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LE REGISTRAIRE DES MARQUES DE COMMERCE  
THE REGISTRAR OF TRADEMARKS

**Citation: 2022 TMOB 204**

**Date of Decision: 2022-10-25**

**IN THE MATTER OF OPPOSITIONS**

**Kentwood Floors Inc.**

**Opponent**

**and**

**Kentwood Homes Ltd.**

**Applicant**

**1,863,891 for KENTWOOD & Design  
2,090,504 for KENTWOOD & Design  
2,090,505 for KENTWOOD & Design  
2,090,506 for KENTWOOD & Design  
2,090,507 for KENTWOOD & Design  
2,090,508 for KENTWOOD & Design  
2,090,509 for KENTWOOD & Design**

**Applications**

INTRODUCTION

[1] On October 20, 2017, Kentwood Homes Ltd. (the Applicant) applied to register the trademark KENTWOOD & Design (the Mark), shown below, under application No. 1,863,891:



[2] Kentwood Floors Inc. (the Opponent) owns registrations for the trademarks KENTWOOD and ELEMENTS BY KENTWOOD in association with “hardwood flooring” and COUTURE COLLECTION BY KENTWOOD in association with “wood flooring” (collectively the “KENTWOOD marks”). The opposition is primarily based on an allegation that the Mark is

confusing with the Opponent’s previous use and registration of the KENTWOOD marks. The opposition also raises a number of technical objections.

[3] Subsequent to the filing of a statement of opposition, evidence, and written representations by the Opponent, the Applicant requested that the application be divided into seven separate applications (comprised of one original and six divisional applications); this request was granted by the Registrar on March 10, 2021. The seven applications for the Mark are based on proposed use in Canada in association with the following services:

App. No.	Services
1,863,891 (original application or 891 application)	Permit application services, namely, applying and obtaining building permits, development permits, occupancy permits, and demolition permits from municipal governments for others.
2,090,504 (the 504 application)	Landscape design.
2,090,505 (the 505 application)	Advertising the goods and services of others, excluding the advertising of wood and hardwood flooring goods, but including the advertising of commercial and residential real estate.
2,090,506 (the 506 application)	Sales of real estate via real estate brokers, sales of real estate via real estate brokerages, sales of real estate via direct listings, sales of real estate via online real estate listing services, sales of real estate via multiple listing services or multiple listing networks.
2,090,507 (the 507 application)	Building construction services, construction of residential and commercial properties; building construction supervision; real estate development; renovation of buildings; repair of buildings.
2,090,508 (the 508 application)	Building demolition
2,090,509 (the 509 application)	Construction drafting and design; architectural design; interior design and decoration services

[4] Section 40 of the *Trademarks Regulations* (the Regulations) provides that any action taken in respect of an original application, on or before the day on which a divisional application is filed, is deemed to be an action in respect of the divisional application, which includes the submission of a statement of opposition as well as any steps taken in an opposition proceeding such as the submitting of evidence, written representations or attendance at a hearing.

Accordingly, the issues, material dates, evidence and submissions regarding the 504, 505, 506, 507, 508 and 509 applications are the same as for the original application.

[5] For the reasons that follow, I refuse the 507 and 509 applications and I reject the oppositions with respect to the 891, 504, 505, 506 and 508 applications.

#### THE RECORD

[6] Application No. 1,863,891 was advertised for opposition purposes in the *Trademarks Journal* of April 1, 2020. The Opponent filed a statement of opposition under section 38 of the *Trademarks Act*, RSC 1985, c T-13 (the Act) on May 29, 2020.

[7] The Act was amended on June 17, 2019. As the application in this case was advertised after June 17, 2019, the Act as amended applies (see section 69.1 of the Act).

[8] The Opponent raises grounds of opposition based on registrability under section 12(1)(d), entitlement under sections 16(1)(a) and 16(1)(c), distinctiveness under section 2, and non-compliance with sections 38(2)(e) and 38(2)(f) of the Act.

[9] The Applicant filed a counter statement denying the grounds of opposition.

[10] Only the Opponent filed evidence and written representations. No hearing was held.

#### OVERVIEW OF THE EVIDENCE

[11] The Opponent filed the affidavits of Paul Anderson sworn November 19, 2020 (the Anderson affidavit) and Dulce Campos sworn November 20, 2020 (the Campos affidavit). Neither affiant was cross-examined. Pertinent portions of the affidavits are summarized below.

#### **The Anderson affidavit**

[12] Mr. Anderson is a co-founder, director and president of the Opponent, and has held this position since the Opponent's inception in July 2007. I note that in reviewing this affidavit, I have not referred to or placed any weight on statements that constitute the opinions of Mr. Anderson on issues that go to the merit of the opposition [*British Drug Houses Ltd v Battle*

*Pharmaceuticals* (1944), 1944 CanLII 308 (FC), 4 CPR 48 at 53 and *Les Marchands Deco Inc v Society Chimique Laurentide Inc* (1984), 2 CPR (3d) 25 (TMOB)].

### Corporate information

[13] At the outset, Mr. Anderson provides the following information relating to the incorporation of the Opponent and related entities:

- Metropolitan Hardwood Floors, Inc. (Metropolitan) is a company incorporated in British Columbia on April 30, 1992 (para 2, Exhibit 1)
- Metropolitan Hardwood Floors (Eastern) Inc. (Metropolitan Eastern) is a company federally incorporated on June 19, 2007 and extra-provincially registered in Ontario on the same date (para 3, Exhibit 2). Metropolitan Eastern is a subsidiary of Metropolitan.
- The Opponent is a company incorporated in British Columbia on July 31, 2007. The Opponent is a wholly-owned subsidiary of Metropolitan (para 4, Exhibit 3).

Metropolitan, Metropolitan Eastern and the Opponent are collectively referred to in the Anderson affidavit as the “Metro/Kentwood Canadian Group of Companies” (para 5).

### Background

[14] Mr. Anderson states that Metropolitan was founded in 1992 in Vancouver, BC, as a manufacturer and distributor of premium quality wood, laminate and luxury vinyl flooring. Metropolitan has grown from a single sales outlet to a multi-national organization with operating divisions in Canada, the United States, and Asia (para 6).

[15] In 2002, following a decade as a flooring distributor, Metropolitan embarked on an initiative to design and develop its own custom-made line of wood floors. This line, introduced in 2003, was branded as KENTWOOD (paras 7, 8). Since its launch, the line has grown to include hundreds of types of hardwood flooring. Consisting of three sub-brands, KENTWOOD, COUTURE COLLECTION BY KENTWOOD, and ELEMENTS BY KENTWOOD, the line now includes a very large selection of flooring products to cater to virtually any type of décor

and budget. Mr. Anderson states that KENTWOOD branded floors have been installed in thousands of residences across the world including prestigious projects like the Shangri-La hotel in Vancouver, BC and the Azure condominium building in Dallas, Texas, USA (para 9).

[16] Mr. Anderson states that as of the date of his affidavit, in Canada, the Metro/Kentwood Canadian Group of Companies conducts business through two facilities in BC, and through one facility in Ontario (para 10).

#### Use and Registration of the KENTWOOD marks

[17] Mr. Anderson states that Metropolitan first started using the KENTWOOD mark in Canada in association with “flooring” in 2003. In 2007, ownership of KENTWOOD was assigned from Metropolitan to the Opponent. Since 2007, the Opponent has used the trademark KENTWOOD continuously in association with “flooring” (para 13).

[18] On May 9, 2006, Metropolitan was granted registration of the KENTWOOD mark under No. TMA663,840. On January 20, 2010, and November 23, 2010, the Opponent was granted registration of the trademarks COUTURE COLLECTION BY KENTWOOD and ELEMENTS BY KENTWOOD, respectively. Certified copies of registrations for the KENTWOOD marks are attached as Exhibits 4-6 (paras 14-16).

[19] Mr. Anderson describes Exhibit 10 as a representative sampling of marketing material, displays and pictures of the KENTWOOD marks displayed in association with flooring used in Canada since 2009 to November 19, 2020 (the date of the affidavit) (para 22). In particular, the exhibit includes: an undated copy of the Kentwood Catalogue (Canadian Edition) displaying the KENTWOOD marks in the promotion of the Opponent’s flooring products; a photograph of a trade show display prominently featuring the trademark KENTWOOD; photographs and mock-ups/representations of floor display stands showing various types of flooring and featuring a sign prominently displaying the trademark KENTWOOD; a photograph of a box used to pack online sample orders which prominently displays the trademark KENTWOOD; and a photograph of product packaging bearing the trademarks KENTWOOD and COUTURE COLLECTION BY KENTWOOD.

### Customers and channels of trade

[20] Mr. Anderson states that the Opponent sells its flooring products as a supplier to flooring dealers across Canada (para 17). The Opponent has a number of supply channels that include construction companies, property developers, interior designers and architects, all of which obtain their supplies through the Opponent's customers, which include flooring dealers. Exhibit 7 is a printout of the 'Find a Dealer' page from the Opponent's website at *kentwoodfloors.com/ca/find-dealer*. I note that the page is expressly targeted to fit the needs of different categories of consumers, namely homeowners, architects and designers, and builders.

[21] Mr. Anderson states that developers commonly provide new home owners with a choice of level of quality for the interior finishing of homes; such choices are typically offered in "packages" that include for example, appliances, faucets, cabinetry and countertops, and flooring (para 19). Exhibit 8 is described as a sample copy of a KENTWOOD Homeowner Welcome Package provided by Cresford Developments to its customers as part of one of their home finishing packages (hardwood flooring by KENTWOOD). The document clearly notes that the KENTWOOD trademark is owned by the Opponent and used under license.

[22] Mr. Anderson states that the Opponent's website promotes KENTWOOD flooring products and sells floor care products (para 21). Exhibit 9 is a printout of the Products & Accessories page of the Opponent's website displaying various floor care products and displaying the trademark KENTWOOD.

### Sales

[23] Mr. Anderson states that based on his review of the sales figures of the Opponent and the Metro/Kentwood Canadian Group of Companies, the gross sales figures in Canada that can be attributed "entirely to the use of the trademark KENTWOOD from 2011 to 2020 are over CA\$125,000,000.00" (para 23). Attached as Exhibit 11 is a representative sampling of Kentwood invoices rendered to customers in the sale of KENTWOOD flooring products (para 24). I note that these invoices appear to have been issued by Metropolitan. I further note that while the description of the product/product code generally appears as "KW", that the trademark KENTWOOD appears alongside it in a note on the invoice advising purchasers that installation

instructions for KENTWOOD flooring have been updated, and to obtain them from the Opponent's website.

### **The Campos affidavit**

[24] Ms. Campos is a trademark researcher employed by the agent for the Opponent (para 1). Ms. Campos conducted searches of various databases and websites and provided printouts of the results. In particular, Ms. Campos conducted a search of KENTWOOD trademarks on the Canadian Trademarks Database and visited the Opponent's website, Twitter and Instagram feeds. Ms. Campos also searched for and provided a corporate profile of the Applicant, WHOIS lookup information for the website *kentwoodhomes.ca*, and copies of current and archived versions of this website. The results of these searches are discussed in further detail below.

### LEGAL ONUS AND EVIDENTIAL BURDEN

[25] 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].

### ANALYSIS OF THE GROUNDS OF OPPOSITION

#### **Section 12(1)(d) ground of opposition**

[26] The Opponent has pleaded that the Mark is not registrable because, contrary to section 12(1)(d), the Mark is confusing with the Opponent's registrations for the KENTWOOD marks.

[27] The material date for this ground of opposition is the date of my decision [*Park Avenue Furniture Corporation v Wickes/Simmons Bedding Ltd* (1991), 37 CPR (3d) 413 (FCA)].

[28] I have exercised my discretion to check the Register and confirm that these registrations remain extant [*Quaker Oats Co Ltd of Canada v Menu Foods Ltd* (1986), 11 CPR (3d) 410

(TMOB)]. The Opponent has therefore met its initial evidential burden with respect to this ground of opposition. As a result, the Applicant bears the legal burden of demonstrating on a balance of probabilities that there is no likelihood of confusion between the Mark and one or more of the Opponent's registered trademarks.

[29] In considering the issue of confusion, I will focus on the Opponent's registration for the trademark KENTWOOD (TMA663,840) as in my view this represents the Opponent's best case. If the Opponent does not succeed with respect to its pleading that there is a likelihood of confusion between the Mark and the Opponent's registration for the trademark KENTWOOD, it would not succeed with respect to the other trademarks pleaded in the statement of opposition.

#### Test for confusion

[30] In determining whether two trademarks are confusing, all the surrounding circumstances should be considered, 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, including in appearance or sound or in the ideas suggested by them. These criteria are not exhaustive and different weight will be given to each one in a context specific assessment [*Mattel, Inc v 3894207 Canada Inc*, 2006 SCC 22, [2006] 1 SCR 772 (SCC) at para 54; *Veuve Clicquot Ponsardin v Boutiques Clicquot Ltée*, 49 CPR (4th) 401].

[31] 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]. Also, where it is likely the public will assume an applicant's goods or services are approved, licensed, or sponsored by the opponent so that a state of doubt and uncertainty exists in the minds of the purchasing public, it follows that the trademarks are confusing [see *Glen-Warren Productions Ltd v Gertex Hosiery Ltd* (1990), 29 CPR (3d) 7 (FCTD) at para 21].



### Degree of resemblance

[32] In *Masterpiece Inc v Alavida Lifestyles Inc*, 2011 SCC 27 at paragraph 49, 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. I will begin by considering this factor.

[33] When considering the degree of resemblance, it is preferable to start by considering whether there is an aspect of the trademark that is particularly striking or unique [*Masterpiece, supra* at paragraph 64]. The striking element of the Opponent's mark, indeed its only element, is the word KENTWOOD.

[34] With respect to the applied for Mark, which consists of the word KENTWOOD and a design element comprised of the stylized letters KW, I find the word KENTWOOD to be the most striking element of the Mark.

[35] On this basis, I consider the degree of resemblance between the parties' trademarks to be very high, as they share the striking element KENTWOOD. While the design element of the Mark has some impact in distinguishing the marks visually, I do not consider that the design element would distinguish the marks in sound or ideas suggested as the stylized letters would not be sounded, nor would they be likely to be perceived as adding any meaning to the Mark apart from being seen as an abbreviation for KENTWOOD.

[36] Accordingly, this factor strongly favours the Opponent.

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

[37] Notwithstanding that KENTWOOD could be perceived as having some geographical significance, I find that the Opponent's mark possesses some degree of inherent distinctiveness. As for the Applicant's Mark, while the word KENTWOOD would be similarly perceived, I find that the design element slightly increases the overall inherent distinctiveness of the Mark.

[38] The strength of a trademark may be increased by means of it becoming known through promotion or use. The Anderson affidavit includes a representative sample (since 2009) of use of the KENTWOOD trademark on product packaging. The Anderson affidavit also includes the

approximate gross sales attributable to the sale of KENTWOOD products in Canada from 2011-2020. While the Anderson affidavit is silent as to the role of Metropolitan as a manufacturer of the Opponent's goods, which is indicated in the KENTWOOD product catalogue, based on my review of the affidavit in its entirety, including information in the Kentwood product catalogue regarding Kentwood's "comprehensive quality control program which monitors every stage of production and subjects all our products to inspection throughout the manufacturing process...", and absent any evidence or representations from the Applicant to suggest otherwise, I do not consider this to present an issue regarding the Opponent's control over the character or quality of its goods that may be manufactured by Metropolitan.

[39] The Anderson affidavit also provides samples of advertising materials, including the aforementioned Canadian product catalogue, display stands bearing the KENTWOOD mark, pages from the Opponent's website, and a photograph of a trade show display. Notwithstanding that this evidence could have been more fulsome, for example by providing some indication of the number of catalogues and display stands distributed to flooring dealers/customers, the number of Canadian visitors to its website, and the particulars of any trade show attendance, I find that the evidence, when considered in its entirety, is sufficient to conclude that the Opponent's KENTWOOD mark has become known to at least some extent. While the Campos affidavit includes print-outs from the Opponent's website and social media, namely Facebook, Twitter, and Instagram accounts, I am not prepared to give significant weight to these materials other than to note that they exist as Ms. Campos has no personal knowledge of the contents of these materials and the extent of visits to these accounts by Canadian consumers. Further, there is no indication as to why this evidence was introduced by Ms. Campos rather than through the Anderson affidavit or an employee of the Opponent.

[40] With respect to the Applicant's Mark, I have no evidence regarding the scope of the Applicant's use of the Mark in Canada. Accordingly, I cannot conclude that the Mark has become known to any extent.

[41] On balance, I find that this factor, which is a combination of inherent and acquired distinctiveness, favours the Opponent.

Length of time the parties' marks have been in use

[42] The evidence indicates that the Opponent's KENTWOOD trademark has been used in Canada since at least 2011 (while the actual date may well be earlier, sales information is provided since 2011 and samples showing how the trademark is used are representative of 2009 onwards). The Applicant's Mark is based on proposed use in Canada, and there is no evidence of use of the Mark other than printouts of the Applicant's website from September-October 2016 and November 2020 (archived and current as of the date the affidavit was sworn) that were introduced as part of the Opponent's evidence, namely the Campos affidavit. Accordingly, this factor favours the Opponent.

Nature of the goods, services or business; and the nature of the trade

[43] It is the Applicant's statements of services as defined in the applications versus the Opponent's registered goods that governs my determination of this factor [*Henkel Kommanditgesellschaft auf Aktien v Super Dragon Import Export Inc* (1986), 12 CPR (3d) 110 (FCA); *Mr. Submarine Ltd v Amandista Investments Ltd* (1987), 19 CPR (3d) 3 (FCA)]. However, those statements must be read with a view to determining the probable type of business or trade intended by the parties rather than all possible trades that might be encompassed by the wording. The evidence of the parties' actual trades is useful in this respect [*McDonald's Corp v Coffee Hut Stores Ltd* (1996), 68 CPR (3d) 168 (FCA)].

[44] The Opponent's KENTWOOD trademark is registered in association with "hardwood flooring", and the Anderson affidavit indicates that these goods are sold to flooring dealers, and subsequently purchased by construction companies, property developers, interior designers and architects, and individual homeowners. The Opponent also provides as a specific example the Opponent's collaboration with a property development company (Cresford Developments) in providing new home owners with a choice of KENTWOOD hardwood flooring finishing for their homes.

[45] The Applicant has not provided any evidence of use of the Mark in association with the services in any of the applications. However, the Opponent, through the Campos affidavit, has introduced a page from the Applicant's website. This page (which has remained unchanged from

September 2016 – November 2020) describes the Applicant as “a construction company that specializes in building extraordinary single family homes in the Lower Mainland” whose founders have “experience in numerous commercial and residential projects from single family homes to newly constructed high rise buildings...”. The following services are expressly highlighted:

- “Interior Design – If you’re having trouble designing your perfect environment, give us a call!”
- “Permit application – Feel free to email us your application and we can get you a permit in no time!”
- “Construction – There are a lot of old houses around, and a lot of them need fixing up!”
- “Drafting – At Kentwood, we always carefully think about every step to creating your dream home.”

[46] In its written representations, the Opponent submits that its evidence establishes that the Applicant’s services are closely related to the goods offered by the Opponent and travel through the same commercial channels. While I do not consider the Opponent’s goods to be directly related to the any of the services listed in the applications, I find that there is nonetheless some meaningful connection between the Opponent’s goods and the services in the 507 and 509 applications, listed below for easy reference, in that the Opponent’s flooring could potentially factor into the Applicant’s building, development, renovation, drafting and design services:

Building construction services, construction of residential and commercial properties; building construction supervision; real estate development; renovation of buildings; repair of buildings (associated with the 507 application).

Construction drafting and design; architectural design; interior design and decoration services (associated with the 509 application).

[47] Moreover, absent any evidence to the contrary, I find that the evidence establishes that the parties’ goods and services could potentially inhabit the same general or complementary channels.

[48] I do not consider there to be any overlap or connection between the Opponent’s goods and the services listed in the Applicant’s remaining applications (891 – permit application services; 504-landscape design; 505-advertising the goods/services of others including

commercial and residential real estate; 506-sale of real estate; 508-building demolition) and the corresponding channels of trade.

Surrounding circumstance – state of the Register

[49] The Campos affidavit includes the results of a search of the Canadian Trademarks Database for the trademark KENTWOOD; the only active marks located were owned by the Opponent and the Applicant (Exhibit 1). However, I do not find this evidence to be a relevant surrounding circumstance as I am not prepared to infer, without more evidence, that the Opponent is the only party using a trademark with the component KENTWOOD because no other parties have applied to register one.

Surrounding circumstance – family of marks

[50] While the Opponent's written representations do not refer to the Opponent's KENTWOOD family of marks, such a reference is made in the Anderson affidavit (para 9). Where there is a family of trademarks, there may be a greater likelihood that the public would consider a trademark that is similar to be another trademark in the family and consequently, assume that the product or service that is associated with that trademark is manufactured or performed by the same person [*Everex Systems Inc v Everdata Computer Inc*, (1992), 44 CPR (3d) 175 at 183 (FCTD)]. However, there can be no presumption of the existence of a family of marks in opposition proceedings. A party seeking to establish a family of marks must establish that it is using more than one or two trademarks within the alleged family (a registration or application does not establish use) and that such use must be sufficient to establish that consumers would recognize a family of marks [*Arterra Wines Canada, Inc v Diageo North America Inc.*, 2020 (FC) 508].

[51] In this case, the Opponent's evidence only shows use of the trademarks KENTWOOD and COUTURE COLLECTION BY KENTWOOD (both appearing on product packaging), thus falling short of the number of marks needed to establish the use of a family of marks. While the Opponent's evidence shows that the ELEMENTS BY KENTWOOD trademark appears on signage alongside a display stand of wood samples, this on its own is insufficient to establish use under section 4(1) of the Act. Moreover, the Opponent has only provided sales figures

attributable to the KENTWOOD mark, making it difficult to ascertain the extent of consumer familiarity with any of the Opponent's trademarks except KENTWOOD.

### Conclusion

[52] The question posed by section 6(2) of the Act is whether customers of the services provided with the Mark would believe that these services are provided, authorized, or licensed by the Opponent owing to its trademark KENTWOOD.

[53] I find that at best for the Applicant, the probability of confusion between the Mark and the Opponent's KENTWOOD trademark is evenly balanced in respect of the following services:

- Building construction services, construction of residential and commercial properties; building construction supervision; real estate development; renovation of buildings; repair of buildings (in the 507 application); and
- Construction drafting and design; architectural design; interior design and decoration services (in the 509 application)

I make this finding having considered all the surrounding circumstances, in particular the very high degree of resemblance between the parties' trademarks, the length of time in use and extent known of the Opponent's mark, and the connection between these services and the goods of the Opponent and the corresponding potential for overlap in the same general or complementary channels of trade.

[54] However, I find that the Applicant has satisfied its legal burden to show that there is no reasonable likelihood of confusion between the parties' trademarks for the services in the remaining applications, namely the services listed in the 891, 504, 505, 506, and 508 applications. In particular, I am satisfied that these services are sufficiently different from the Opponent's goods such that confusion is unlikely.

[55] Accordingly, the section 12(1)(d) ground of opposition succeeds in respect of the services set out in the 507 and 509 applications, namely "building construction services, construction of residential and commercial properties; building construction supervision; real estate

development; renovation of buildings; repair of buildings” and “construction drafting and design; architectural design; interior design and decoration services”.

### **Sections 16(1)(a), 16(1)(c) and 2 grounds of opposition**

[56] The section 16 and 2 grounds of opposition pleaded by the Opponent are based on a likelihood of confusion between the applied for Mark and the Opponent’s or its predecessor in title’s prior use and registration of the KENTWOOD marks and the Opponent’s prior use of the trade name Kentwood Floors Inc.

[57] In this case, the date at which the issue of confusion is assessed does not change the result of my analysis. Accordingly, to the extent that the Opponent has met its initial burden in respect of these grounds, I would reach the same conclusion as with the section 12(1)(d) ground of opposition.

### **Section 38(2)(e) ground of opposition**

[58] The Opponent has pleaded that the Applicant, at the filing date of the applications in Canada, “had no intention to use the Mark in Canada or alternatively, that the Applicant had already used the Mark in Canada in association with the services specified in the applications prior to the filing date, in which case the claimed filing basis (of proposed use) is incorrect”. As I understand it, the Opponent takes the position that portions of its evidence in the Campos affidavit establish that the Applicant had already used the Mark in Canada in association with services in various of the applications before the filing date of October 20, 2017.

[59] With a ground of opposition under section 30(e) of the Act as it read prior to June 17, 2019 (the Old Act), an opponent could plead that an applicant had no intention to use a mark filed on a proposed use basis because the applicant had already used the mark; there is jurisprudence establishing that an opposition could succeed on this technical basis. However, as the applications at issue were advertised/deemed to be advertised after June 17, 2019, it is the Act as last amended that applies (section 69.1 of the Act). The issue under section 38(2)(e) of the Act is whether an applicant “was not using and did not propose to use” the trademark at the filing date of the application in Canada. In other words, the new ground of opposition is concerned

with whether an applicant is using or proposes to use the applied for trademark in Canada, but not with whether an applicant has claimed the correct basis for its application. Indeed, for applications advertised after June 17, 2019, such as the applications in issue here, an applicant is no longer required to include a separate claim to, for example, proposed use or use since a prior specified date, and there is also nothing which prevents an applicant in such circumstances from amending its application to delete such claims [see section 35 of the *Regulations* and the Canadian Intellectual Property Office Practice Notice entitled *Practice Notice on the Amendment and Deletion of Use, Proposed Use, and Use and Registration Abroad Claims*].

[60] In view of the foregoing, the technical objection that a proposed use application must fail if there was use of the mark before the date of filing of the application is not a properly pleaded ground of opposition under section 38(2)(e) of the Act, with the result that this ground of opposition is rejected in respect of all of the applications. As for the Opponent's other allegation that the Applicant had no intention to use the Mark in Canada, as no evidence has been filed to support this ground of opposition, the Opponent fails to meet its initial burden and this ground of opposition is also rejected in respect of all the applications.

#### **Section 38(2)(f) ground of opposition**

[61] The Opponent has pleaded that the Applicant could not have been satisfied of its entitlement to use the applied for Mark in Canada in association with the services in the applications because of its knowledge of the Opponent's KENTWOOD marks and the Opponent's trade name Kentwood Floors Inc., which the Applicant knew were confusing with the applied for Mark. The Opponent has also pleaded that the Applicant ought to have known that the use of the Mark in Canada in association with the services would have the effect of diluting the Opponent's KENTWOOD marks pursuant to section 22 of the Act, therefore depreciating the value of the goodwill established through the long-time and extensive use of the Opponent's KENTWOOD marks in Canada.

[62] I am of the view that jurisprudence applying the Old Act, in particular section 30(i), can be instructive in the analysis of the section 38(2)(f) ground. For example, with a ground of opposition under section 30(i) of the Old Act, it was well established that an allegation that an applicant was aware of the opponent's trademark did not by itself support a ground of opposition



under that provision [see *Woot Inc v WootRestaurants Inc Les Restaurants Woot Inc*, 2012 TMOB 197]. It was also established that section 30(i) was not to be considered as a “catch all clause” such that allegations premised on a likelihood of confusion should be considered duplicative of grounds of opposition set out in other sections (including sections 38(2)(b) and 38(2)(c) [see *Ali Baba’s Middle Eastern Cuisine Ltd v Nilgun Dardere*, 2012 TMOB 223 at para 15]. With this in mind, the grounds of opposition based on the Applicant’s prior knowledge of the Opponent’s KENTWOOD marks and trade name and of non-entitlement due to confusion with the Opponent’s trademarks and trade name are summarily dismissed.

[63] With respect to the last prong of the section 38(2)(f) ground of opposition alleging a depreciation of goodwill, the jurisprudence applying section 30(i) of the Old Act has established this to constitute a valid ground of opposition on the basis that the Registrar cannot condone the registration of a trademark if an applicant’s use of the mark would violate Federal legislation, including the Act [see *McDonald’s Corporation and McDonald’s Restaurants of Canada Limited v Hi-Star Franchise Systems, Inc.*, 2020 TMOB 111 at para 28]. To demonstrate a depreciation of goodwill under section 22 of the Act, the following four elements are required: (1) use of the trademark; (2) sufficient goodwill in the trademark, (3) likely connection or linkage in the consumer’s mind, and (4) likelihood of depreciation [*Veuve Clicquot*, supra at paras 46, 63-68]. In this case, I am not satisfied that the evidence demonstrates a *prima facie* violation of section 22 of the Act sufficient to meet the Opponent’s initial evidential burden. In particular, I am not satisfied that the Opponent has demonstrated that it has acquired sufficient goodwill in the KENTWOOD marks in Canada given the limited evidence of the reach of the Opponent’s advertising and promotional efforts (as discussed at paragraph 39 of this decision above). Accordingly, this ground of opposition under section 38(2)(f) is also rejected.

DISPOSITION

[64] In view of the above, pursuant to the authority delegated to me under section 63(3) of the Act, I refuse the 507 and 509 applications, and I reject the oppositions with respect to the 891, 504, 505, 506, and 508 applications pursuant to section 38(12) of the Act.

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Jennifer Galeano  
Member  
Trademarks Opposition Board  
Canadian Intellectual Property Office

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

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**HEARING DATE:** No hearing held

**AGENTS OF RECORD**

Richards Buell Sutton LLP

For the Opponent

Yunwei (Edmund) Xie

For the Applicant