-examine [see, for example, *911979 Alberta Ltd v Hero Nutritionals, Inc*, 2014 TMOB 72, 122 CPR (4th) 256 (TMOB)], in my view, for the reasons above, this is not such a case.

[19] Accordingly, the Opponent has not met its initial evidential burden for the section 30(b) ground of opposition, and this ground of opposition is dismissed.

Section 30(i) Ground of Opposition

[20] Where an applicant has provided the statement required by section 30(i), a ground of opposition based on this section should only succeed in exceptional cases such as where there is evidence of bad faith on the part of the applicant or where use of the applied for trademark would result in violation of a Federal statute [see *Sapodilla Co Ltd v Bristol-Myers Co* (1974), 15 CPR (2d) 152 at 155 (TMOB) and *Canada Post Corporation v Registrar of Trade-marks* (1991), 40 CPR (3d) 221 (FCTD)]. Mere knowledge of the existence of an opponent's trademark does not in and of itself support an allegation that an applicant could not have been satisfied of its entitlement to use a trademark [*Woot Inc v WootRestaurants Inc / Les Restaurants Woot Inc*, 2012 TMOB 197].

[21] In the present case, the Application contains the requisite statement and there is no evidence that this is an exceptional case involving bad faith or the violation of a Federal statute. Accordingly, the section 30(i) ground of opposition is dismissed.

REMAINING GROUNDS OF OPPOSITION

Sections 16(1)(a) and 16(3)(a) Grounds of Opposition – Non-entitlement

[22] With the section 16(1)(a) and 16(3)(a) grounds of opposition, the Opponent pleads that the Applicant is not the party entitled to register the Mark because it is confusing with the Opponent's trademarks LITTLE CITIZENS and FOR LITTLE CITIZENS OF THE WORLD that were previously used by the Opponent in Canada.

[23] The material date for the section 16(1)(a) ground of opposition in respect of Goods (1) is the date of use claimed in the Application, namely, November 1, 2014. The material date for the section 16(3)(a) ground of opposition in respect of Goods (2) is the filing date of the Application, namely, September 24, 2015. As will be discussed in detail, below, given the evidence of record in this proceeding, the difference in material dates between the section 16(1)(a) and 16(3)(a) grounds does not meaningfully impact the analysis of these grounds of opposition.

[24] The Opponent's evidence indicates that it has used its trademark FOR LITTLE CITIZENS OF THE WORLD in Canada in association with children's and infant's clothing since 2004, well prior to the material dates for both of the non-entitlement grounds of opposition. Further, the Opponent's evidence indicates that the Opponent continued to use and had not abandoned the trademark as of the date of advertisement of the Application, namely, May 18, 2016. Thus, by virtue of its evidence of the use of the trademark FOR LITTLE CITIZENS OF THE WORLD in Canada, the Opponent has met its initial evidential burden with respect to both the sections 16(1)(a) and 16(3)(a) grounds of opposition.

[25] I note that the Opponent's evidence (specifically Exhibit A to the Rawdon Affidavit) includes examples of children's t-shirts bearing the words "LITTLE CITIZEN" prominently on the front. However, as I do not have evidence that these specific t-shirts were sold in Canada prior to any of the material dates in these proceedings, I do not place any reliance on these items, and I do not consider that the Opponent has demonstrated use of the trademark "LITTLE CITIZEN(S)", on its own, prior to any of the material dates in this proceeding.

[26] Also, as an aside, I note that the Opponent appears to have used its trademark FOR LITTLE CITIZENS OF THE WORLD as a secondary trademark in conjunction with the

primary brand TEA. However, that does not adversely impact the Opponent as it is well established that multiple trademarks can be used together on the same product [*AW Allen Ltd v Canada (Registrar of Trade Marks)* (1985), 6 CPR (3d) 270 (Fed TD), at 272].

[27] The Opponent having met its evidential burden, the central issue with respect to the sections 16(1)(a) and 16(3)(a) grounds is whether the Applicant has met its legal burden to demonstrate that there is no likelihood of confusion between the Mark and the Opponent's trademark FOR LITTLE CITIZENS OF THE WORLD.

Test for confusion

[28] The test to determine the issue of confusion is set out in section 6(2) of the Act where it is stipulated that the use of a trademark causes confusion with another trademark if the use of both trademarks in the same area would likely lead to the inference that the goods and services associated with those trademarks are manufactured, sold, leased, hired or performed by the same person, whether or not the goods and services are of the same general class or appear in the same class of the Nice Classification. In making such an assessment, I must take into consideration all the relevant surrounding circumstances, including those listed in section 6(5) of the Act: the inherent distinctiveness of the trademarks and the extent to which they have become known; the length of time the trademarks have been in use; the nature of the goods and services or business; the nature of the trade; and the degree of resemblance between the trademarks in appearance, or sound or in the ideas suggested by them.

[29] These criteria are not exhaustive and different weight will be given to each one in a context specific assessment [see *Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée*, 2006 SCC 23, 49 CPR (4th) 401; *Mattel, Inc v 3894207 Canada Inc*, 2006 SCC 22, [2006] 1 SCR 772 (SCC) at para 54]. I also refer to *Masterpiece Inc v Alavida Lifestyles Inc*, 2011 SCC 27, 92 CPR (4th) 361 (SCC) at para 49, where the Supreme Court of Canada states that section 6(5)(e), the resemblance between the marks, will often have the greatest effect on the confusion analysis.

[30] The test for confusion is assessed as a matter of first impression in the mind of a casual consumer somewhat in a hurry who sees the applicant's mark, at a time when he or she has no more than an imperfect recollection of the opponent's trademark, and does not pause to give the

matter any detailed consideration or scrutiny, nor to examine closely the similarities and differences between the marks [*Veuve Clicquot, supra*, at para 20].

Inherent distinctiveness of the trademarks and extent to which they have become known

[31] In my view, the Opponent's trademark FOR LITTLE CITIZENS OF THE WORLD, in association with children and infant clothing, is somewhat suggestive of the nature of the goods, as it suggests that the goods are designed for younger individuals of a smaller size. However, because the term "little citizens" is not a customary way to refer to children or infants, in my view, the Opponent's Trademark has a moderate degree of inherent distinctiveness.

[32] For the same reasons, in my view, the Applicant's trademark LITTLE CITIZENS similarly has a moderate degree of inherent distinctiveness.

[33] With respect to the extent to which the parties' marks have become known, the evidence indicates that the Opponent has sold in Canada a higher volume of goods in association with the Opponent's Trademark and for a longer period of time than the Applicant has sold goods in association with its Mark. For example, from 2008 to 2011 (prior to the material dates for both the sections 16(1)(a) and 16(3)(a) grounds), the Opponent filled over 5,600 orders comprising nearly 100,000 items sold in Canada bearing the Opponent's Trademark. From 2011 to 2014 (prior to the material date for the section 16(3)(a) ground), the Opponent sold over 130,000 items bearing the Opponent's Trademark in Canada.

[34] By comparison, the Applicant's sales in Canada commenced in October 2014, and prior to the filing date of the Application the number of units sold by the Applicant bearing the Mark was less than 3,500 units.

[35] In sum, the evidence indicates that the Opponent's Trademark has been used in Canada to a greater extent than the Applicant's Mark, and for a longer period of time, and consequently the Opponent's Trademark has likely become better known.

[36] In view of the above, on balance, this factor favours the Opponent.

Length of time the trademarks have been in use

[37] The Rawdon Affidavit indicates that the Opponent commenced using the trademark FOR LITTLE CITIZENS OF THE WORLD in Canada in association with children and infant clothing in 2004. The Rawdon Affidavit includes more detailed evidence, including sales reports and sales figures, for goods sold in Canada in association with the Opponent's Trademark since 2008.

[38] The Applicant's evidence indicates that the Applicant has been using the Mark in Canada since October 26, 2014.

[39] Therefore, this factor favours the Opponent.

Nature of the goods; nature of the trade

[40] The Opponent's evidence demonstrates that it uses its trademark FOR LITTLE CITIZENS OF THE WORLD in association with children and infant clothing, including, children's and infant's sweaters, hats, shoes, jackets, outerwear, coats, dresses, pants, leggings, skirts, robes, swimwear, pajamas, mittens, cloth bibs, rompers, one-piece suits, blankets, burp cloths, infant undergarments and sleepers.

[41] The above goods overlap directly with, or are closely related to, the Goods listed in the Application.

[42] With respect to the parties' respective channels of trade, the evidence indicates that both parties sell their goods to retailers of children's clothing in Canada, as well as directly to customers online.

[43] Overall, this factor favours the Opponent.

Degree of resemblance

[44] With respect to the appearance, sound and idea conveyed by the parties' marks, in my view, the degree of resemblance is quite high.

[45] The resemblance must be assessed with a consideration of whether there is an aspect of the mark that is particularly striking or unique [see *Masterpiece, supra*, at para 64]. In my view,

the most striking or unique aspect of the Opponent's Trademark is the term "LITTLE CITIZENS", which in the context of children's clothing is likely to be understood as a euphemism for "little children". In my view, the remaining components of the Opponent's Trademark (i.e. FOR [...] OF THE WORLD) are ordinary dictionary words used in a conventional way and are not as unique or striking as the term "LITTLE CITIZENS".

[46] Given that the term "LITTLE CITIZENS" constitutes the entirety of the Applicant's Mark, in my view, this leads to a high degree of resemblance.

[47] Consequently, in my view, this factor also favours the Opponent.

Conclusion regarding confusion

[48] Ultimately, the test to be applied is whether a casual Canadian consumer, having an imperfect recollection of the Opponent's trademark FOR LITTLE CITIZENS OF THE WORLD in association with children and infant clothing, when they see the trademark LITTLE CITIZENS in association with the Goods, would think the products come from the same source.

[49] Having considered all of the surrounding circumstances contemplated by section 6(5) of the Act, and given that each of the relevant factors favours the Opponent as discussed above, I conclude that the Applicant has not met its legal burden of establishing on a balance of probabilities that confusion is not likely between the Mark and the Opponent's Trademark. The sections 16(1)(a) and 16(3)(a) grounds of opposition are therefore successful.

Section 2 Ground of Opposition - Distinctiveness

[50] The material date for the section 2 ground of opposition is the date of filing the statement of opposition, namely, October 18, 2016.

[51] In order to meet its initial evidential burden under this ground of opposition, an opponent must show that its trademark had a substantial, significant or sufficient reputation in Canada in association with relevant goods and/or services so as to negate the distinctiveness of the applied for trademark [see *Motel 6, Inc v No 6 Motel Ltd*, (1981), 56 CPR (2d) 44 (FCTD); and

Bojangles' International, LLC and Bojangles Restaurants, Inc v Bojangles Café Ltd, 2006 FC 657, 48 CPR (4th) 427].

[52] In my view, the Opponent's evidence of its use of the trademark FOR LITTLE CITIZENS OF THE WORLD in Canada since 2004, including the sales records and sales figures it has provided for the 2008 to 2014 period, are sufficient for the Opponent to meet its evidential burden for the section 2 ground of opposition. The Opponent having met its evidential burden, I find that this ground of opposition is successful based on the same analysis of confusion as set out above with respect to the non-entitlement grounds of opposition. Specifically, I find that the Applicant has not met its legal burden to demonstrate that there is no likelihood of confusion between the Mark and the Opponent's Trademark, and thus has not met its legal burden to demonstrate that the Mark is distinctive of the Applicant pursuant to section 2 of the Act as of the material date.

[53] Consequently, the section 2 ground of opposition is also successful.

DISPOSITION

[54] In view of the above, pursuant to the authority delegated to me under section 63(3) of the Act, I refuse the application pursuant to section 38(12) of the Act.

Timothy Stevenson
Member
Trademarks Opposition Board
Canadian Intellectual Property Office

**TRADEMARKS OPPOSITION BOARD
CANADIAN INTELLECTUAL PROPERTY OFFICE
APPEARANCES AND AGENTS OF RECORD**

No Hearing Held

AGENTS OF RECORD

Bereskin & Parr LLP

FOR THE OPPONENT

Borden Ladner Gervais LLP

FOR THE APPLICANT