

IN THE MATTER OF AN OPPOSITION  
by Heritage Silversmiths Inc.  
to application No. 584,060  
for the mark CROMWELL filed by  
World Tableware International, Inc.

On May 14, 1987, the applicant, World Tableware International, Inc., filed an application to register the mark CROMWELL, based on use of the mark in Canada by the applicant (and its predecessors in title) since at least as early as 1911, in association with "silverware, flatware and cutlery." The application was advertised for opposition purposes on March 16, 1988, after the applicant overcame an objection at the examination stage that the mark was primarily merely the surname of an individual.

The opponent, Heritage Silversmiths Inc. ("Heritage"), filed a statement of opposition on July 12, 1988, a copy of which was forwarded to the applicant on August 12, 1988. The grounds of opposition are summarized below:

(a) the application does not comply with the requirements of subsection 30(i) of the Trade-marks Act because the applicant "has known that the trade mark has been extensively used by the opponent for identical wares,"

(b) the applicant is not the person entitled to register the applied for mark, pursuant to subsection 16(1), because

(i) the applied for mark is confusing with the mark CROMWELL previously used and made known by the opponent for silver plated flatware,

(ii) the applicant has not used the mark CROMWELL since as early as 1911 [presumably, here the opponent intended to plead subsection 30(b), and intended to extend the allegation of non-use to the applicant's predecessors in title],

(c) the applied for mark is not distinctive of the applicant's wares.

The applicant filed and served a counter statement denying the opponent's allegations and asserting that the opponent Heritage was

previously a distributor of the applicant's wares.

As its evidence, the opponent filed the affidavits of Charles M. Laidley, President of the opponent company since 1986, and of Gary Crawford, Sales Manager with a major distributor of flatware to the foodservice industry. As its evidence, the applicant filed the affidavits of A. Reed Hayes, sole Director, President and C.E.O. of the applicant company, and Richard I. Adamson, formerly President and C.E.O. of Heritage Silversmiths (1983) Ltd. (now the opponent Heritage). The opponent did not file any evidence in reply, and none of the affiants were cross-examined on their evidence. Both parties filed written arguments. An oral hearing was not conducted.

The opponent has not adduced any facts in support of its ground of opposition pursuant to b(ii) above. Thus, ground b(ii) need not be considered further as the opponent has not met the evidential burden on it to put the applicant's claimed date of first use in issue: see John Labatt Ltd. v. Molson Companies Ltd. (1990), 30 C.P.R.(3d) 293 at 297-300 (F.C.T.D.).

The remaining grounds of opposition turn on whether the opponent was acting independently and on its own behalf in manufacturing and selling silverware under the mark CROMWELL, or whether, as alleged by the applicant, the opponent was doing so under licence from the applicant.

Mr. Hayes evidence filed on behalf of the applicant may be summarized as follows. The applicant, World Tableware International, Inc., is a Delaware corporation with principal offices in Wallingford, Connecticut, United States of America. The applicant was originally incorporated under the name W.T.I. Inc. ("WTI") and changed its name to its present form in 1983 (I will sometimes refer to the applicant as WTI to facilitate following the chain of title to the subject mark CROMWELL). The applicant WTI is

a wholly owned subsidiary of American Silver Co. ("ASCo"), of which Mr. Hayes is also a Director, President, C.E.O. and part owner.

WTI's predecessors in title namely, The International Silver Company and International Silver Co. ("ISCo") used the mark CROMWELL in Canada in association with silverplated flatware for the foodservice industry since as early as 1911.

In 1971, the division of ISCo primarily responsible for silverplated flatware for the foodservice industry was transferred to a wholly owned subsidiary of ISCo namely, the former World Tableware International, Inc.

From about 1972 to 1983, silverplated flatware was sold in Canada under the mark CROMWELL by another wholly owned subsidiary of ISCo namely, The International Silver Company of Canada Limited ("ISCo Canada"). According to Mr. Hayes, such sales in Canada were pursuant to a licence agreement dated June 22, 1972 between ISCo and ISCo Canada (the agreement is attached as an exhibit to Mr. Hayes' affidavit). It is not apparent nor does Mr. Hayes explain why ISCo, rather than its above mentioned subsidiary responsible for flatware namely, the former World Tableware International, Inc., would have been the contracting party.

In 1983, the applicant WTI's parent company ASCo purchased the assets of the former World Tableware International, Inc. from ISCo. At that time, WTI was assigned the entire rights, title and interest in the trade-mark CROMWELL. The applicant WTI changed its name to its present form once ISCo released its interest in the name World Tableware International, Inc.

The 1972 Licence Agreement between ISCo and ISCo Canada was terminated in 1983 soon after ASCo's above mentioned acquisition. The applicant WTI then entered into a distribution agreement, dated April 6, 1984 with Heritage Silversmiths (1983) Ltd. ("Heritage

1983", now the opponent Heritage). Under the terms of the 1984 distribution agreement, Heritage 1983 was to manufacture and sell, in Canada, silverplated flatware in association with the mark CROMWELL and to represent the flatware as WTI products. WTI products were distributed by Heritage 1983 pursuant to the above agreement from 1984 to 1986. The distribution agreement was terminated by the applicant in September of 1986 because "Heritage's performance under the Distribution Agreement remained poor [that is, sales were poor]": see paragraphs 25-27 of Mr. Hayes' affidavit. Mr. Hayes also states that the applicant requested the opponent to stop using the mark CROMWELL, but that the opponent has refused to comply.

Mr. Adamson's evidence corroborates Mr. Hayes testimony. As mentioned earlier, Mr. Adamson was President and owner of Heritage 1983 from late 1983 until May of 1986. His evidence may be summarized as follows. Soon after Heritage 1983 was formed, it entered into an agreement with the applicant World Tableware International, Inc. "in order to obtain distribution rights to foodservice patterns and trade-marks including DEERFIELD, COPLEY and CROMWELL." The agreement Mr. Adamson refers to is the above mentioned 1984 distribution agreement (that agreement is attached as an exhibit to Mr. Adamson's, Mr. Hayes', and Mr. Laidley's affidavits). Mr. Adamson asserts that Heritage 1983 manufactured and sold basic silverware items in Canada under the marks COPLEY, CROMWELL and DEERFIELD pursuant to that agreement; specialized items such as oyster forks and serving pieces were imported from the applicant. Mr. Adamson terminated his relationship with Heritage 1983 in 1986 when the company was purchased by a group of new investors. Paragraph 13 of Mr. Adamson's affidavit is particularly significant and it is reproduced below:

Mr. Laidley's evidence filed on behalf of the opponent may be summarized as follows. Mr. Laidley has been President of the opponent company Heritage since 1986. Heritage's sales in Canada of silverplated flatware under the mark CROMWELL for the years 1983 to 1988 inclusive averaged about \$13,000 per year. Of the above sales, 2% were for imported specialty items and the rest were for items manufactured by the opponent. The foregoing is consonant with the applicant's evidence.

However, Mr. Laidley's evidence directly contradicts the applicant's evidence when he asserts that (1) the distribution agreement of April 6, 1984 does not grant any manufacturing rights, (2) Heritage acted only as a distributor of the applicant's own products under that agreement, (3) Heritage's "sales of CROMWELL products had nothing to do with the 1984 agreement and such sales did not count towards the minimum volumes required by...the agreement," (4) Heritage is clearly identified as "the Canadian source of CROMWELL brand products" in the opponent's advertising.

With respect to (1) above, I agree with Mr. Laidley to the extent that the distribution agreement of April 6, 1984 does not in its terms grant any manufacturing rights. Neither does the agreement cite which of the applicant's trade-marks are implicated in the agreement. Nevertheless, both Mr. Hayes and Mr. Adamson are emphatic that Heritage manufactured and sold silverplated flatware in Canada under the mark CROMWELL pursuant to the 1984 agreement: see paragraph 17 of Mr. Hayes affidavit and paragraphs 9-11 of Mr. Adamson's affidavit. I have no reason to doubt the credibility of

any of the affiants, although I prefer the applicant's evidence to the opponent's evidence because of the greater extent of information provided by the applicant's affiants, and because of the less biased position of Mr. Adamson. In view of the above, I conclude that the original contracting parties Heritage 1983 and the applicant both understood and agreed to more than what is expressly provided for in the 1984 written distribution agreement, and in particular, that the mark CROMWELL is the property of the applicant. With respect to (2) and (3) above, I conclude that Mr. Laidley must be discounting collateral terms agreed to by the original contracting parties. With respect to (4) above, I must disagree with Mr. Laidley if he is implying that the opponent's advertising indicates that Heritage is the owner of the mark CROMWELL. In my view, the one example of advertising provided by Mr. Laidley (attached as exhibit "A" to his affidavit) indicates that the applicant is the owner of the mark CROMWELL and that Heritage is the Canadian manufacturer of the wares sold under the mark.

Mr. Crawford's evidence is that the opponent is the Canadian manufacturer of the wares sold under the mark CROMWELL. His evidence is not informative with respect to who owns the mark.

In view of the above, I find that the opponent was using the mark CROMWELL under licence from the applicant during the currency of the above mentioned 1984 distribution agreement. To the extent that there may have been independent or "unauthorized" use of the mark CROMWELL by the opponent after the termination of the agreement in September, 1986, such use cannot defeat the applicant's rights in the mark: see McCabe v. Yamamoto & Co. (America) Inc. (1989), 23 C.P.R.(3d) 498 (F.C.T.D.); for critical commentary on this aspect of McCabe, above, see Heritage Silversmiths Inc. v. World Tableware International, Inc. (1992), 42

C.P.R.(3d) 548 at 554 (TMOB).

In view of the above, the opponent's opposition is rejected.

DATED AT HULL, QUEBEC, THIS 31<sup>st</sup> DAY OF MAY, 1994.

Myer Herzig,  
Member,  
Trade-marks Opposition Board