



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

Citation: 2010 TMOB 205
Date of Decision: 2010-11-26

**IN THE MATTER OF AN OPPOSITION
by Holt Renfrew & Co. Limited to
application No. 1,189,449 for the trade-
mark HOLTZ SPA & Design in the name
of Holtz Spa Inc.**

The Pleadings

[1] On September 4, 2003 Holtz Spa Inc. (the Applicant) filed application number 1,189,449 to register the trade-mark HOLTZ SPA & Design (the Mark); hereinafter reproduced:



[2] The application covers spa services (the Services) and is based on use since at least as early as May 23, 2001.

[3] The application was advertised on July 28, 2004 in the *Trade-marks Journal* for opposition purposes.

[4] Holt Renfrew & Co. Limited (the Opponent) filed a statement of opposition on December 29, 2004 which was forwarded to the Applicant by the Registrar on January 25, 2005. The Applicant filed a counter statement on February 25, 2005 in which it denied all grounds of opposition listed below.

[5] The Opponent filed the affidavits of Stuart Fraser, Craig Stewart, Barbara Gallagher and certified copies of the following registrations in the name of the Opponent:

TMA258,322 HOLT'S
TMA285,907 "THE CAFE" AT HOLT'S
TMA482,017 CAFE HOLT
TMA221,169 HOLT RENFREW
TMA283,395 STUDIO CREATION HOLT RENFREW DESIGN STUDIO
TMA322, 846 HOLT RENFREW CLUB SELECT
TMA366,326 HOLT RENFREW LAST CALL
TMA435,578 HOLT REFREW & Design
TMA459,096 CLUB SELECT HOLT RENFREW
TMA460,359 ECOLO PAC/ HOLT RENFREW & Design
TMA475,864 STUDIO HOLT RENFREW Design
TMA479,314 HOLT RENFREW CANADA
TMA481,944 HOLT RENFREW (bottle) Design
TMA482,813 HOLT RENFREW PETITES
TMA495,520 HOLT RENFREW 1422
TMA520,572 THE WINDSOR COLLECTION BY HOLT RENFREW
TMA545,382 HR/HOLT RENFREW DESIGN
TMA584,317 HOLT RENFREW HERITAGE COLLECTION
(the Opponent's registered trade-marks)

[6] The Applicant filed the affidavits of Donna Holtom, Chantal Meessen, Gay J. Owens and C. Donald Brown. The affidavit of Chantal Meessen was returned subsequent to her failure to attend her cross-examination.

[7] Donna Holtom, Gay J. Owens and C. Donald Brown were cross-examined and the transcripts of their cross-examinations were filed. Both parties filed written submissions and were represented at the oral hearing.

The Grounds of Opposition

[8] The grounds of opposition pleaded are:

1. The Application does not comply with the requirements of s. 30(b) of the *Trade-marks Act*, R.S.C. 1985 c. T-13 (the Act) in that the Mark had not been used in Canada in association with the Services in the normal course of trade by the Applicant and/or any licensee thereof as of the claimed date of first use;
2. The Application does not comply with the requirements of s. 30(i) of the Act in that the Applicant could not state that it was satisfied that it was entitled to the use of the Mark in Canada in association with the Services in view of the Applicant's knowledge of the Opponent's prior use of its trade-marks and trade-names and the significant reputation attached to same;
3. The Mark is not registrable under s. 12(1)(d) of the Act as it is confusing with the Opponent's registered trade-marks;
4. The Applicant is not the person entitled to registration of the Mark pursuant to s. 16(1)(a) of the Act at the date of first use claimed as it was confusing with the Opponent's trade-marks HOLTS, HOLT'S and HOLT RENFREW as well as the Opponent's registered trade-marks previously used in Canada;
5. The Applicant is not the person entitled to registration of the Mark pursuant to s. 16(1)(b) of the Act as it was confusing with the Opponent's previously filed application for the registration of the trade-mark HOLT'S, application 457,924(01) which was still pending;
6. The Applicant is not the person entitled to registration of the Mark pursuant to s. 16(1)(c) of the Act as it was confusing with the Opponent's trade-names HOLT'S, HOLTS and HOLT RENFREW which have been previously used in Canada;
7. Pursuant to s. 38(2)(d) and s. 2 of the Act, the Mark is not distinctive in that the Mark does not actually distinguish the Services from the wares and services of the Opponent, nor is it adapted so as to distinguish them as the Mark is confusing with the Opponent's trade-marks and trade-names listed in the previous paragraphs.

Onus and Burden of Proof in Trade-marks Opposition Proceedings

[9] The legal onus is upon the Applicant to show that its application complies with the provisions of the Act, but there is however 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. Once this initial burden is met, the Applicant has to prove, on a balance of probabilities, that the particular grounds of opposition should not

prevent the registration of the Mark [see *Joseph E. Seagram & Sons Ltd. et al v. Seagram Real Estate Ltd.* (1984), 3 C.P.R. (3d) 325; *John Labatt Ltd. v. Molson Companies Ltd.* (1990), 30 C.P.R. (3d) 293 and *Wrangler Apparel Corp. v. The Timberland Company* [2005] F.C. 722].

Preliminary comments

[10] There is no dispute between the parties over the fact that the trade-mark HOLT RENFREW has become well-known in Canada in association with the operation of a speciality retail department store. This conclusion comes from the voluminous evidence filed by the Opponent and such fact is admitted by the Applicant in paragraph 94 of its written argument. Thus it will not be necessary to summarize at length the evidence of use of the trade-mark HOLT RENFREW except where needed. However such conclusion does not necessarily mean that the Mark used in association with the Services would be confusing with any of the Opponent's registered trade-marks or with any of the trade-marks or trade-names used by the Opponent.

Relevant dates

[11] The relevant date for the analysis of each ground of opposition varies depending on the ground of opposition to be assessed:

- Non-compliance with the requirements of s. 30 of the Act: The filing date of the application (September 4, 2003);
- The registrability of the Mark under s. 12(1)(d) of the Act: The date of the Registrar's decision [see *Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd.* (1991), 37 C.P.R. (3d) 413 at 424 (F.C.A.)];
- Entitlement to the registration of the Mark, where the application is based on use: The date of first use claimed in the application (May 23, 2001) [see s. 16(1) of the Act];
- Distinctiveness of the Mark: The filing date of the statement of opposition (December 29, 2004) is generally accepted to be the relevant date [see *Andres Wines Ltd. and E & J Gallo Winery* (1975), 25 C.P.R. (2d) 126 at 130 (F.C.A.) and *Metro-Goldwyn-Meyer Inc. v. Stargate Connections Inc.* (2004), 34 C.P.R. (4th) 317 (F.C.T.D.)].

Section 30(b) Ground of Opposition

[12] The Opponent is arguing that the evidence filed by the Applicant itself does show that it has used the Mark prior to the date of first use claimed in the application, namely May 23, 2001. Exhibits 1.21 to 1.46 inclusive of Ms. Holtom's affidavit are for the most part ads published in the *Ottawa Citizen* between April 27, 1999 and May 1, 2001 depicting the Mark.

[13] The Opponent is relying on *Gainers Inc. v. Sugarplum Desserts Ltd* (1994), 55 C.P.R. (3d) 256 and *Goodall Rubber Co. et al v. Goodyear Tire and Rubber Co.* (1999), 3 C.P.R. (4th) 393 to support its contention that the application should be refused on the basis that the Applicant has not provided in its application the proper date of first use. I think those cases are easily distinguishable from the present situation.

[14] In *Gainers*, the applicant relied on a date of first use that was prior to its incorporation. Therefore it claimed a date of first use that was prior to its actual date of first use of the mark. In *Goodall*, the applicant claimed use of the mark applied for since September 1981. The evidence revealed that the applicant had been using that mark since 1950, more than 30 years prior to the claimed date of first use. In that case the Registrar came to the conclusion that the applicant had misrepresented the date of first use and had disregarded about 30 years of use of the mark. Therefore he concluded that the application did not conform to the requirements of s. 30(b) of the Act.

[15] In our situation, the Applicant has waived potential prior use of about 18 months as opposed to 30 years in *Goodall*. In any event, as mentioned in *Gainers* and *Goodall*, an applicant in general may rely, as a measure of precaution, on a later date of first use than the actual one [see also *Marineland v. Marine Wonderland and Animal Park Ltd.* (1974), 16 C.P.R. (2d) 97]. As it will appear hereinafter, the date of first use coincides with the date of incorporation of the Applicant. Any use of the Mark prior to the claimed date of first use could not have been use of the Mark by the Applicant. Finally, the Applicant did not rely in its application on any use of the Mark by predecessor(s) in title. Had it claimed prior use by its predecessor(s) in title, then the Applicant could have claimed an earlier date of first use.

[16] As such I dismiss the first ground of opposition.

Ground of Opposition based on s.30(i) of the Act

[17] The Applicant has provided the statement required by s. 30(i) of the Act that it is satisfied that it is entitled to use the Mark in Canada in association with the Services. In her affidavit Ms. Holtom, the Applicant's President and General Manager, explains in detail how she came up with the word portion of the Mark. She states that it is a short form of her surname Holtom. It is her nickname since the 1970's and it was at the suggestion of a friend that she used her nickname to identify her business.

[18] The fact that the Applicant was aware of the Opponent's trade-marks does not mean that the Applicant could not have been satisfied that it was entitled to register the Mark in Canada in association with the Services. The Applicant could still state, in good faith, that it was entitled to register the Mark in Canada in association with the Services.

[19] Normally, this ground of opposition will succeed if exceptional circumstances are proven, such as evidence of the Applicant's bad faith [*Sapodilla Co. Ltd. v. Bristol-Myers Co.* (1974), 15 C.P.R. (2d) 152 (T.M.O.B.) at 155]. There is no evidence on file of that nature. Consequently, this ground of opposition is also dismissed.

Registrability of the Mark under s. 12(1)(d) of the Act

[20] The Opponent is alleging that the Mark is not registrable pursuant to s. 12(1)(d) of the Act as it is confusing with its registered trade-marks listed above. The Opponent filed a certified copy of each of its registrations.

[21] The best case scenario for the Opponent is with its trade-mark HOLT'S, certificate of registration TMA258,322. All the other registered trade-marks contain at least one additional element that could distinguish them from the Mark.

[22] I used my discretion and checked the register. Registration TMA258,322 is extant and it covers the following wares and services:

Clothing; clothing accessories; children's apparel; beach wear; cosmetic and toiletry products; fragrances; bath and body products; hair care products; makeup accessories; small leather goods; tableware and printed publications; and retail specialty

department store services and furrier services; mail order services; bar and restaurant services; distribution of information via a global computer network; on-line services.

Therefore the Opponent has met its initial burden of proof.

[23] I have to determine, on a balance of probabilities, if the Mark is likely to cause confusion with the Opponent's trade-mark HOLT'S. The test to determine this issue is set out in s. 6(2) of the Act and I must take into consideration all the relevant surrounding circumstances, including those listed in s. 6(5): the inherent distinctiveness of the trade-marks and the extent to which they have become known; the length of time the trade-marks have been in use; the nature of the wares, services, or business; the nature of the trade; and the degree of resemblance between the trade-marks in appearance, or sound or in the ideas suggested by them.

[24] Those criteria are not exhaustive and it is not necessary to give each one of them equal weight [see *Clorox Co. v. Sears Canada Inc.* (1992), 41 C.P.R. (3d) 483 (F.C.T.D.) and *Gainers Inc. v. Marchildon* (1996), 66 C.P.R. (3d) 308 (F.C.T.D.)].

[25] I wish to refer to the following extracts of the decision of the Supreme Court of Canada in *Mattel, Inc. v. 3894207 Canada Inc.* (2006), 49 C.P.R. (4th) 321:

25 The onus remained throughout on the respondent [the applicant] to establish the absence of likelihood, but the Board was only required to deal with potential sources of confusion that, in the Board's view, have about them an air of reality.

(...)

31 The respondent is not entitled to registration of its trade-mark unless it can demonstrate that use of both trade-marks in the same geographic area will not create the likelihood of confusion, i.e. mistaken inferences in the marketplace. If, on a balance of probabilities, the Board is left in doubt, the application must be rejected.

(...)

55 Evidence of actual confusion would be a relevant "surrounding circumstance" but is not necessary (*Christian Dior S.A.*, at para 19) even where trade-marks are shown to have operated in the same market area for ten years: *Mr. Submarine Ltd. v. Amandista Investments Ltd.* (1987), 19 C.P.R. (3d) 3 (Fed. C.A.). Nevertheless, as discussed below, an adverse inference may be drawn from the lack of such evidence in circumstances where it would readily be available if the allegation of likely confusion was justified.

[26] In *Mattel, Inc. supra* and *Veuve Clicquot Ponsardin v. Boutiques Cliquot Ltée et al.* (2006), 49 C.P.R. (4th) 401 Mr. Justice Binnie also commented on the assessment of the criteria

enumerated under s. 6(5) of the Act to determine if there is a likelihood of confusion between two trade-marks.

[27] Before assessing each of the relevant criteria I wish to point out that I do not consider the use of the trade-mark HOLT RENFREW to be use of the trade-mark HOLT'S [see *Canada (Registrar of Trade-marks) v. Cie. Internationale pour l'informatique CII Honeywell Bull, S.A.* (1985), C.P.R. (3d) 523]. In determining the likelihood of confusion between the Mark and HOLT'S, I shall restrict myself to such comparison.

[28] The Mark does not have a high degree of inherent distinctiveness. The exclusivity to the words "Holtz" and "spa" had to be disclaimed from the trade-mark as a whole; the first one being a surname of individuals living in Canada and the second word being clearly descriptive of the Services. In fact the Applicant's own evidence in the record [see Mr. Brown's affidavit] indicates that HOLTZ is a surname of individuals living in Canada.

[29] The Opponent has raised some issues with respect to the content of Mr. Brown's affidavit which includes the results of searches using the Canada411 database on the Internet. Mr. Brown was an articling student employed by the Applicant's agent firm at the time of execution of his affidavit. The Opponent takes the position that little to no weight should be given to the evidence filed by Mr. Brown because he could not recollect during his cross-examination how he obtained any of the material attached to his affidavit. The various searches were performed in April 2006 and his cross-examination was held at the end of February 2008, almost two years later. In so far as the results of the searches conducted using the Canada411 database is concerned, I have no reason to believe that such website is not a reliable resource [see *Envirodrive Inc. v. 836442 Alberta Inc.* 2005 ABQB 446 and *ITV Technologies Inc. v. WIC Television Ltd.* [2003] F.C. 1056 for the admissibility of the content of reliable websites]. In fact the Registrar does consult such CANADA411 database in order to obtain a good indication as to whether a trade-mark is composed of the name or surname of individuals living in Canada.

[30] The results of the search conducted by Mr. Brown reveal that there are approximately 200 individuals living in Canada having the surname HOLTZ [exhibit 7 to Mr. Brown's affidavit].

[31] The Mark has a design portion but it is not highly distinctive. The Mark is written in two different fonts and the word HOLTZ is written in a black rectangle over the word portion SPA.

[32] The Opponent's trade-mark HOLT'S has also a low degree of inherent distinctiveness. Another search conducted by Mr. Brown on Canada411 database reveals that there are over 1000 individuals living in Canada with the surname HOLT. During his cross-examination Mr. Brown did state that he was looking for names spelled HOLTZ or HOLTS. The results of the searches on Canada411 do not contain any reference to HOLTS. I have to presume that if there were individuals with that surname they would have shown up in the results filed.

[33] I understand that most of the evidence filed by the Opponent with respect to the use of its registered trade-mark shows use of the trade-mark HOLTS. There is a distinction grammatically between HOLT'S and HOLTS as the former represents the possessive form while the latter represents the plural. Despite the grammatical difference between HOLT'S and HOLTS, I consider the use of HOLTS to be use of the registered trade-mark HOLT'S [see *Canada (Registrar of Trade-marks) v. Cie. Internationale pour l'informatique CII Honeywell Bull, S.A.* (1985), C.P.R. (3d) 523 and *Nightingale Interloc Ltd. v. Prodesign Ltd.* (1984), 2 C.P.R.(3d) 535].

[34] The distinctiveness of a trade-mark may be enhanced through use or promotion in Canada. I shall now summarize the evidence filed by both parties on the use of their respective trade-marks.

[35] Mr. Fraser has been since May 1999 the Senior Vice President and Chief Financial Officer of the Opponent. He states that the Opponent operates a national specialty department store chain of international renown in urban centers across Canada since the 1930s, namely in Vancouver, Edmonton, Calgary, Winnipeg, Montreal, Ste-Foy, Ottawa and Toronto. It carries prestigious brands and innovative designers, as well as cosmetics, beauty products, and fragrances from London to New York, to Paris, and to Rome. Each store is a full service department store, offering upscale clothing for men and women, cosmetics, grooming and beauty products, fragrances, fur products, and general lifestyle products. As stated earlier there is no issue between the parties that the Opponent's trade-mark HOLT RENFREW is well known in

Canada in association with the operation of a national specialty department store chain. I will concentrate on the evidence of use of the trade-marks HOLT'S and HOLTS.

[36] Mr. Fraser filed photographs of the Montreal's store front exterior sign on which appears a HOLTS marquee, which has been in place for decades. Exhibits 74 to 87 inclusive are representative samples of advertisements published in Canadian newspapers such as the *Globe & Mail*, the *Ottawa Citizen* and the *Toronto Star* between 1969 and 1980 promoting the Opponent's stores under the trade-mark HOLT'S and the products and services sold in those stores such as men's and women's clothing and accessories, make up, mini manicure, fragrances, hair consultation and Estee Lauder Spa services. I will discuss later and in greater detail the issue concerning the Estee Lauder Spa services.

[37] From 1990 to 1994 the Opponent has introduced a magazine entitled HOLT RENFREW POINT OF VIEW that includes a section entitled "What's hot at Holt's". This magazine provided the Opponent's customers with information on upcoming fashion and beauty trends.

[38] In 1999 the Opponent launched a magazine entitled HOLT'S, published twice a year, in which the Opponent's products and services offered in its stores are advertised. Mr. Fraser states that such magazine is available at the Estee Lauder Spa located inside the Opponent's store in Toronto. The publication was renamed HOLTS in 2005. The Opponent has spent between \$4 to \$ 5.5 million dollars from 1999 to 2004 for the production and promotion of HOLT'S magazine.

[39] Also in 1999 the Opponent had another publication entitled HOLT'S Beauty, advertising beauty products available at the Opponent's stores. In 2000 it had yet another publication entitled HOLT'S Holiday Beauty Book.

[40] In 2000 and 2001 the Opponent introduced calendar of events cards that were inserted in its magazine HOLT'S which had the following inscription on one side: "What's happening at Holt's".

[41] Since 2000 the Opponent is holding an annual beauty event promoted under the trade-mark GIRL'S NIGHT IN. In the ads promoting such event, published in HOLT'S magazine [for example see exhibit 88B], reference is made to the Opponent's stores in Canada as HOLT'S.

[42] In 2004 the Opponent introduced a campaign for the 2004 Holiday season entitled “HOLT’S for the Holidays”. A special insert was created and placed in the *Globe & Mail*, the *Montreal Gazette* and *La Presse* newspapers. Nearly 500,000 copies of these inserts were distributed. It promoted the Opponent’s products and services. Also during the same year the Opponent promoted its products and services being offered at its Toronto store using the slogan: “IT’S HOT. IT’S HAPPENING. IT’S HOLT’S”. Mr. Fraser produced samples of those ads published in the *Globe & Mail* from March 2004 to January 2005.

[43] Mr. Stewart has been a Library Technician with the Opponent’s agent firm. He conducted a search of major Canadian newspapers and periodicals to locate instances where the Opponent’s department stores are referred to as HOLT’S and /or HOLTS. The search was done on September 23, 2005. He used Factiva, a searchable web-based database accessible online. It contains a vast number of information sources including archived and current issues and editions of numerous Canadian newspapers and periodicals, such as the *Calgary Herald*, *Edmonton Journal*, *Globe and Mail*, *Montreal Gazette*, *National Post*, *Ottawa Citizen*, *Vancouver Sun* and *Winnipeg Free Press*. A detailed list of the Canadian newspapers and publications covered by such database is annexed to his affidavit as an exhibit. I consider such database to be reliable [see *Envirodrive Inc.* and *ITV supra*].

[44] He filed the results of his search where reference to HOLT’S in a particular article was located. The results are printed out in keyword context excerpt format which identifies the publication, title and word length of the relevant article, the date the article was published and excerpts from the article outlining the general subject matter, as well as those areas of the article where HOLT’S appears. The same type of research was done for HOLTS. These extracts show that HOLT’S and HOLTS are often used in articles published in Canadian newspapers to refer to the Opponent’s retail department stores.

[45] Ms. Gallagher has been a law clerk with the Opponent’s agent firm. She conducted on-line searches of the Opponent’s website for occurrences where the Opponent’s department store is referred to as HOLT’S and/or HOLTS and she filed the result of those searches. She used the Internet Wayback Machine, a website that stores websites at its library. Therefore it is possible to obtain copies of web pages of various websites at different dates. Even though the search was

conducted on August 30, 2005 she filed extracts of the Opponent's website going back to September and December 2002.

[46] From all this evidence I conclude that the trade-mark HOLT'S is known in Canada in association with a specialty department store chain wherein, amongst others, fashion clothing and accessories, beauty and skin care products are being sold.

[47] The Applicant has also introduced evidence of use of the Mark through the affidavit of Ms. Holtom. She states that she has more than 20 years of experience at the forefront of the spa industry in Canada.

[48] She describes herself as a leader in the women's business community in Ottawa. She filed a copy of an extract of an article published in the *Ottawa Citizen* on March 28, 1999 describing her winning of the Business Woman's Achievement Award for 1999.

[49] A useful guideline was provided by Ms. Holtom in her affidavit as to what constitutes spa services. She alleges that she has been involved in the spa business for over 25 years. She states that in 1984 a "spa" was generally understood to refer to baths with air and water jets. In paragraph 6 of her affidavit, using the definition generated by the International Spa Association, she defines spas as: "entities devoted to the enhancing overall well-being through a variety of professional services that encourage the renewal of mind, body and spirit". She states that spas generally offer: "therapeutic services, such as massage, reflexology, steam baths, wraps, acupuncture, chiropractic and reiki; aesthetic services such as facials, electrolysis, waxing, make-up application, manicure and pedicure, nail enhancements, cellulite and weight treatments; hair salon services; and associated sale of retail products".

[50] In her affidavit, Ms. Holtom uses the defined term My Business to refer individually or collectively to the Applicant, 782223 Ontario Inc. and Holtz Health and Beauty Centre Inc. I shall also use hereinafter that defined term.

[51] There were questions taken under advisement through instructions from the Applicant's counsel that dealt with the relationship that might have existed or exists between the Applicant and other legal entities that might have offered or are offering the Services in association with

the Mark, including those mentioned in the preceding paragraph. Also there were questions relating to the transfer of ownership of the Mark to the Applicant.

[52] The Opponent requested the production of any license agreement(s) or transfer of ownership agreement(s) [see questions 24, 25, 44, 53 and 56]. The Applicant, after having taken these questions under advisement, objected to them alleging that they were improper. However Ms. Holtom in paragraphs 14, 15 and 16 of her affidavit does mention acquisition of trade-mark rights and goodwill attached thereto from one entity to another, including the Applicant as well as the existence of a license agreement between the Applicant and two franchisees.

[53] Those questions were relevant in view of the aforesaid allegations contained in Ms. Holtom's affidavit. I shall draw a negative inference from the refusal to provide answers to those questions. Given that the Applicant was only incorporated on May 23, 2001, I will only consider the Applicant's use of the Mark as of the date of its incorporation. Any use of My Business to refer to entities using the Mark prior to May 23, 2001 shall not include the Applicant. Moreover I shall disregard any evidence of use of the Mark subsequent to that date by any third parties. Thus the Applicant's use of the Mark is limited to the Ottawa region as hereinafter described.

[54] To Ms. Holtom's knowledge, My Business provided for the first time full spa services in Ottawa. She states that My Business has over time offered fitness facilities and counseling services to its clientele. As early as 1987, My Business was sometimes describing itself as Holtz Health Spa. By the late 1990's My Business started using the trade-name Holtz Spa. Because of the comments made in the preceding paragraphs, My Business could not have then included the Applicant.

[55] For the purpose of this decision I must look at the evidence of actual use of the Mark. As mentioned above, even though the application is based on use since May 23, 2001 there is evidence of use of the Mark prior to that date but the claimed date of first use coincides with the date of the Applicant's incorporation [see exhibit 1.7]. Since the application does not claim the benefit of use of the Mark by predecessor(s) in title and in view of the Applicant's refusal to provide any documentation to support allegations of transfer of rights and the existence of license agreement(s), I shall limit my analysis of the evidence to the use of the Mark by the Applicant from the claimed date of first use.

[56] I also wish to point out that a lot of the documentary evidence filed by the Applicant in total over 100 exhibits were filed does not relate to the use of the Mark but deals either with the Applicant's business offering spa services in association with the trade-mark HOLTZ SPA, or with Ms. Holtom's reputation as a businesswoman in the Ottawa region or her association with the Applicant or other entities in which she is involved. I refer, for example, to exhibits 1.73 and following and 1.93 and following.

[57] Ms. Holtom produced samples of advertisements published in the *Ottawa Citizen* on or after May 23, 2001 to promote the Services in association with the Mark. She also produced extracts of various *Yellow Pages* and *White Pages* directories during the years 2005 and 2006 wherein the Services are promoted in association with the Mark. I note that the Mark is advertised under different headings in these directories such as: "estheticians", "beauty", "salons", "massage", "beauty and spa services". I note that the Opponent's store located in Ottawa and the Applicant's business are listed on the same page of one of the pages filed as exhibit 1.60 to Ms. Holtom's affidavit.

[58] She also produced the cover page of *Spa Canada Magazine* as well as its featured story concerning the Applicant's business wherein the Mark appears. Also in this article (exhibit 1.90 to Ms. Holtom's affidavit) there is reference to a business relationship between the hotel Hilton Suites in Toronto and the Applicant's Services in association with the Mark that include skincare treatments, manicures, pedicures and facials. There appears to be a similar relationship between the hotel Chateau Laurier in Ottawa and the Applicant [see exhibit 1.84 to Ms. Holtom's affidavit].

[59] She provides the total revenues of her different businesses since 1985. I note that there is no breakdown per entity, including the Applicant, on a yearly basis as well as per trade-mark used over that period of time. She states that the Applicant has spent on average \$75,000 per year on advertising but again there is no breakdown per trade-mark used (the Mark, HOLTZ SPA and other HOLTZ SPA & design trade-marks) by the Applicant over the years.

[60] Ms. Owens has been a trade-mark searcher employed by the Applicant's agent firm for the past 22 years. On March 6, 2006 she requested a Corporate and Business Name report from Industry Canada's NUANS database of all provincial and federal corporate names, using the

word HOLTZ. She filed the results of such search. I do not give much weight to this evidence as we have no proof that those businesses are still in operation and we have no information on the type of business they might carry on.

[61] From this evidence I conclude that the Mark is known to some extent in Ottawa.

[62] The first factor under s. 6(5) clearly favours the Opponent.

[63] The evidence summarized above shows that even though the Mark has been used since May 2001, the Opponent's trade-mark HOLT'S has been in use in Canada much prior to that date. This factor does also favour the Opponent.

[64] In general, when considering the nature of the services and trade of the parties, it is the statement of the wares and services in the application and registration that governs. [See *Mr. Submarine Ltd. v. Amandista Investments Ltd.* (1987), 19 C.P.R. (3d) 3 (F.C.A.)] Evidence of the actual trades of the parties could be useful in reading the statement of services with a view of determining the probable type of business or trade intended by the parties rather than all possible trades that might be encompassed by the wording. [See *McDonald's Corp. v. Coffee Hut Stores Ltd.* (1996), 68 C.P.R. (3d) 168 (F.C.A.)].

[65] The Opponent's registration covers cosmetic and toiletry products: fragrances; bath and body products; hair care products; makeup accessories as well as retail specialty department store services. The Opponent's evidence does show that, in addition to retail specialty department store services, the following services are offered to consumers in association with the trade-mark HOLT'S or HOLTS: personalized beauty services relating to skin and make-up and hair consultation services [see exhibit 37 to Mr. Fraser's affidavit, an advertisement entitled Holt's for the Holidays].

[66] The Opponent has argued that spa services are provided inside its premises and thus a connection exists between those services and the Opponent. Therefore it submits that there would clearly be an overlap between the Services and the spa services provided in the Opponent's retail stores.

[67] The evidence filed by the Opponent on this issue clearly shows that the spa services are being offered by a third party, namely Estee Lauder, and if there is any reference to Holt Renfrew in the advertisement of those services it is used as an indication of the location where those services are being offered by such third party. I refer to exhibits 39 to 41 inclusive to Mr. Fraser's affidavit. Therefore I am not prepared to conclude that there has been evidence of use of the trade-marks HOLT RENFREW or HOLT'S in association with spa services.

[68] Ms. Holtom has defined "spa services" to include aesthetic services such as facials, electrolysis, waxing, make-up application, manicure and pedicure, nail enhancement, cellulite and weight treatments; hair salon services; and associated sale of retail products. Therefore, even disregarding the Estee Lauder services, there is an overlap in the nature of the parties' services and their respective trade.

[69] I note that the Opponent has teamed up with Fairmont Hotels and Resorts in 2004 to offer to its customers what has been identified as a "Retail Therapy" shopping package. Those customers who purchased such package were provided with a complimentary copy of HOLT'S magazine, as well as complimentary access to the Opponent's Personal Shopping services. It appears that there is an overlap in trades in that both parties team up with hotels to promote and/or sell their services.

[70] The factor described in s. 6(5)(c) and (d) of the Act favour the Opponent.

[71] The degree of resemblance between two trade-marks is one of the most important criteria when assessing the likelihood of confusion between them [see *Beverley Bedding & Upholstery Co. v. Regal Bedding & Upholstering Ltd.* (1980), 47 C.P.R. (2d) 145]. One must look at the marks in their totality and should not dissect each one of them into their component parts. The first portion of a trade-mark is the most relevant for purposes of distinction as stated by Mr. Justice Denault of the Federal Court in *Pernod Ricard v. Molson Breweries* (1992), 44 C.P.R. (3d) 359.

[72] The Applicant has taken almost the entirety of the Opponent's trade-mark HOLT'S. Phonetically the first word of the Mark, the more distinctive portion of the Mark, is almost identical to the Opponent's trade-mark HOLT'S. The second word of the Mark is descriptive of

the nature of the Services. As for the design portion it is not highly distinctive such that it would create in the minds of the consumers an association with the Applicant. Overall, s. 6(5)(e) of the Act also favours the Opponent.

[73] Another surrounding circumstance is the issue of actual instances of confusion. Several objections were made in the course of the cross-examination of Ms. Holton to questions relating to Ms. Holton's personal knowledge of instances of confusion wherein the Applicant's customers would have questioned the Applicant on the possibility that there exists an association between the Applicant's Services and the Opponent. The Applicant's attorney instructed Ms. Holton not to respond to any question related to this issue. I reproduce two questions objected to and the basis of the objection which, I think, summarize the issue:

Q. 150 Are you personally aware of any instances of members of the public indicating to you the belief that there was an association between your business, H-O-L-T-Z and Holt's, H-O-L-T-S, Holt Renfrew?

REF Counsel, Again I think that we are getting beyond the information that Ms. Holton has given in her affidavit. You are free to make what whatever arguments you want at the end of the day, and presumably you are also free to include whatever evidence you want in your affidavit evidence. So, for those grounds, again, you are starting to stray outside of the information she has given in her affidavit, and we are objecting to the question.

(...)

Q.153 Are you aware of instances where people have indicated that they thought that you were operated by Holt Renfrew or sponsored, associated with Holt Renfrew?

(...)

REF Again, that's not a fair question. You are asking about associations, you are asking about sponsorships, et cetera. The witness isn't prepared or able to answer questions along those lines either, counsel.

[74] My understanding is that the Applicant objected to this line of questioning mainly for two reasons:

- 1) There is no allegation in Ms. Holton's affidavit on instances of confusion that might have come to her attention or lack thereof; and
- 2) By using the term "association" the Opponent is trying to ask a legal question to the witness. The latter argument has been heavily relied upon by the Applicant's agent at the oral hearing.

[75] With respect to the first point raised by the Applicant, I refer to the decision of the Registrar in *Coca-Cola Ltd. v. Cie Française de Commerce International Cofci S.A.* (1991) 35 C.P.R. (3d) 406 wherein he stated:

13 It was the position of the applicant's agent that the issue of the applicant's claimed date of first use was no longer relevant since the opponent had not independently adduced any evidence directed to the ground of non-compliance with Section 30(b) of the Act. I disagree. The Grivory affidavit dealt with the use of the applicant's mark and the opponent was entitled to question Mr. Grivory on this matter with a view to eliciting evidence respecting the first ground of opposition. The opponent need not only rely on its own evidence but can also rely on any admissions obtained from the applicant's affiants in support of its grounds. This is particularly so in the case of a ground of non-compliance with Section 30(b) of the Act where the relevant facts regarding the date of first use are more readily available to the applicant and its officers.

14 The applicant also submitted that the scope of cross-examination precluded the opponent from asking questions beyond the issues in respect of which the Grivory affidavit was filed: see the decision in *Weight Watchers International Inc. v. Weight Watchers of Ontario Ltd. (No. 2)* (1972), 6 C.P.R. (2d) 169 (Fed. T.D.) at 171-172. The applicant submitted that the Grivory affidavit dealt only with the nature of the applicant's wares and trade and therefore questions relating to the applicant's claimed date of first use and the extent and manner of the applicant's use were not permissible. Again, I do not agree. The Grivory affidavit dealt with the issue of the use of the applicant's mark and, once that issue had been addressed, it was open to the opponent to ask Mr. Grivory relevant questions on any aspect of the applicant's use of its mark.

15 If I am wrong in my interpretation of the Grivory affidavit, I consider that the opponent's questions were proper in any event in view of the fact that the scope of cross-examination in opposition proceedings is somewhat broader in scope than as described in the *Weight Watchers* case noted above. Although the scope of cross-examination is certainly not as broad as that allowed in an examination for discovery in a civil action, it may extend beyond the particular issue for which the affidavit in question was submitted. This follows, in my view, from the fact that an opposition is not simply an 'inter parties' proceeding but also involves a consideration of the public interest. For example, it is in the public interest to allow an officer of an applicant to

be questioned as to the accuracy of a date of first use to ensure the legitimacy of an applicant's claimed basis for registration. The extended scope of cross-examination in opposition proceedings also follows (at least in the case of a ground of non-compliance with Section 30(b) of the Act) from the fact that the facts relating to that ground are, in most cases, only within the knowledge of the applicant. Thus, if the Grivory affidavit is found to be limited solely to the issue of the nature of the applicant's wares and trade, I consider that the opponent was nevertheless entitled to an extended scope to its cross-examination to cover the related issue of the applicant's date of first use of its trade-mark. (My underlines)

[76] It is obvious that, in this opposition, the issue of confusion between the marks of the respective parties is relevant. At least 6 grounds of opposition are based on the allegation that the Mark is confusing with the Opponent's trade-marks listed above.

[77] The Opponent could have been informed of actual cases of confusion if it received queries from its customers about the relationship that may exist between the Opponent and the Applicant with respect to the Services being offered in association with the Mark. The other side of the coin would be queries from the Applicant's customers on the same issue. The latter would not be to the Opponent's knowledge and is certainly relevant to the Opponent's case. It is only through this line of questioning that the Opponent may learn about those instances.

[78] As for the Applicant's second argument to support its objections, the word "association" is not a legal term defined in the Act as for example the words "trade-mark" or "distinctive" are. The word "associated" is found in some sections of the Act but that does not make it automatically a legal term that would make a question containing the word "association" an improper legal question. The term "association" is a plain English word defined as follow in the Canadian Oxford Dictionary: "the bringing to mind of one word in response to another, esp. as a revelation of the contents and character of a person's subconscious."

[79] Since questions 150, 151, 153, 154 and 156 made during the cross-examination of Ms. Holton held on February 26, 2008 are relevant, I dismiss the objections made by the Applicant to them. Therefore I draw a negative inference from the Applicant's refusal to answer those questions namely that there may have been instances of confusion.

[80] From this analysis of the relevant criteria I conclude that the Applicant failed to meet its legal onus to prove, on a balance of probabilities, that there is no likelihood of confusion

between the Mark when used in association with the Services and the Opponent's registered trade-mark HOLT'S. There is a visual and phonetic similarity between the parties' respective trade-marks. There is some overlap in the services provided and their channels of trade. Finally I draw a negative inference from the refusal by the Applicant to answer questions on cases where Applicant's consumers thought that there was some connection between the Opponent and the Services provided by the Applicant as described above.

[81] I therefore maintain the third ground of opposition.

Entitlement Ground of Opposition Based on s. 16(1)(a) of the Act

[82] The Opponent must show that it had previously used its trade-marks and had not abandoned such use at the advertisement date of the application (July 28, 2004) [see s. 16(5) of the Act]. From the evidence described in paragraphs 35 to 41 above, I conclude that the Opponent has used its trade-marks HOLT'S and HOLTS prior to the relevant date and the evidence detailed in paragraph 42 above shows that the Opponent had not abandoned such use at the advertisement date of this application. Consequently, the Applicant must prove, on a balance of probabilities, that there was no likelihood of confusion between the Mark and either of the Opponent's trade-marks HOLT'S and HOLTS as of May 23, 2001.

[83] The difference in the relevant dates between this ground of opposition and the third ground of opposition does not have an impact on my analysis of the relevant criteria to determine if there exists a likelihood of confusion between the marks in issue. In fact I would have to disregard any evidence of use of the Mark by the Applicant after the relevant date. Consequently I maintain the fourth ground of opposition.

Distinctiveness Ground of Opposition

[84] To meet its initial onus the Opponent had to prove that its trade-marks HOLT'S and HOLTS had become sufficiently known at that relevant date to negate any distinctiveness of the Mark [*Motel 6, Inc. v. No. 6 Motel Ltd.* (1981), 56 C.P.R. (2d) 44 at 58]. I am limiting the analysis of this ground of opposition to those two trade-marks of the Opponent as they constitute its best case scenario. Once this burden is met, the Applicant has a legal onus to show, on a

balance of probabilities, that the Mark was adapted to distinguish or was actually distinguishing the Services from the Opponent's services and wares throughout Canada [see *Muffin Houses Incorporated v. The Muffin House Bakery Ltd.* (1985), 4 C.P.R. (3d) 272].

[85] The Opponent's evidence described under the third ground of opposition leads me to conclude that the Opponent's trade-marks HOLT'S and HOLTS were sufficiently known in Canada at the relevant date.

[86] This ground of opposition essentially turns on the issue of the likelihood of confusion between the parties' trade-marks as of the filing date of the statement of opposition. The difference in the relevant dates with the registrability ground of opposition is not a determining factor in this case as most of the evidence filed relates to the use of the Opponent's trade-marks HOLT'S and HOLTS prior to the filing date of the statement of opposition.

[87] Under these circumstances I find that the Applicant's Mark did not distinguish the Applicant's Services nor was it apt to distinguish them as it was confusing with the Opponent's trade-marks HOLT'S and HOLTS at the relevant date. Thus, the last ground of opposition is also maintained.

The Remaining Grounds of Opposition

[88] As the Opponent has been successful under three different grounds of opposition it is not necessary for me to consider the fifth and sixth grounds of opposition listed above.

Disposition

[89] 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.

Jean Carrière
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office