



LE REGISTRAIRE DES MARQUES DE COMMERCE
THE REGISTRAR OF TRADEMARKS

Citation: 2021 TMOB 85

Date of Decision: 2021-05-05

IN THE MATTER OF AN OPPOSITION

Proprietary Innovation Labs Inc.

Opponent

And

Atlantia Holdings Inc.

Applicant

1,665,112 for PHANTOM GLASS HD

Application

INTRODUCTION

[1] Propriety Innovation Labs Inc. (the Opponent) opposes registration of the trademark PHANTOM GLASS HD (the Mark), the subject of application No. 1,665,112 (the Application), that was filed by Atlantia Holdings Inc. (the Applicant). This decision entirely turns on whether the Mark is held to be distinctive of the Applicant, in view of the extent of use of the substantially the same trademark(s) in association with the same goods by the Opponent, despite the Opponent not establishing entitlement to the Mark. I will add that there is no dispute between the parties that their respective trademarks are confusing.

[2] For the reasons that follow, I refuse the application.

THE RECORD

[3] Filed on February 24, 2014, the Application is based on use of the Mark in Canada since at least as early as January 17, 2014 in association with the following goods (the Goods):

Tempered glass screen protectors in the nature of clear protective covers adapted for electronic devices, namely, mobile phones, portable computers, digital tablets, graphic tablets, tablet computers, and portable and handheld electronic devices, namely, touch screen tablet computers, electronic hand-held game units, videophones, mobile multimedia and communications devices.

[4] The Application was advertised in the *Trademarks Journal* of June 22, 2016. The Opponent filed its statement of opposition to the Application on January 2, 2018.

[5] In its statement of opposition, the Opponent alleges that (i) the application does not conform to the requirements of section 30(b) of the *Trademarks Act*, RSC 1985, c T-13 (the Act); (ii) the application does not conform to the requirements of section 30(i) of the Act; (iii) the Applicant is not entitled to registration of the Mark pursuant to sections 16(1)(a) and (c) of the Act; and (iv) the Mark is not distinctive pursuant to section 2 of the Act.

[6] I will note at the outset that the grounds of opposition based on sections 30(b) and 30(i) are summarily dismissed. In this respect, the Opponent has neither filed any evidence nor made any submissions in support of these grounds of opposition, and thus, has failed to meet its initial burden under these grounds. Additionally, while not withdrawing its grounds of opposition based on section 16 of the Act, the Opponent acknowledges that it has failed to meet its initial burden under these grounds as well. Consequently, the remainder of the decision will be exclusively focussed on the section 2 ground of opposition.

[7] As a preliminary matter, 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).

[8] In support of its opposition, the Opponent filed the affidavit of Richard Waters, the founder and President of the Opponent, sworn January 30, 2017. Mr. Waters was cross-examined on his affidavit, and a transcript of the cross-examination was filed and forms part of the record.

[9] In support of its Application, the Applicant filed the affidavits of Karim Salemhamed and Nathan Drake, both sworn on March 13, 2018. Neither affiant was cross-examined on their affidavit.

[10] The Opponent did not file any reply evidence.

[11] Both parties filed written arguments and attended an oral hearing.

THE EVIDENCE

The Opponent's Evidence

Summary of the Waters affidavit

[12] Mr. Waters attests that the Opponent is a Toronto-based company, launched in 2013, that sells glass screen protectors for covering screens on electronic devices, including mobile phones, tablets, and cameras.

[13] Mr. Waters states that in 2013, the Opponent commissioned the design of a logo for its products and associated material, which was to incorporate the Opponent's trade name PHANTOM GLASS. He explains that the resultant logo and trade name PHANTOM GLASS are subject of two pending trademark applications, particulars of which he attaches as Exhibit D to his affidavit. The applications are for the trademarks as follows (the Opponent's Marks):

Application No. 1,713,215 for PHANTOM GLASS; and

Application No. 1,713,214 for:



[14] With respect to association of the Opponent's Marks with screen protectors, Mr. Waters attests that the marks appear prominently on all product packaging and literature, which is affixed to or included with the screen protectors and visible to customers at the time of sale. In support, Mr. Waters provides representative images of product packaging which he states are representative of how the Opponent's Marks have been used in connection with its goods sold in Canada since November 2013 (Exhibit E).

[15] Mr. Waters attests that the Opponent's Marks also appear prominently in all of the Opponent's tutorials seen by current and potential customers, the first of which he states was posted online on November 27, 2013, examples of which can be found at Exhibits F to K.

[16] Mr. Waters also attests that the Opponent's Marks appear prominently on all pages of the Opponent's website at *www.phantom.glass*, including pages where customers can browse the Opponent's products and where customers can review and complete their orders of the Opponent's products and watch the Opponent's tutorials. He includes under Exhibit L to his affidavit, screenshots from the current version of the website depicting the use of the Opponent's Marks.

[17] Mr. Waters states that PHANTOM GLASS is also the trade name under which the Opponent carries on business in Canada and elsewhere in the world with respect to the Opponent's products and tutorials, and he confirms that this trade name has been used in Canada in connection with the Opponent's business since at least as early as September 2013.

[18] With respect to channels of trade, Mr. Waters attests that the Opponent sells its products through two main channels: (i) direct to consumers through the Opponent's website; and (ii) through third party retailers who then sell the Opponent's products to consumers across Canada. He states that currently the Opponent's products are sold by multiple retailers across Canada, with more than 300 retailer locations selling the Opponent's products, including Staples, Jump+, Walmart, Indigo, Henry's, Best Buy, and Amazon.ca, as well as through several Canadian university and college campus retail stores. He provides as Exhibit O, a non-exhaustive list of such third party retailers selling the Opponent's products. He further explains that the Opponent's products can also be found on the online stores for many of these Canadian retailers

and he provides examples of screenshots from various third party retailer sites under Exhibits P through T.

[19] With respect to sales of the Opponent's products, Mr. Waters attests that the first sale to a Canadian customer occurred on November 8, 2013. He provides as Exhibit U to his affidavit, the invoice associated with this sale, as well as two additional invoices also dated in November, 2013 under Exhibit V, and confirms that the packaging of all products sold in these transactions bore the Opponent's Marks. The invoices include the Opponent's Marks, as well as a GST number; however, sales amounts are blank. In addition to the November 2013 sales invoices, Mr. Waters provides, as Exhibits W, X, and Y, respectively: a sample invoice showing a sale from the Opponent's website to a Canadian customer; a sample invoice showing sales of the Opponent's products to a third party retailer in Canada; and a sample invoice showing a sale of the Opponent's products directly to a large Canadian construction company. He attests that invoices such as these have accompanied the Opponent's products on delivery to Canadians from such sales, all of which were marked with the Opponent's Marks on the product packaging in the manner shown in Exhibit E. He confirms that these invoices are representative of sales made through these channels to Canadians since at least as early as 2013. He attests that since the first sale in 2013, the Opponent has continuously sold the Opponent's products in association with the Opponent's Marks in significant quantities, through their normal channels of distribution, including through the Opponent's website, across Canada, and he provides significant sales by unit and approximate net sales dollar amount figures.

[20] In terms of marketing and promotion of the Opponent's products, Mr. Waters explains that the Opponent has created numerous tutorials for the Opponent's products as both an educational and a marketing tool to promote the products and trademarks (Exhibits F to K include examples of such tutorials). He states that the first of these tutorials was posted online on November 27, 2013 on YouTube, a screenshot of which is attached at Exhibit Z and a video of which is included at Exhibit AA. He states that another tutorial was posted on YouTube on January 18, 2014 (screenshot at Exhibit BB, with video at Exhibit CC).

[21] In addition, Mr. Waters states that the Opponent's products have been featured in Canadian media, and provides examples as Exhibits DD through JJ, dated between 2014 and

2015. These include, among others, screenshots and television broadcast segments from programs such as Global TV's *The Morning Show*, and newspaper articles from the *Toronto Star*. In addition, he attests that the Opponent's products have also received international media attention and, as an example, in February 2016, the Opponent's products were included in the 2016 "Oscar Swag Bag", a gift bag given out at the 2016 *Academy Awards*. He provides a television segment from Fox Business News at Exhibit KK, where the Opponent's product was described as the "most useful Oscar swag" – and included a screenshot from the segment wherein the trademark is clearly visible. He further provides printouts of online articles from *Hello! Magazine Canada*, *Vogue*, and *Quartz*, dated February 2016 (Exhibits LL to NN), in which the inclusion of the Opponent's product in the "Oscar Swag Bag" was noted.

[22] Mr. Waters attests that since 2013, in excess of \$400,000 has been spent worldwide on various advertising, promotional, and marketing efforts with respect to the Opponent's Marks and products. He provides the following examples of such advertising:

- Exhibit OO – an online video blog review on YouTube of the Opponent's products by LinusTechTips published on August 5, 2014, which has been viewed over 253,300 to date. He includes a screenshot.
- Exhibit PP – copy of the Opponent's nationwide flyer advertising with Staples from the week of September 15, 2016;
- Exhibit QQ – a screenshot of the Opponent's online advertising with Staples Canada from the week of May 18, 2016;
- Exhibit RR – a copy of the Opponent's flyer advertising with Visions Electronics in Alberta from the week of November 3, 2016;
- Exhibit SS – a screenshot of the Opponent's online advertising with Visions Electronics from the week of May 17, 2016; and
- Exhibit TT – a screenshot of the Opponent's online advertising with NCIX.com, a Canadian online computer store from the week of September 1, 2014.

[23] In addition, he attests that the Opponent's products have been endorsed on social media by well-known personalities, including Canadian Olympic alpine skier Larisa Yurkiw (Exhibit UU – Facebook posts dated December 15, 2015 and February 25, 2016), and entertainer Darienne Lake (Exhibit VV – Tweet dated July 21, 2015). He further states that the Opponent has also participated in tradeshow to promote the Opponent's products, such as the SYNEX

Canada Retail Revolution tradeshow which took place May 7-9, 2014. Exhibit WW includes photographs of the Opponent's booth, the Opponent's product program ad, and the conference itinerary listing the Opponent's talk regarding the Opponent's products.

[24] Lastly, Mr. Waters attests that the Opponent promotes the Opponent's products, tutorials, and trademarks through various social media accounts, all of which are targeted or accessible to existing and prospective Canadian customers, such as:

- Exhibit XX – screenshots from the Opponent's products Facebook page, which has received over 100,000 likes.
- Exhibit YY – screenshots from the Opponent's Twitter account, created in October 2013. It displays the Opponent's Marks and has over 5,000 followers.
- Exhibit ZZ – screenshots from the Opponent's Instagram account, displaying the Opponent's Marks, which currently has over 3,400 followers.
- Exhibit AAA – screenshots from the Opponent's products YouTube channel, which displays the Opponent's Marks. The videos, which includes the Opponent's tutorials as well as media coverage of the Opponent's products have more than 83,000 views to date.
- Exhibit BBB – examples of public testimonials from customers who purchased the Opponent's products, posted on Facebook and Twitter.

Cross-examination of Mr. Waters

The Opponent's applications and letters from the Applicant to the Opponent

[25] There are four exhibits attached to the cross-examination of Mr. Waters with respect to trademark applications of the Opponent:

Exhibit 1: The Canadian Trademarks Database (CTMD) printout for the Opponent's application no. 1,662,935, filed on February 7, 2014, for the trademark PHANTOM GLASS. The application was filed on the basis of proposed use. It was opposed on September 17, 2015, and subsequently abandoned on February 11, 2016.

Exhibit 2: CTMD printout for the Opponent's application no. 1,662,922, also filed on February 7, 2014 on the basis of proposed use, for the trademark PHANTOM GLASS and PG Design. This application too was opposed on September 18, 2015, and subsequently abandoned on February 11, 2016.

Exhibit 3: a copy of the Opponent's application No. 1,713,215 for the trademark PHANTOM GLASS, filed on January 30, 2015. The exhibit indicates that the trademark was filed on the basis of use in association with goods since at least as early as November 8, 2013, and in association with services as early as November 27, 2013.

Exhibit 4: a copy of the Opponent's application No. 1,713,214 for the trademark PHANTOM GLASS & PG Design, also filed on January 30, 2015, and also filed on the basis of use in association with goods since at least as early as November 8, 2013.

[26] In the cross-examination transcript, Mr. Waters is asked if he filed these latter applications based on use of those trademarks after he became aware that the Applicant had filed a trademark for PHANTOM GLASS. He replies that the Opponent abandoned their original applications and re-applied with their current counsel at a later date to correct errors in the first application.

[27] Mr. Waters is then questioned as to whether he has seen a letter dated April 2, 2014, from counsel for the Applicant to Mr. Waters' business partner, indicating that the Applicant had filed a trademark for PHANTOM GLASS, and regarding alleged infringement by the Opponent of the Applicant's Mark (Exhibit A). Mr. Waters indicates that he had not. He is then further asked if he has seen a letter dated April 22, 2014 (Exhibit B), from counsel for the Applicant (Mr. Alibhai) to counsel for the Opponent (Mr. Gill), which makes reference to a sale to London Drugs in 2013 of PHANTOM GLASS screen protectors; that is, an order placed on December 20, 2013, and an attached invoice of said sale dated January 17, 2014. Once again, Mr. Waters indicates that he does not recall. Mr. Alibhai however, asks Mr. Waters once again if the Opponent's application filed on January 30, 2015 (Exhibit D), was filed after he or his company or counsel had received notification that the Applicant had a trademark application and a prior use application. Mr. Gill responds that the documents speak for themselves.

[28] Mr. Alibhai subsequently asks Mr. Waters if he recognizes another letter he sent to Mr. Gill, dated January 27, 2015 (Exhibit C to the cross-examination) regarding continued allegations of infringement by the Opponent, as well as a letter in response, dated January 30, 2015 (Exhibit D to the cross-examination), from Mr. Gill back to Mr. Alibhai. He indicates that he does. He is questioned about discrepancies between the November 8, 2013 invoice attached to

his affidavit, and that which is included in Mr. Gill's January 30, 2015 correspondence. He indicates that any discrepancies are due to a change in the Opponent's accounting system, but insists that the invoice attached to his affidavit is a true copy, including the appearance of the same HST number on the invoices.

The Opponent's 2013 invoices

[29] Mr. Alibhai directs Mr. Waters' attention to the Opponent's 2013 invoices, attached as Exhibits U and V to Mr. Waters' affidavit. These are invoice numbers 10001, 10002, and 10003, dated November 8, 2013, November 15, 2013, and November 11, 2013 respectively.

[30] Mr. Alibhai asks Mr. Waters when the November 8, 2013 invoice was created. He indicates that he does not recall, but that if the accounting system dated it November 8, 2013, that is when the invoice was created. Mr. Alibhai further asks whether GST or HST was collected and remitted. Mr. Waters responds that he did collect the GST, however, Mr. Gill indicates that there is a refusal to answer whether the GST was remitted based on the lack of relevance in this proceeding.

[31] Mr. Alibhai then questions Mr. Waters about the invoice dated January 25, 2017, attached as Exhibit X to his affidavit. Mr. Waters is asked about changes in format between this invoice and the 2013 invoices. While Mr. Waters indicates that the GST number is the same, he does not recall when the format of the invoices changed.

Opponent's GST/HST Number

[32] When Mr. Alibhai questions Mr. Waters as to when he obtained the GST registration for the Opponent, Mr. Waters responds that he does not recall the date that he received the HST number; however, it would be the date of incorporation for the company.

[33] Mr. Alibhai then shows Mr. Waters printouts from the CRA website for a GST/HST registration search for an entry on November 6, 2013 and November 8, 2013 (Exhibits D and E to the cross-examination) for the GST number shown on the November 8, 2013 invoice. The printout indicates that the Opponent's GST number was not registered on those dates. Mr. Alibhai further produces additional documents which are similar printouts from the CRA website

for GST/HST registration searches on November 14 and 15, 2013 as well as November 11 and 12, 2013, which correspond to the order and transaction dates for invoices 10003 and 10002 respectively (Exhibit V to the Waters' affidavit). Once again, these documents (Exhibits F-I to the cross-examination) indicate that the Opponent did not have a GST registration number for those dates, contrary to what is indicated on the invoices.

[34] Following up with Mr. Waters attestation that he would have registered for a GST/HST number when the Opponent was incorporated, Mr. Alibhai asks when the Opponent was incorporated. Although Mr. Waters responds that he does not recall, Mr. Alibhai produces a corporation profile report (Exhibit 6 to the cross-examination), for the Ontario corporate registry showing the incorporation of the Opponent under Ontario Corporation No. 1909886, with an incorporation date of January 16, 2014. Mr. Waters does not dispute this date, and acknowledges that the Opponent did not exist in 2013; however, he does not agree that, as a result, the company could not have provided any sales or services in 2013.

[35] Mr. Alibhai provides additional printouts from the CRA website for GST/HST registration searches for the Opponent on January 21 and 22, 2014. The documents indicate that the GST number was not registered until January 22, 2014 (Exhibits J and K to the cross-examination). Mr. Waters is asked if he disputes this information, to which Mr. Gill indicates that they will undertake to make inquiries regarding the date of the Opponent's GST registration and determine the answers. No such undertakings were ultimately provided.

Marketing and launch dates in Canada

[36] Mr. Alibhai questions Mr. Waters about an article dated May 3, 2014, by Martin Herdman published in the *Toronto Star* newspaper (Exhibit HH to the Waters affidavit), which says at paragraph 5: "Samples in-hand, Waters was able to secure orders from Staples, Best Buy, and Future Shop when Phantom Glass will appear in-store and online starting this month".

[37] Mr. Alibhai asks Mr. Waters if this suggests that he did not have any sales of products taking place until May 2014. Mr. Waters replies that this statement only talks about Staples, Best Buy, and Future Shop, which does not encompass all of his company's activities or sales.

[38] Mr. Alibhai additionally asks Mr. Waters questions regarding postings on the Opponent's Facebook page, in particular, a posting dated November 12, 2014, which reads: "After a trip to China, back home to Toronto, then to Vancouver, it's safe to say we've been busy. Excuse the silence... but the good news is that our final retail packaged samples have arrived." This document is marked as Exhibit R to the cross-examination.

[39] Mr. Waters responds that this Facebook page, "[...], is in no way a formal, official communication with regards to the date of formal, final retail package samples."

[40] Mr. Alibhai shows Mr. Waters two more postings from the Opponent's Facebook page, dated April 25, 2014 (marked as Exhibit S to the cross-examination), and May 3, 2014 respectively (marked as Exhibit T to the cross-examination). The first posting reads: "Taylor loves her new phantom glass. Her phone is looking brand new. In stores May 5th!!!!" That was a posting made by an individual called Taylor Laist on April 25, 2014. When asked if he knew this individual, Mr. Waters indicates that she is an acquaintance. The second posting has an article that states: "We're launching this week. Check us out at Amazon. Deets to follow.", and has a picture of what appears to be the *Toronto Star* article of Exhibit HH.

[41] Lastly, Mr. Alibhai shows Mr. Waters an article in a New Wire news release (third-party PR firm of the Opponent per Mr. Waters, answer to question 185 of cross-examination), dated June 2, 2014 (marked as Exhibit 7 to the cross-examination). Mr. Alibhai notes that the article states that the Opponent launches in stores across Canada on that date. Mr. Waters responds that it does, but that it also states that: "Waters had an 'ah-ha' moment that would change his life. One year later in 2013, satisfied with a prototype that made all other screen/glass protectors obsolete, specs were sent overseas and Phantom Glass™ was born."

Opponent's Online Tutorials

[42] Mr. Alibhai produces a screenshot taken from the YouTube website for the first video for "Phantom Glass: Overview", which corresponds to the tutorial at Exhibit F to the Waters' affidavit. Mr. Alibhai marks this document as Exhibit L to the cross-examination, and indicates that the tutorial video indicates that it was published on May 29, 2014.

[43] Mr. Alibhai goes through a similar exercise for the remaining YouTube tutorials (attached as Exhibits G to K to the Waters' affidavit), providing screenshots indicating the tutorials were published between August 2014 and May 2015 (marked as Exhibits M through Q to the cross-examination). Mr. Alibhai highlights that none of these videos were published online on November 27, 2013, per the Waters' affidavit.

[44] Mr. Waters responds that, per his statement at paragraph 13 of his affidavit, what is found at Exhibits F to K, are examples of PHANTOM GLASS tutorials. He attests that the first tutorial posted online on November 27, 2013, would be more in line with "Phantom Glass: Features" the third preview video on the right of the screenshot in Exhibit M to the cross-examination (which corresponds to the tutorial Exhibit F to the Waters' affidavit). He states that he recalls recording and publishing this video himself in 2013.

The Applicant's Evidence

Summary of the Salemohamed affidavit

[45] Mr. Salemohamed attests that the Applicant, founded in 2002, operates in the technology accessory market, with over 280 wholesale customers in Canada, covering all levels of distribution from importer, manufacturer, distributor, wholesaler, and retailer.

[46] Mr. Salemohamed attests that in April 2013, the Applicant's manufacturer of screen protectors informed the Applicant of new screen protectors made of glass, and the Applicant received samples from the vendor's Chinese factory. He attests the Applicant decided that the best name for the product would incorporate the terms "phantom" and "HD". He attaches as Exhibit B to his affidavit, an invoice issued by the Applicant's Chinese manufacturer, dated April 26, 2013, evidencing an early order for these screen protectors. He states that by August/September 2013, the Applicant had packaging completed for sale of the screen protectors under the trademark "PHANTOM GLASS HD".

[47] Mr. Salemohamed attests that the Applicant then approached some of their Canadian distributors (London Drugs Ltd., various university and college bookstores) with samples of the PHANTOM GLASS HD screen protectors to determine their interest in selling such products. He states that in October/November 2013, London Drugs confirmed their interest to purchase the

screen protectors from the Applicant, and that the Applicant then immediately prepared a purchase order for the purchase of the screen protectors from the Applicant's Chinese manufacturer (per Exhibit C email between the Applicant and the Chinese manufacturer regarding the forwarding of the Applicant's November 7, 2013 purchase order for 1,200 screen protectors branded under the PHANTOM GLASS HD trademark). He states that on December 20, 2013, London Drugs officially placed an order, and he attaches as Exhibit E to his affidavit, a copy of an invoice dated January 17, 2014, confirming delivery of the PHANTOM GLASS HD branded screen protectors to London Drugs.

[48] In terms of channels of trade, Mr. Salemohamed attests that the Applicant sells PHANTOM GLASS HD screen protectors in Canada through its online store at *www.logiix.net*, and through the retail stores of its distributors (some of the larger of which include, London Drugs, iStore Inc., Canadian Tire Corporation, Ltd., Best Buy Canada Ltd., Staples Canada Inc., Rogers Media Inc., and Amazon.com, Inc.). In support, he attaches the following to his affidavit:

- a copy of the earliest example of the PHANTOM GLASS HD products that he was able to locate from the internet archive web page for the Applicant's website, dated January 20, 2014 (Exhibit F);
- printouts of pages from the Applicant's website displaying the Mark in association with screen protectors, as well as copies of pages from the Applicant's website showing information about the Applicant and distributors who sell the Applicant's PHANTOM GLASS HD screen protectors (Exhibit G);
- a list of Canadian distributors which he states have subsequently placed orders for PHANTOM GLASS HD screen protectors (Exhibit H);
- copies of pages from the websites of various distributors, including those larger entities named above, displaying the Applicant's PHANTOM GLASS HD screen protectors (Exhibit L);

Summary of the Drake affidavit

[49] Mr. Drake is employed with the agent for the Applicant. The purpose of his affidavit is to specifically identify exhibits including those that were marked for identification during the cross-examination of Mr. Waters (as Exhibits A to T).

ANALYSIS

Section 2 Ground of Opposition

[50] The Opponent pleads that the Mark is not distinctive of the Applicant, as it is confusingly similar to the Opponent's PHANTOM GLASS trademarks and trade name, which have been previously used in Canada in association with goods and services that are identical or highly similar in nature to those recited in the Application.

[51] As previously indicated, there is no dispute between the parties that their respective trademarks are confusing. The issue is whether the Opponent's evidence of *subsequent* use is sufficient to negate the distinctiveness of the Applicant's Mark, and whether evidence of subsequent use by the Opponent, which the Applicant frames as "infringing use" should be considered at all.

[52] In order to meet its evidential burden with respect to this ground, the Opponent must show that as of the filing of the opposition, its trademarks and/or trade name had become known sufficiently to negate the distinctiveness of the Applicant's Mark [see *Bojangles' International LLC v Bojangles Cafe Ltd* (2006), 48 CPR (4th) 427 (FCTD)].

[53] Section 2 of the Act, as it then was, defined "distinctive" as follows:

distinctive, in relation to a trademark, means a trademark that actually distinguishes the goods or services in association with which it is used by its owner from the goods or services of others or is adapted so to distinguish them.

[54] The Applicant submits that the Mark is distinctive of the Applicant and the relevant goods used in association with the Mark as of the date of the opposition, namely, July 27, 2016.

[55] The Applicant submits that the essence of the Opponent's opposition is based on the Opponent's alleged prior use of the Opponent's Marks before the claimed use date by the Applicant. The Applicant submits that by reason of the evidence and undisputed facts set out above and in the Salemohamed affidavit, it is clear that the Opponent did not, and could not have prior use of the Opponent's Marks, prior to the claimed date of first use of the Mark. The Applicant submits that the evidence in the Salemohamed affidavit, which has not been challenged, is overwhelming that it is the Applicant that had prior use of the Mark, and has developed an extensive reputation in the Mark and the relevant goods. The Applicant submits that Mr. Salemohamed has provided extensive evidence of the effort, and annual sales revenue and advertising costs for the relevant goods in association with the Mark in Canada from 2014 to 2017 in paras 29 and 30 of his affidavit; this evidence has not been challenged. As such, the Applicant submits that the Mark is clearly distinctive of the Applicant and not of the Opponent. The Applicant submits that the Opponent has failed to meet its initial evidential burden that there are facts to support the issues raised.

[56] The Applicant submits that following the cross-examination, the Applicant requested the Opponent to provide their responses to requests to undertakings from the cross-examination by letters dated December 19, 2017; January 23, 2018 and February 14, 2018. Copies of the letters to counsel for the Opponent are attached and marked as Schedule B to the Applicant's written argument. No responses were provided by the Opponent to the requests for responses.

[57] In particular, the Applicant requested that the Opponent respond to the following questions:

Q. 111 & 113 Inquire whether the Opponent had a GST registration number on November 14 and 15, 2013

Q. 132 Determine the exact date for registration of the GST/HST registration number for the Opponent.

Q. 140 Confirm whether the Opponent had sales of their products in 2013.

[58] No responses were provided by the Opponent to the repeated requests for responses.

[59] Accordingly, the Applicant submits that the Opposition Board should draw an adverse inference from the failure of the Opponent to respond to these requests for responses to

undertakings from the cross-examination of Mr. Water which relate to the central issue in this Opposition regarding alleged prior use by the Opponent. The Applicant submits that the inference that should be drawn, and which is supported by the evidence, is that the Opponent had no sales of its products in 2013, and no use of the Opponent's Marks or tradename.

[60] The Opponent submits that as a preliminary matter, the Opponent, is the successor-in-title of Richard Waters. Commencing in 2013, Richard Waters operated a business, as an individual, using the PHANTOM GLASS tradename and the PHANTOM GLASS trademarks in the ordinary course of trade in Canada in association with glass screen protectors for electronic devices and associated services. Mr. Waters incorporated the Opponent on January 16, 2014. On that date, Mr. Waters assigned the PHANTOM GLASS trademarks and the PHANTOM GLASS trade name to the Opponent.

[61] On May 1, 2018, the Opponent filed revised applications amending its Canadian trademark application Nos. 1,713,214 and 1,713,215 to add Richard Waters as a predecessor-in-title of the Applicant. These revised applications were placed on file by the Trademarks Office on June 7, 2018 and August 2, 2018 respectively.

[62] The Opponent acknowledges that as a result of the above-noted chain-of-title, there are evidentiary gaps in the evidence put forward in the Waters affidavit. The Opponent submits that where the Waters affidavit (or its written argument) makes reference to the Opponent, prior to the date of incorporation of the Opponent, these references should be read to refer to the Opponent's predecessor-in-title, Richard Waters.

[63] With respect to non-distinctiveness, the counsel for the Opponent correctly noted that the material date is the date of filing of the statement of opposition, and that the Opponent has the initial burden to establish that its trademark has become known sufficiently to negate the distinctiveness of the Mark (*Bojangles, supra*). The Opponent submits that relevant to this determination is also evidence of knowledge or reputation of its trademark. Further to this, counsel for the Opponent submits that distinctiveness does not concern who is entitled to registration; it may well be the case that neither party is entitled to registration [per *Bojangles, supra*, para 25]. In other words, the Opponent submits that, "it is possible to refuse the

Application based on non-distinctiveness irrespective of any findings of non-entitlement” [citing *BAB Holdings Inc v Big Apple Ltd* (2002), 16 CPR (4th) 427 (FCTD), at para 8].

[64] The Opponent provides an overview of its evidence regarding use of the Opponent’s Marks from the date of incorporation of the Opponent (January 14, 2014) to the date of filing of the statement of opposition (July 27, 2016). In this regard, the Opponent submits that it sells its Phantom Glass products to consumers both directly through its website and through many well-known third-party retailers, as well as provides services in the form of online tutorials. The Opponent submits that the Opponent’s Phantom Glass trademarks are prominent on the products, and that since its incorporation, the Opponent has continuously sold in significant quantities throughout Canada in its ordinary course of trade, over 100,000 Phantom Glass products, totaling more than \$2.3 million in sales. This, the Opponent submits is more than sufficient to negate the distinctiveness of the Mark. The Opponent notes that during this time period, the Opponent had significantly more sales than the Applicant; that is, more than four times that of the Applicant whose total sales were approximately \$563,000.

[65] The Opponent submits that in addition to sales of the Opponent’s Phantom Glass products, the Phantom Glass trademark is also prominently featured in the tutorials (*i.e.*, evidence of use of the Opponent’s Marks with services). The Opponent submits that Exhibit BB to the Waters affidavit is the first tutorial, posted on January 18, 2014, and that as of January 30, 2018, the Opponent’s Phantom Glass tutorials collectively had been viewed tens of thousands of times. The Opponent submits that the depth, breadth, and scope of actual sales of its products in Canada during the full material time period has been significant, including sales of its products through more than 300 retailer locations and several university and college campus stores, and online retail stores.

[66] In addition, the Opponent submits that significant resources have been devoted to advertising and marketing of its Phantom Glass products, with in excess of \$400,000 spent worldwide on advertising; examples of which are provided in the Waters’ affidavit of such advertising through social media, print advertising, promotional material, press releases, attendance at tradeshow, etc. The Opponent submits that its products have also received national attention on television and in magazines and newspapers (*e.g.*, Global TV Morning

Show and CHCH Morning Live), and have come to be known as demonstrated through public testimonials (Exhibit BBB) and as featured in the 2016 Oscar swag bag (Exhibit LL). In contrast, the Opponent submits, the Applicant's sales are modest over the same time period.

[67] In response, the Applicant submits that a serious issue of credibility arises here with respect to the Opponent's evidence. The Applicant submits that Mr. Drake's affidavit discusses much of this (*i.e.*, letter's from the Applicant to the Opponent regarding entitlement, and alleged 'infringing' use on behalf of the Opponent), yet Mr. Drake was not cross examined on this evidence.

[68] With respect to distinctiveness, the Applicant submits that there are two elements; the first being that the trademark at issue is not generic, and the second is the question as to whom the trademark is distinctive. The Applicant submits that the legal issue is that 'infringing use' cannot be thought to be distinctive use.

[69] The Applicant further submits that there is a flaw in the Opponent's evidence. In this regard, the Applicant submits that while there is ample evidence of advertising, etc., the real question is of reputation - do the consumers of these products associate it with the Applicant or the Opponent? The Applicant submits that this evidence is missing before the Board, as for example, Exhibit VV to the Waters' affidavit – there is no way to know whether it is the Applicant's or the Opponent's product as there is no source identifier. The Applicant submits that the same holds true with respect to Exhibit MM (Vogue article listing the Oscar swag bag contents), such that it is possible to conclude from the evidence that consumers would think that it is the Applicant's product.

[70] Moreover, the Applicant submits, Mr. Waters swears that use was by the Opponent, Proprietary Innovation Labs Inc., and not by himself, an individual. This, the Applicant submits, puts into question when the products were actually available for sale. The Applicant additionally refers to what it alleges are further inconsistencies with respect to the Opponent's tutorial publication dates listed in Mr. Water's affidavit, and put into question during cross-examination. I note, however, that Mr. Waters attested during cross-examination that the tutorials in evidence were *examples* of those published by the Opponent, and that he personally recalled creating and

posting one such tutorial on November 27, 2013. This is consistent with the date of upload of the tutorial per the screenshot included as Exhibit Z to the Waters' affidavit.

[71] The Applicant submits that the Drake affidavit shows that there were letters being sent to the Opponent informing the Opponent of its 'infringing use' (e.g., Exhibit A letter dated April 2, 2014) and there is a chronology of such correspondence in evidence of the dispute between the parties. The Applicant submits that the Opponent was put on notice of the Applicant's rights to the Mark and further that 'infringing' use (or otherwise unlawful use such as passing off) cannot be accepted as use that accrues to the Opponent's benefit. The Applicant submits that it is the oddest argument, to argue that the Mark is more distinctive of the 'infringer'.

[72] At the oral hearing, counsel for the Opponent responded that he believes the Applicant has failed to appreciate the difference between the non-distinctiveness ground and non-entitlement ground. The Opponent submits that the Applicant's submissions above are relevant to non-entitlement, but are not at all applicable to non-distinctiveness; the chronology as to who was first to use the trademark is relevant to entitlement, but not to distinctiveness. The Opponent submits that when the evidence is viewed in totality, it appears that both parties were developing their products and trademarks at approximately the same time and that is what makes this case unique.

[73] The Opponent submits that it is actually the oddest of propositions, to submit that distinctiveness should weigh in favour of the first person to use the PHANTOM GLASS mark, with subsequent use deemed 'infringing use' which cannot accrue to the Opponent. The Opponent submits that this is a fundamental misunderstanding - distinctiveness has nothing to do with entitlement and this issue is not one of who is entitled. The Opponent submits the Applicant's position appears to be based on the fallacy that someone is always entitled to a registration - maybe no one is entitled in this case.

[74] With respect to the Applicant's comments regarding who the consumer would believe the source of the goods to be, the Opponent submits that this is not what non-distinctiveness is about, and the fact that consumers may believe that the product in Exhibit MM to the Waters affidavit could be the Applicant's product is exactly his point. What is relevant, the Opponent submits, is evidence of buzz in the media, word of mouth, articles, social media – all of which are present in

this case. Over and above all of that, the Opponent submits, is that the Opponent has very significant sales, far more than the Applicant in the material time period. The Opponent submits that there is no possibility that the Applicant's Mark can distinguish the Applicant as the source when there are the competing uses of the parties – and in such circumstances, a party like the Applicant is not entitled to registration, it is left to the common law. The Opponent submits that the use by the Opponent is relevant and goes directly to the issue; use by the Opponent is not infringing because the Mark is not registered, and it is not passing off as no passing off action has been taken.

[75] The Opponent submits that the decision in *Mortgagestogo.ca Inc v Wall*, 2012 TMOB 159, where it is clearly set out what non-distinctiveness encompasses, is instructive. The Opponent submits, in that case, the Board came to the issue of determining whether the marks were actually confusing, whereas in the present case, confusion has already been admitted by the Applicant. Thus, the Opponent submits, when you have admitted confusion and contemporaneous use prior to the material date, the Applicant's Mark is non-distinctive.

[76] In the present case, in my view, the likelihood of two entities independently coming up with substantially the same trademark, for use in association with the same goods, at roughly the same time, appears to leave more questions than answers. It appears that both parties began developing their respective products in conjunction with a Chinese manufacturer/supplier, at some point in 2013. While the Applicant has provided a brief history of the origin/creation of the Mark, the Opponent has not. Per the exhibited interview on CHCH Morning Live, aired on December 11, 2014 (Exhibit GG), Mr. Waters states that he started with an idea for eye glasses wherein one thing lead to another, and Phantom Glass came to be. He does not provide a background on the inception and choice of trademark.

[77] There is authority, in view of the decision in *George Weston Ltd v Humpty Dumpty Foods Ltd/Aliments Humpty Dumpty Ltée* (1989), 24 CPR (3d) 454 (FC), to effectively not consider the Opponent's evidence of use and making known of its marks and trade name after the date with which the Opponent was put on notice by the Applicant of the alleged 'infringing' use (Exhibit A to the Drake affidavit, letter dated April 2, 2014). However, unlike the *Humpty Dumpty* case, the present case does not involve proposed use trademarks. Furthermore, there

does not appear to be any clear evidence of bad faith on behalf of the Opponent. If there is evidence of bad faith, this ought to have been brought forth [see *Richmond Inn Investments Ltd v Spinnakers Brew Pub Inc*, 1992 CanLII 6966, CarswellNat 1435]. I would add, that as the Applicant cross-examined Mr. Waters on his affidavit, further inquiries in this regard could have been conducted. The fact that Mr. Waters was aware of the Applicant's application in this case, is not necessarily evidence of bad faith, as Mr. Waters was of the view that he was the party entitled to the trademark. Thus, I have no evidence before me that would permit me to conclude that the use of the Opponent's Marks and trade name was anything other than *bona fide* [see *Indigo Books & Music, Inc v Preferred One Inc*, 2010 TMOB 100, for a similar conclusion].

[78] In view of the Opponent's evidence as detailed above, I am satisfied that the Opponent has discharged its initial evidential burden of to show that, as of the filing date of its statement of opposition, one or more of its trademarks and/or trade name had become known sufficiently to negate the distinctiveness of the Mark. The Opponent has shown significant sales and advertising, with more than 300 retailers carrying its products across Canada. As the parties agree that their respective trademarks are confusing, and there is no dispute in this regard, the Applicant has failed to show that its Mark is adapted to distinguish or actually distinguishes its goods from those of the Opponent.

[79] Accordingly, the non-distinctiveness ground is successful.

DISPOSITION

[80] In view of the foregoing, pursuant to the authority delegated to me under section 63(3) of the Act, I refuse application No. 1,665,112, pursuant to section 38(12) of the Act.

Kathryn Barnett
Member
Trademarks Opposition Board
Canadian Intellectual Property Office

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

HEARING DATE 2020-10-22

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