



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

Citation: 2010 TMOB 98
Date of Decision: 2010-06-21

**IN THE MATTER OF AN OPPOSITION by
Chanel S. de R.L. to Application No.
1,202,435 for the trade-mark CHANEL filed
by Robert Victor Marcon**

[1] On December 30, 2003, Robert Marcon (later amended to Robert Victor Marcon) (the Applicant) filed an application to register the trade-mark CHANEL (the Mark) based upon proposed use of the Mark in Canada. The wares, as revised, are as follows:

- (1) Candles
- (2) Vitamins, minerals, and combinations thereof
- (3) Medicinal herbal supplements and preparations, with or without vitamins and/or minerals, for general well-being and in the prevention or reduction of symptoms associated with the following medical conditions namely: (1) Alzheimer's disease; (2) Arthritis; (3) Bacterial, viral, and fungal infection; (4) Burns of the skin; (5) Cellulite; (6) Common cold; (7) Conjunctivitis; (8) Constipation; (9) Dental caries; (10) Depression; (11) Dermatitis; (12) Diabetes; (13) Dry eyes; (14) Elevated cholesterol; (15) Fatigue; (16) Halitosis; (17) Hay fever; (18) Headache; (19) Heartburn; (20) Hypertension; (21) Indigestion; (22) Influenza; (23) Insomnia; (24) Lacerations of the skin; (25) Menopause; (26) Mental decline; (27) Migraine headache; (28) Nausea; (29) Poor circulation; (30) Premenstrual syndrome (PMS); (31) Seasonal affective disorder (SAD); (32) Sore throat; (33) Vascular, muscular and dermal inflammation. (the Wares)

[2] The application was advertised for opposition purposes in the *Trade-marks Journal* of September 20, 2006.

[3] On November 20, 2006, Chanel S. de R.L. (the Opponent) filed a statement of opposition against this application. The grounds of opposition can be summarized as follows:

1. The application does not conform to the requirements of s. 30(i) of the *Trade-marks Act*, R.S.C. 1985, c. T-13 (the Act) in that the Applicant could not state in his application that he was satisfied that he was entitled to use the Mark in association with the Wares in light of the facts set out below;
2. The Mark is not registrable having regard to the provisions of s. 12(1)(d) of the Act in that it is confusing with the registered trade-mark CHANEL that is the subject of Registration Nos. UCA18468, TMA143,648, TMA194,870 and TMA569,181 owned by the Opponent. The particulars of the Opponent's registrations are identified at Schedule A to this decision and are hereinafter sometimes collectively referred to as the CHANEL Registered Trade-marks;
3. The Applicant is not the person entitled to registration of the Mark having regard to the provisions of s. 16(3)(a) and (c) of the Act in that at the date of filing of the application, the Mark was confusing with the above-mentioned registered trade-marks and the trade-name Chanel S. de R.L. of the Opponent, which had been previously used in Canada by the Opponent and continue to be so used;
4. The Mark is not distinctive within the meaning of s. 2 of the Act in that it does not distinguish and is not adapted to distinguish the Applicant's Wares from the wares in association with which the Opponent's registered trade-marks are and have been used in Canada.

[4] In its statement of opposition, the Opponent further makes representations as to the likelihood of confusion between the parties' marks. The Opponent further draws to the attention of the Registrar that the Applicant has attempted to register, in addition to the Opponent's trade-mark CHANEL, numerous third party trade-marks, such as L'OREAL PARIS, BAYER, BUDWEISER, CORONA, EVIAN, etc. To the extent that such representations pertain to argument rather than statements of facts, they have been disregarded.

[5] The Applicant filed and served a counter statement in which it denies the Opponent's allegations.

[6] In support of its opposition, the Opponent filed as its evidence in chief, the affidavits of Sylvain Gagnon, Director, Finances and Administration of Chanel Inc. (Chanel), the Opponent's licensee, sworn July 23, 2007 and Denise Pope, an employee of the law firm representing the Opponent in this proceeding, sworn July 18, 2007. The Applicant's evidence consists of his own affidavit, sworn February 21, 2008. The Opponent filed as reply evidence, the affidavit of Audrey Murray, a student-at-law with the law firm representing the Opponent, sworn June 13, 2008. This latter affidavit ought to be disregarded as it is not strictly confined to matters in reply as prescribed by Rule 43 of the *Trade-marks Regulations*, SOR/96-195. The Murray affidavit puts forward the purchase made by Ms. Murray of three third party cosmetic products containing minerals at a *Wal-Mart* store in Québec. Such evidence ought to have been filed as evidence in chief by the Opponent, together with the Gagnon and Pope affidavits, which do address, among others, essentially the same issue.

[7] Both parties filed written arguments. Only the Opponent was represented at an oral hearing.

Onus

[8] The Applicant bears the legal onus of establishing, on a balance of probabilities, that his application complies with the requirements of the Act. 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 [see *John Labatt Ltd v. Molson Companies Ltd.* (1990), 30 C.P.R. (3d) 293 (F.C.T.D.); *Dion Neckwear Ltd. v. Christian Dior, S.A. et al.* (2002), 20 C.P.R. (4th) 155 (F.C.A.)].

Grounds of opposition

Section 12(1)(d) ground of opposition

[9] The Opponent has provided through the Gagnon affidavit, certified copies of the four trade-mark registrations relied upon in support of its s. 12(1)(d) ground of opposition. The Opponent has met its initial burden because its registrations for the CHANEL trade-mark as detailed in Schedule A are in good standing.

[10] The Applicant must therefore establish, on a balance of probabilities, that there is no reasonable likelihood of confusion between the Mark and the Opponent's CHANEL Registered Trade-marks. The material date with respect to this ground of opposition is the date of my decision [see *Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd. and The Registrar of Trade Marks* (1991), 37 C.P.R. (3d) 413 (F.C.A.)].

[11] The test for confusion is one of first impression and imperfect recollection. Section 6(2) of the Act indicates that use of a trade-mark causes confusion with another trade-mark if the use of both trade-marks in the same area would be likely to lead to the inference that the wares or services associated with those trade-marks are manufactured, sold, leased, hired or performed by the same person, whether or not the wares or services are of the same general class.

[12] In applying the test for confusion, the Registrar must have regard to all the surrounding circumstances, including those listed at s. 6(5) of the Act, namely: (a) the inherent distinctiveness of the trade-marks and the extent to which they have become known; b) the length of time the trade-marks have been in use; c) the nature of the wares, services or business; d) the nature of the trade; and e) the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them. This list is not exhaustive and different weight will be attributed to different factors according to the context [see *Mattel, Inc. v. 3894207 Canada Inc.* (2006), 49 C.P.R. (4th) 321 (S.C.C.) (*Mattel*) and *Veuve Clicquot Ponsardin v. Boutiques Cliquot Ltée* (2006), 49 C.P.R. (4th) 401, [2006] 1 S.C.R. 824 (S.C.C.) (*Veuve Clicquot*) for a thorough discussion of the general principles that govern the test for confusion].

(a) The inherent distinctiveness of the trade-marks and the extent to which they have become known and e) the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them

[13] The parties' marks are identical; they both consist of the word CHANEL, which

according to the Applicant's evidence discussed below, corresponds to either a forename or a surname. As such, the Applicant contends that the Opponent's CHANEL Registered Trade-marks are weak marks that cannot be afforded a wide scope of protection. I disagree with the Applicant's contention because it fails to properly take into account the extent to which the Opponent's CHANEL Registered Trade-marks have become known in Canada.

[14] Indeed, the evidence of use of the Opponent's CHANEL Registered Trade-marks establishes extensive use of the CHANEL mark by the Opponent in Canada for a considerable length of time.

[15] While the evidence of use of the CHANEL Registered Trade-marks provided by the Opponent in this proceeding does not establish continuous use of the CHANEL mark in Canada in association with each of the wares or services described in the Opponent's registrations since the very first dates of use claimed therein (two of which go back to the 1920s) - as a result of what the claimed dates of first use set forth in the Opponent's registrations can establish no more than "de minimis use" and cannot give rise to an inference of significant or continuing use of the CHANEL Registered Trade-marks - the sales figures provided for the years 1998 to 2006 (discussed below) together with the advertising and promotion of the CHANEL mark by the Opponent in Canada in the same years (also discussed below), support the Opponent's contention that its CHANEL mark has deeper roots and has become well-known in Canada in association with cosmetic and fragrance products as well as clothing, jewellery, leather goods, accessories, watches and eyeglasses.

[16] The Gagnon affidavit establishes that products bearing the CHANEL trade-mark have been continuously distributed in Canada by the Opponent's licensee, Chanel, since at least the 1990s and that the Opponent has direct or indirect control over the character or quality of the CHANEL products so distributed [Gagnon affidavit, paragraphs 5 and 6, Exhibits SG-1 and 2].

[17] From 1998 to 2006:

1. there have been sales of more than \$227,600,000 in Canada of cosmetic and fragrance

products bearing the CHANEL trade-mark;

2. more than \$86,700,000 was spent on advertisements, promotion and demonstrations of cosmetic and fragrance products bearing the CHANEL trade-mark in Canada; and
3. there have been sales of more than \$154,001,000 in Canada of clothing, jewellery, leather goods, accessories, watches and eyeglasses bearing the CHANEL trade-mark

[Gagnon affidavit, paragraphs 7 to 16, Exhibits SG-7 to SG-10].

[18] Concerning more particularly the advertising and promotion of the Opponent's cosmetic and fragrance products bearing the CHANEL trade-mark, Mr. Gagnon explains in his affidavit that such advertising is made through traditional media including:

- Canadian newspapers and magazines (including *Canadian Living*, *Chatelaine*, *Châtelaine*, *Clin d'oeil*, *Coup de pousse*, *Éclat*, *Elle Canada*, *Elle Girl*, *Elle Québec*, *Elm Street*, *Elm Street The Look*, *FQ Magazine*, *Fashion Magazine*, *Fashion 18*, *Flare*, *Glow*, *Inside Entertainment*, *Loulou*, *Nuvo Magazine*, *Mariage Québec*, *Point of View (Holt Renfrew)*, *Saturday Night*, *Toro Magazine*, *Toronto Life*, *Saturday Night*, *Wedding Bells*) [Gagnon affidavit, paragraphs 13 to 15, and Exhibit SG-9 consisting of a sampling of advertisement excerpts taken from a few of these magazines];
- radio and television (including a television campaign in 2004, 2005 and 2006 featuring star Nicole Kidman and the Opponent's fragrance CHANEL NO.5) [Gagnon affidavit, paragraph 16]; and
- point-of-sale displays and promotions [Gagnon affidavit, paragraphs 13 to 15, Exhibit SG-10].

[19] The notoriety acquired by the CHANEL trade-mark in association with the Opponent's cosmetic and fragrance products as well as clothing, jewellery, leather goods, accessories, watches and eyeglasses, is further evidenced by various articles published in the above-mentioned magazines over the last decade, a sampling of which is attached to Mr. Gagnon's affidavit as Exhibits SG-11 to SG-14.

[20] By contrast, the Applicant's evidence does not speak to the use or intended use of the Mark in Canada. Accordingly, I must conclude it has not become known at all in Canada.

[21] The Marcon affidavit introduces into evidence printouts downloaded from the websites “www.411ca.whitepages.com” and “www.PeopleFinders.com” showing recent samplings of the surname CHANEL within Canada and the United States. The Canadian sampling shows only 19 entries of individuals having the surname CHANEL in Canada. Thus, the surname CHANEL appears to be a rare surname in Canada, which fact by itself does not lessen the distinctiveness acquired by the Opponent’s CHANEL Registered Trade-marks.

[22] The Marcon affidavit also introduces into evidence printouts downloaded from various websites purporting to explain the background of the “House of Chanel” (the Opponent), “Saint Pierre Chanel” (a Catholic priest, missionary and martyr) and various alleged female “celebrities”, namely Chanel Gaines, Chanel Cresswell and Chanel Ryan. Again, these excerpts, the relevancy of which is questionable, do not lessen the distinctiveness acquired by the Opponent’s CHANEL Registered Trade-marks. To the contrary, the excerpt downloaded from the website “http://en.wikipedia.org” pertaining to the “House of Chanel” supports the Opponent’s position as to the distinctiveness and notoriety acquired by the Opponent’s CHANEL mark worldwide.

[23] To conclude, the overall consideration of these two factors far favours the Opponent.

(b) The length of time the trade-marks have been in use

[24] For the reasons given above, this factor also favours the Opponent.

(c) The nature of the wares, services or business; and (d) the nature of the trade

[25] Considering the type of wares or services and the nature of the trade, I must compare the Applicant’s statement of Wares with the statements of wares or services in the Opponent’s registrations [see *Henkel Kommanditgesellschaft auf Aktien v. Super Dragon Import Export Inc.* (1986), 12 C.P.R. (3d) 110 (F.C.A.); *Mr. Submarine Ltd. v. Amandista Investments Ltd.* (1987), 19 C.P.R. (3d) 3 (F.C.A.)]. 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 [see *McDonald's Corp. v. Coffee Hut Stores Ltd.* (1996), 68 C.P.R. (3d) 168 (F.C.A.); *Procter & Gamble Inc. v. Hunter Packaging Ltd.* (1999), 2 C.P.R. (4th) 266 (T.M.O.B.); *American Optional Corp. v. Alcon Pharmaceuticals Ltd.* (2000), 5 C.P.R. (4th) 110 (T.M.O.B.)].

[26] The Opponent, relying on the notoriety of its CHANEL trade-mark and the evidence introduced by the Gagnon and Pope affidavits, contends that use of the CHANEL trade-mark in association with a product falling within any one of the three categories of Wares covered by the instant application will lead a consumer to believe that the source of the product is the Opponent for the following reasons.

[27] Considering more particularly the Wares falling into the category of "candles", the Gagnon affidavit evidences that the Opponent has sold candles in association with the CHANEL trade-mark in Canada [Gagnon affidavit, paragraph 18, Exhibits SG-15 and SG-16]. The Pope affidavit also evidences that the sale of candles is a natural extension of the wares offered by famous haute couture/fragrance brand owners, such as *Giorgio Armani*, *Gucci* and *Ralph Lauren* [Pope affidavit, paragraphs 15 to 22, Exhibits DP-46 to DP-53].

[28] Considering the Wares falling into the categories of "vitamins, minerals, and combination thereof" and "medicinal herbal supplements and preparations, with or without vitamins and/or minerals, for general well-being and in the prevention or reduction of symptoms associated with the following medical conditions namely: [...]", the Gagnon and Pope affidavits evidence that the cosmetic industry (including the Opponent) has for many years, used and advertised the use of vitamins, minerals, plants and herbs as components of its products for sale in, among other countries, Canada [Gagnon affidavit, paragraphs 21 to 25, Exhibits SG-28 to SG-49; Pope affidavit, paragraphs 2 to 14, Exhibits DP-1 to DP-45].

[29] The Applicant contends for its part that "the Opponent's mark CHANEL, as it now stands, should only be afforded protection to those wares or services currently provided and to those wares legally considered complementary extensions of their current or otherwise existing business". The Applicant's position is that his CHANEL Mark can co-exist in the Canadian

marketplace with the Opponent's CHANEL trade-mark because his wares are sufficiently different from those of the Opponent.

[30] As his evidence on this point, the Applicant attaches printouts from the Canadian Trade-mark Database to apparently demonstrate analogous situations of co-existing use of trade-marks similar to each other in the Canadian marketplace, including the trade-marks DUTCH BOY, TRIUMPH, GREYHOUND and CORONA. The Applicant also attaches printouts of court decisions from the Internet regarding the registrability of trade-marks. Transposing the comments of Board Chairperson Carreau in *L'Oréal Paris v. Robert V. Marcon*, 2010 TMOB 67 at paragraph 19, to the present case, I do not consider evidence of several unrelated identical or similar marks on the Register to be relevant to this proceeding; the issue of confusion between the Mark and the Opponent's CHANEL trade-mark is a decision to be made based on the surrounding circumstances and the particular facts of this case. Each case must be decided upon its own merit. In addition, the decisions by the Examination Section of the Trade-marks Office, which does not have evidence filed by the parties in opposition proceedings, to register marks are not binding and have no precedential value for the Registrar in determining the registrability of a trade-mark in an opposition proceeding [see *Thomas J. Lipton Inc. v. Boyd Coffee Co.* (1991), 40 C.P.R. (3d) 272 (T.M.O.B.) and *Procter & Gamble Inc. v. Morlee Corp.* (1993), 48 C.P.R. (3d) 377 (T.M.O.B.)].

[31] While it is true that the Opponent's registered wares and services differ from the Applicant's Wares, I am of the view that these differences are not as pronounced as the Applicant contends.

[32] The Opponent's evidence establishes that its CHANEL cosmetic and fragrance products are sold in pharmacies and department stores, as well as in the Opponent's boutiques [Gagnon affidavit, paragraphs 10 and 11]. The Applicant did not file any evidence with regards to where his products would be sold. However, candles, vitamins, minerals and medicinal herbal supplements are often sold in pharmacies and department stores. Accordingly, it appears that the channels of trade for the applied for Wares and the Opponent's CHANEL cosmetic and fragrance products may overlap.

[33] As evidenced by the Opponent, the cosmetic industry also regularly advertises the use of vitamins, minerals, plants and herbs in its products. While such fact does not necessarily render the parties' wares similar, I agree with the Opponent that it may, in the particular circumstances of this case and given the notoriety of the CHANEL trade-mark of the Opponent, lead a consumer to make a mental association between the Applicant's vitamins, minerals, and medicinal herbal supplements and preparations and the cosmetic products of the Opponent. I note on this point that some of the medicinal herbal supplements and preparations of the Applicant (such as those for the prevention or reduction of symptoms associated with burns of the skin, cellulite, lacerations of the skin) may, to some extent, get closer to some of the Opponent's cosmetic products that combine the disciplines of dermatology and cosmetology.

[34] As for the Applicant's Wares falling into the category of "candles", while such wares are not covered by the Opponent's CHANEL trade-mark registrations listed in Schedule A, I agree with the Opponent that the evidence establishes that the sale of candles may be considered a natural extension of the Opponent's fragrance products.

[35] As indicated above, the test for confusion is whether someone who has an imperfect recollection of the Opponent's mark might conclude upon seeing the Applicant's Mark as a matter of first impression that the source of the Opponent's wares and the source of the Applicant's Wares are either the same or somehow related.

[36] It is not necessary that the parties operate in the same general field or industry or that the respective wares be of the same type or quality. As stated in s. 6(5) of the Act, confusion may occur "whether or not the wares or services are of the same general class". Furthermore, as stated by the Supreme Court of Canada in *Mattel* and *Veuve Clicquot* [supra], a "connection" need not necessarily be established between areas of trade in order for a likelihood of confusion to be established.

[37] As I read the *Mattel* and *Veuve Clicquot* decisions, the question to be asked is whether the evidence presented demonstrates a mental association made by the consumer between the

Opponent's well-known mark and the Applicant's Wares that is likely to confuse the consumer as to the source of the wares. The key factor in considering the extent to which a famous mark transcends the wares or services with which it is normally associated is whether an ordinary consumer is likely to mistakenly infer that the wares or services come from a common source or are in some way associated with each other. I believe that the reputation of the Opponent's CHANEL mark would transcend the market into wares that are not necessarily of the same general class.

Conclusion regarding the likelihood of confusion

[38] Having considered all the surrounding circumstances, I find that the Applicant has not satisfied the onus on him to establish, on a balance of probabilities, that there is no reasonable likelihood of confusion as to the source of the parties' wares. I reach this conclusion particularly in view of the extensive reputation and use of the Opponent's registered trade-mark CHANEL, the fact that the parties' marks are identical and the potential overlap between the channels of trade.

[39] Accordingly, the s. 12(1)(d) ground of opposition succeeds.

Non-distinctiveness ground of opposition

[40] The Opponent has pleaded that the Mark is not distinctive within the meaning of s. 2 of the Act in that it does not distinguish and is not adapted to distinguish the Applicant's Wares from the wares in association with which the Opponent's registered trade-mark CHANEL is and has been used in Canada.

[41] An opponent meets its evidential burden with respect to a distinctiveness ground if it shows that as of the filing of the opposition its trade-mark had become known to some extent at least to negate the distinctiveness of the applied-for mark [see *Motel 6, Inc. v. No. 6 Motel Ltd.* (1981), 56 C.P.R. (2d) 44 (F.C.T.D)]. The Opponent has met this burden.

[42] As I came to the conclusion that, based on the evidence filed in the record, the Mark is confusing with the Opponent's registered trade-mark CHANEL and because the difference in relevant dates does not affect my analysis, the non-distinctiveness ground of opposition therefore succeeds.

Remaining Grounds of Opposition

[43] As I have already refused the application under two grounds, I will not address the remaining grounds of opposition.

Disposition

[44] In view of the foregoing and pursuant to the authority delegated to me under s. 63(3) of the Act, I refuse the application pursuant to s. 38(8) of the Act.

Annie Robitaille
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office

SCHEDULE A

TRADE-MARK	REG. NO.	WARES/SERVICES/CLAIMS
CHANEL	UCA18468	<p><u>WARES:</u> (1) Toilet preparations, namely perfume, eau de cologne, eau de toilette, bath powder, bath oil, after bath oil, body creme, milk bath creme, bathing gel, soap, eau de parfum, after shave, after shave moisturizer, shave cream, after shave balm, cologne, deodorant stick, moisture balm, protective skin conditioner.</p> <p>(2) Cosmetic products, namely skin creams, beauty masks, body lotion, moisturizers, blush, liquid and creme makeup, toner, freshner, lip makeup, nail enamel, nail enamel remover, nail and cuticle treatment, powder, eye makeup, skin cleansers, makeup remover; makeup brushes</p> <p><u>CLAIMS:</u> Date of first use in CANADA 1920 on wares (1). Declaration of Use filed December 28, 1984 on wares (2).</p>
CHANEL	TMA143,648	<p><u>WARES:</u> (1) Wearing apparel for women, namely, ensembles, tailor-made suits, dresses, jackets, blouses and neckwear, namely, silk neckerchiefs, silk squares and scarves.</p> <p>(2) Buttons, pins and artificial jewellery.</p> <p>(3) Jewellery.</p> <p>(4) Shoes and leather goods, namely wallets, pocketbooks, purses and belts.</p> <p>(5) Neckties, belts made of metal, fabric, synthetic materials or combinations of these with leather.</p> <p>(6) Hair accessories, namely, pins, bows, hair bands, clips; artificial flowers.</p> <p>(7) Lighters.</p> <p><u>SERVICES:</u> (1) Operation of boutiques selling clothing, perfumery, and accessories.</p> <p><u>CLAIMS:</u> Used in CANADA since at least as early as 1925 on wares (1), (2), (3). Used in FRANCE on wares (1), (2), (3). Registered in or for FRANCE on September 05, 1946 under No. 370,370 on wares (1), (2), (3). Registrability Recognized under Section 14 of the Trade-marks Act on wares (1), (2), (3). Declaration of Use filed April 06, 1972 on wares (4). Declaration of Use filed March 22, 1985 on wares (5). Declaration of Use filed September 04, 1986 on wares (6). Declaration of Use filed February 18, 1987 on wares (7) and</p>

		on services.
CHANEL	TMA194,870	<u>WARES:</u> (1) Watches. <u>CLAIMS:</u> Priority Filing Date: February 04, 1972 in association with the same kind of wares. Used in UNITED STATES OF AMERICA. Registered in or for UNITED STATES OF AMERICA on March 13, 1973 under No. 955074.
CHANEL	TMA569,181	<u>WARES:</u> (1) Eyeglasses, sunglasses, frames and cases therefor. <u>CLAIMS:</u> Used in CANADA since at least as early as June 1992.