

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

Citation: 2012 TMOB 154 **Date of Decision: 2012-09-05**

IN THE MATTER OF AN OPPOSITION by J.D. Irving, Limited to application No. 1,289,350 for the trade-mark LET'S BUILD SOMETHING TOGETHER in the name of LF, LLC

[1] On February 9, 2006, LF, LLC (the Applicant) filed an application to register the trademark LET'S BUILD SOMETHING TOGETHER (the Mark), based on its proposed use in Canada with the services listed below this paragraph. The application claims a priority date of February 7, 2006.

Retail store services featuring a variety of appliances, building materials, plumbing supplies, roofing materials, home furnishings and home improvement supplies; retail floral store services; and bridal gift registry services; providing extended warranties on appliances and home improvement products; credit card services; and charitable fund raising; installation, repair, and renovation services for appliances, home furnishings, and home improvement items; rental of construction equipment and tools; paint mixing; and computer paint mixing services; providing custom cutting and pipe threading services; educational services, namely, conducting courses and workshops in the fields of home safety and home protection procedures and products, and the dissemination of printed materials related thereto; consultation and design for others in the fields of building materials, plumbing supplies, roofing materials, and home furnishings (the Services).

The Applicant subsequently entered a disclaimer of the right to the exclusive use of the word BUILD, apart from the trade-mark as a whole, with respect to "retail store services featuring building materials" and "consultation and design for others in the field of building materials".

[2] The application was advertised for opposition purposes in the *Trade-marks Journal* of March 21, 2007.

[3] On August 21, 2007, J.D. Irving, Limited (the Opponent) filed a statement of opposition, subsequently amended on September 19, 2007 to include the Opponent's address. The Applicant filed and served a counter statement in which it denied the Opponent's allegations. In support of its opposition, the Opponent filed affidavits of Conrad D. Seaman and Mark Randles. In support of its application, the Applicant filed affidavits of Rebecca Green and Adam Garskey. Each of the witnesses was cross-examined and the transcripts and answers to undertakings and under advisements were filed.

[4] Both parties filed a written argument and attended an oral hearing on February 28, 2012.

Summary of Grounds of Opposition

- [5] The Opponent's statement of opposition includes the grounds summarized below:
 - (a) contrary to section 16(3)(a) of the *Trade-marks Act*, RSC 1985, ch T-13 (the Act), the Applicant is not the person entitled to registration, since at the priority filing date, February 7, 2006, the Mark was confusing with the trade-mark LET'S BUILD SOMETHING, which had previously been used or made known in Canada with:

Operation of business outlets providing for the retail and wholesale supply of hardware, household and building materials; design and installation and construction of windows, doors, kitchens, bathroom and building improvements and repairs (the Opponent's Services).

- (b) contrary to section 30(i) of the Act, the Applicant could not have been satisfied that it was entitled to use the Mark in Canada since at the priority filing date, February 7, 2006, it was confusing with the LET'S BUILD SOMETHING trade-mark previously used or made known in Canada by the Opponent; and
- (c) contrary to section 2 of the Act, the Mark is not distinctive since it cannot distinguish, and is not adapted to distinguish the services of the Applicant from

the services sold and performed by the Opponent in association with its LET'S BUILD SOMETHING trade-mark.

Material Dates

[6] The material dates with respect to the grounds of opposition are:

- sections 38(2)(a)/30 - the filing date of the application [see *Georgia-Pacific Corp v Scott Paper Ltd* (1984), 3 CPR (3d) 469 (TMOB) at 475];

- sections 38(2)(c)/16(3)(a) – the priority filing date of the application [see sections 16(3) and 34 of the Act];

- sections 38(2)(d)/2 - the date of filing of the opposition [see *Metro-Goldwyn-Mayer Inc v Stargate Connections Inc* (2004), 34 CPR (4th) 317 (FC) at para 8]. In this case, the statement of opposition filed on August 21, 2007 was incomplete as it was missing the Opponent's address. Therefore, the material date is September 19, 2007 the date the amended statement of opposition was filed.

Onus

[7] The Applicant bears the legal onus of establishing on a balance of probabilities that its 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 support each ground of opposition [see *John Labatt Ltd v Molson Companies Ltd*, (1990), 30 CPR (3d) 293 (FCTD)].

Section 30 Ground of Opposition

[8] As its second ground of opposition, the Opponent has pleaded that the application is contrary to section 30(i) of the Act. The section 30(i) ground alleges that the Applicant could not have been properly satisfied that it was entitled to use the trade-mark in Canada. Where an applicant has provided the statement required by section 30(i), a section 30(i) ground should only succeed in exceptional cases such as where there is evidence of bad faith on the part of the applicant [see *Sapodilla Co Ltd v Bristol-Myers Co* (1974), 15 CPR (2d) 152 (TMOB) at 155].

As the application includes the required statement and there is no allegation or evidence of bad faith or other exceptional circumstances, the section 30(i) ground is dismissed.

Distinctiveness Ground of Opposition

[9] As its third ground of opposition, the Opponent pleaded that the Mark is not distinctive since it cannot distinguish and is not adapted to distinguish the Services from those of the Opponent sold in association with its LET'S BUILD SOMETHING trade-mark.

[10] There is an initial burden on the Opponent to establish that as of September 19, 2007 the LET'S BUILD SOMETHING trade-mark was known to such an extent that it could negate the distinctiveness of the Mark. In *Bojangles' International, LLC v Bojangles Café Ltd* (2006), 48 CPR (4th) 427 (FC) at para 33, the Federal Court provided that a mark could negate another mark's distinctiveness if it was known to some extent in Canada or if it is well known in a specific area of Canada. Finally, an attack based on non-distinctiveness is not restricted to the advertising or performance of services or sales of goods in Canada. It may also be based on evidence of knowledge or reputation of the Opponent's trade-mark [*Motel 6, Inc v No 6 Motel Ltd* (1981), 56 CPR (2d) 44 (FCTD) at 58-59].

[11] The evidence of Mr. Seaman, a summer student of the Opponent's agent, all postdates the material date and as such has been disregarded. The evidence of Mr. Randles, Marketing Manager for Kent Building Supplies ("Kent"), a division of the Opponent, includes the following:

- Mr. Randles has been working for Kent stores since 1991 as a traditional store manager, box store manager, buyer, purchasing manager and marketing manager (Cross-examination of Mr. Randles, Qs 11-12).
- In 2007, the Opponent operated 30 Kent stores in New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland (Exhibit N).
- Kent stores sell building materials including faucets, appliances such as bathroom fans, air conditioners, and electric fireplaces and furniture and window treatments (Exhibit C). Kent stores offer installation services, paint matching services, credit card services for financing

larger projects, plant plotting services, and education (Exhibits D and E). Kent stores' consultation and design services in the field of building materials services feature kitchen design services, bathroom design services, and offering of advice on garage doors (Exhibit D).

- In each of the years 2006-2008, there were in excess of 5,000,000 sales transactions in Kent stores (Answers to Undertakings, Q 256).
- Since 2005, the LET'S BUILD SOMETHING trade-mark has been featured on gifts provided to contractors to advertise Kent stores and consultation and design services (para 19; Exhibit K). During the summer of 2005, over 6800 t-shirts were distributed to contractors and their staff (para 19; Answers to Undertakings Q 186).
- Since January 12, 2006, the LET'S BUILD SOMETHING trade-mark has appeared in radio advertising (para 17; Exhibit I). Radio advertisements featuring this trade-mark aired weekly throughout 2006 and 23 weeks in 2007 on 33 stations in Atlantic Canada (para 17).
- Since March 2006, the LET'S BUILD SOMETHING trade-mark has appeared on invitations to customers to complete on-line surveys, children's colouring books, contests, and installation request slips (Exhibits G1-G5; L).
- The LET'S BUILD SOMETHING trade-mark has appeared at the top of the Kent stores website *www.kent.ca* since April 2006 (para 9, Exhibit C). Between July 2005 and November 2008, the website received over two million hits, with over 750,000 hits being received in 2007 (para 18; Answers to Undertakings Q 100).
- The LET'S BUILD SOMETHING trade-mark has appeared on the front covers of flyers since April 2006 (Exhibit F). Over 700,000 flyers were distributed 23 times in 2006 and 34 times in 2007 (para 14). Flyers are distributed through newspapers such as *St. John's Evening Telegram, Corner Brook Western Star, Fredericton Daily Gleaner, Moncton Times Transcript, Saint John Telegraph Journal, Halifax Weekly News, Woodstock Bugle, Truro Daily News, and Charlottetown Guardian* (para 14).

- Since January 2007, the LET'S BUILD SOMETHING trade-mark has appeared on advertising of employment opportunities at Kent stores (para 23, Exhibit O). Such advertising while not use of the LET'S BUILD SOMETHING trade-mark does contribute to its reputation and, as such, is relevant to the distinctiveness ground of opposition.
- Spend on advertising including the LET'S BUILD SOMETHING trade-mark was over \$4.5 Million in each of the years 2006 and 2007 (para 13; Answers to Undertakings Q 261).

[12] With the exception of the radio advertising and t-shirts provided to contractors, the LET'S BUILD SOMETHING trade-mark always appears in conjunction with the KENT trade-mark. One such example is how the Opponent's mark appears on its flyers:



[13] The Applicant made lengthy submissions in its written argument and at the oral hearing that the trade-mark used was KENT & Design LET'S BUILD SOMETHING and that consumers would not perceive LET'S BUILD SOMETHING as a separate trade-mark. In support of its submissions, the Opponent pointed to the *Hudson's Bay Co v Sears Canada Inc;* 2002 CarswellNat 4672 (TMOB) case, where the applied-for mark CO-ORDINATION FOR EVERY ROOM ... AFFORDABLY always appeared in conjunction with the WHOLE HOME & Design mark and was refused. Member Folz at para 35 of this decision found as follows (emphasis added):

Having reviewed the evidence and the parties' submissions, I agree with the opponent that the applicant's mark has not been used as a trade-mark with respect to wares or services. The evidence discloses that the applied for mark never appears without the applicant's WHOLE HOME & Design mark. Although it is common in advertising to use more than one trademark at the same time, I do not consider that in the present case the average consumer of the applicant's department store and catalogue services would, as a matter of first impression, perceive the phrase CO-ORDINATION FOR EVERY ROOM ... AFFORDABLY as a separate trade-mark. In this regard, even though the applied for mark appears in a smaller and different type of font than the mark WHOLE HOME & Design, and even though the applicant has been using the TM notation following the mark on various flyers since March 1997 (which is not indicative of use in any case and which notation also was not used until after the relevant date with respect to this ground), given the descriptive nature of the applied for mark with respect to the applicant's services and the manner in which it appears below the applicant's WHOLE HOME & Design mark, I consider that the average consumer of such services, upon seeing the applied for mark below the applicant's WHOLE HOME & Design mark, would conclude that the applicant's store sells co-ordinating items for each room in the house, at a low price.

In this case part of the reason that Member Folz found that the applied-for trade-mark had not been used was because of its descriptive nature. I note that earlier in the decision Member Folz had found the applied-for trade-mark clearly descriptive.

[14] The present case can be distinguished on the basis that unlike the *Sears Canada Inc*, *supra* case, the Opponent's relied upon mark LET'S BUILD SOMETHING is not clearly descriptive. It is well established that two trade-marks can be used at the same time [*A W Allen Ltd v Warner-Lambert Canada Inc* (1985), 6 CPR (3d) 270 (FCTD)] even if one of them is unregistered [*Spirits Interntional BV v Distilleries Melville Ltee* (2011), 96 CPR (4th) 277 (TMOB) at paras 66-69; *Cadbury Adams USA LLC v Wm Wrigley Jr Co*; 2009 CarswellNat 2816 (TMOB) at para 12]. I am satisfied that a consumer seeing the Opponent's advertising would understand that the KENT & Design trade-mark is the Applicant's house mark and view LET'S BUILD SOMETHING as a separate trade-mark. This is reinforced by the fact that most of the advertising featuring the LET'S BUILD SOMETHING trade-mark also includes multiple uses of Kent alone either as a trade-mark, trade-name or as part of a domain name [*Brooks v Ranpro Inc*; 2011 CarswellNat 1757 (TMOB) at paras 8-13].

[15] Given the extent of use described in paragraph 11, I find that the Opponent has met its burden of proving that its trade-mark LET'S BUILD SOMETHING was well known in Atlantic Canada as of the material date.

[16] Ms. Green, Trade-mark Manager and Assistant Secretary of the Applicant, provides the following relevant evidence. I note that much of Ms. Green's evidence of use of the Mark is dated after September 19, 2007 and as such has been disregarded.

• The Applicant's licensees operate LOWE'S stores which sell building and home improvement products, household and builder's tools, gardening products and landscaping tools and products in Canada and the United States (paras 1-5).

• The first LOWE'S stores opened in Canada in December 2007 (para 5).

• In April 2006, the Mark appeared in a number of magazines circulated to Canadian subscribers including *Betters Homes & Garden, Cooking Light, Good Housekeeping, Money and Traditional Home* (para 18, Exhibit D).

• The Mark appeared in advertising of employment opportunities in the Toronto Star and other newspapers in the Toronto area (para 20; Exhibits E-F) as follows. Given the number of papers that these employment advertisements appeared in, I infer that at least some people in the Toronto and surrounding areas saw them.

Area	Publication	Date (2007)
Mississauga	Newspaper	September 12, 14
Bramptom	Guardian	September 12, 14
Toronto	Star	September 13
Toronto	Sun	September 16
Toronto	Metro	September 17

Hamilton	Spectator	September 13, 15
Hamilton	Mountain	September 14
Stony Creek/Ancaster/Dundas	News	September 14
Kitchener/Waterloo	Record	September 13, 15
Cambridge	News	September 14, 18
Brantford	Expositor	September 13,15

• The Mark was included in a radio advertising running on September 17-19 in Toronto, Hamilton and Brantford (para 21; Exhibits G-H).

[17] Mr. Garskey, an articling student with the agents for the Applicant, attaches to his affidavit the results of GOOGLE searches to find examples of use of "LET'S BUILD SOMETHING" and "LET'S BUILD" in Canada and the Unites States excluding use by the Applicant or Opponent (para 2,3,5). As expected, given the ordinary dictionary meaning of the words (attached as Exhibits G-I) comprising LET'S BUILD and LET'S BUILD SOMETHING there were several thousand hits (Exhibits A and C). With respect to the relevance of print-outs of websites attached as Exhibits B and D-F, I note the following:

• there is no evidence that Canadians have viewed the websites located (some of which have no discernible location or appear to be from the United States) [*Candrug Health Solutions Inc v Thorkelson* (2007), 60 CPR (4th) 35 (FC), reversed (2008), 64 CPR (4th) 431 (FCA)];

• some of the websites concern unrelated wares and services;

• some of the websites include LET'S BUILD where this phrase does not form a dominant part of the trade-mark featured (for example, on the City of Oshawa page "Let's Build

a Beautiful Harbour for Our City – Be Party of Realizing Oshawa's Waterfront Potential") (Exhibit B); and

• there is no evidence that the websites located were operational or viewed by Canadians at the material date.

The Applicant's state of the marketplace evidence falls short of what is required to show that Canadians are used to distinguishing between LET'S BUILD prefixed marks in the marketplace.

[18] For a trade-mark to be distinctive within the meaning of section 2, it must either distinguish or be adapted to distinguish the Services in all parts of Canada (*MuffinHouses Inc v Muffin House Bakery Ltd* (1985), 4 CPR (3d) 272 (TMOB). Given the extent of the Opponent's use, the Applicant's use is not sufficient to demonstrate that the Mark is distinctive or is adapted to distinguish the Services in Atlantic Canada. I do not find that the addition of the word TOGETHER is sufficient to distinguish the Mark from the Opponent's trade-mark LET'S BUILD SOMETHING. The word TOGETHER mirrors the meaning of "LET'S" ("LET US"). The additional element does not change the overall appearance/sound or idea of the Mark to a sufficient degree. Furthermore, any small differences between the Services and the Opponent's Services are not sufficient for consumers to distinguish between the parties' marks. The Services set out below are identical to the Opponent's Services:

Retail retail store services featuring a variety of appliances, building materials, plumbing supplies, roofing materials, home furnishings and home improvement supplies; consultation and design for others in the fields of building materials, plumbing supplies, roofing materials, and home furnishings (the Services).

There is significant overlap between the Opponent's Services and the Services described below this paragraph. Specifically these services all closely relate to the Opponent's Services and in many cases are offered by the Opponent.

retail floral store services; and bridal gift registry services; providing extended warranties on appliances and home improvement products; credit card services; and charitable fund raising; installation, repair, and renovation services for appliances, home furnishings, and home improvement items; rental of construction equipment and tools; paint mixing; and computer paint mixing services; providing custom cutting and pipe threading services; educational services, namely, conducting courses and workshops in the fields of home safety and home protection procedures and products, and the dissemination of printed materials related thereto;

Therefore, this ground of opposition succeeds.

Section 16(3)(a) Ground

[19] As its first ground of opposition, the Opponent has also pleaded that the Applicant is not the person entitled to registration because the Mark is confusing with the Opponent's LET'S BUILD SOMETHING trade-mark.

[20] The Opponent has an initial evidential burden to prove that it had used or made known in Canada the Opponent's LET'S BUILD SOMETHING trade-mark prior to the priority filing date of the application, February 7, 2006. The Opponent must also demonstrate that it had not abandoned its trade-mark at the date of advertisement of the Mark, March 21, 2007. Use of the mark in association with the Opponent's Services means use according to section 4(2) of the Act:

A trade-mark is deemed to be used in association with services if it is used or displayed in the performance or advertising of those services.

[21] Mr. Randles provides the following evidence of the Opponent's use of the Mark prior to February 7, 2006:

 In the summer of 2005, the Opponent distributed over 6500 t-shirts featuring the LET'S BUILD SOMETHING trade-mark to contractors and their staff (para 19, Exhibit K, Answers to Undertakings Q 186). The part of the back of the t-shirt featuring text and designs is set out below.



- These t-shirts were distributed through Kent's contractor event program which promotes the Opponent's Services to contractors and includes golf tournaments, summer barbecues and Christmas gift programs (para 19).
- Beginning January 12, 2006, the LET'S BUILD SOMETHING trade-mark has appeared in radio advertising (para 17).

I have disregarded the Applicant's evidence regarding the radio jingle since oral use of a trademark does not satisfy the requirements of section 4 for either wares or services [*Ronald S Ade v Cavern City Tours Ltd*; 2012 TMOB 70 at para 13].

[22] The case law is clear that only a single sale or instance of use is needed for an Opponent to meet its burden so long as the mark functions as a trade-mark and has some recognition amongst consumers [*JC Penney Co v Gaberdine Clothing Co* (2001), 16 CPR (4th) 151 (FCTD) at 178]. Therefore, so long as the distribution of t-shirts constitutes use of the trade-mark LET'S BUILD SOMETHING in association with the Opponent's Services and the Opponent had not abandoned its mark at the advertisement date of the application, its burden would be met. The Opponent's evidence pre-dating March 21, 2007 and summarized in paragraph 11 of this decision satisfies me that the Opponent's LET'S BUILD SOMETHING trade-mark was not abandoned as of the advertisement date of this application.

[23] The Applicant argues that the Opponent has not met its burden of proving that LET'S BUILD SOMETHING has been used as a trade-mark pursuant to section 2 of the Act since the use of LET'S BUILD SOMETHING on the t-shirts distributed is descriptive and since both the KENT Design trade-mark and the third party TRUS JOIST & Design trade-mark appear on the tshirts, the Opponent cannot claim that LET'S BUILD SOMETHING distinguishes its services from the goods and services of others. I am satisfied that LET'S BUILD SOMETHING is being used as a trade-mark within the meaning of section 2 of the Act. The fact that the contractor events were run by Kent and that the Kent mark appears twice on most of the t-shirts (once on the back and once on the front) results in the inference that Kent would be seen as the source of the services advertised in association with the LET'S BUILD SOMETHING trade-mark. The use of LET'S BUILD SOMETHING is not so ornamental or in the nature of a decoration that it would not be perceived as a trade-mark by consumers. The provision of t-shirts including LET'S BUILD SOMETHING to contractors is advertising of the retail services offered by the Opponent and constitutes use with "Operation of business outlets providing for the retail and wholesale supply of hardware, household and building materials". Accordingly, the Opponent has met its burden.

[24] 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.

[25] The test for confusion is one of first impression and imperfect recollection. In applying the test for confusion, the Registrar must have regard to all the surrounding circumstances, including those specifically enumerated in section 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 each has 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. These enumerated factors need not be attributed equal weight. [See, in general, *Mattel, Inc v 3894207 Canada Inc* (2006), 49 CPR (4th) 321 (SCC),

13

Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée (2006), 49 CPR (4th) 401 (SCC) and *Masterpiece Inc v Alavida Lifestyles Inc* (2011), 92 CPR (4th) 361 (SCC).]

the inherent distinctiveness of the marks

[26] Neither party's mark is inherently strong because they are composed of ordinary dictionary words which are suggestive of their associated services.

the extent to which each mark has become known

[27] The application was filed on the basis of proposed use. As approximately 6500 t-shirts were given out, the Opponent's mark would have been known to at least some extent.

length of time in use

[28] This factor slightly favours the Opponent as the LET'S BUILD SOMETHING trademark was used prior to the material date in Summer 2005.

nature of wares and services and trade

[29] There is significant overlap between the Services and the Opponent's Services described as "retail store services featuring building supplies". I note that as part of the Opponent's retail store services it sells faucets, appliances such as bathroom fans, air conditioners and electric fireplaces, furniture, and window treatments (Exhibit C). Furthermore, the Opponent offers financing with a Kent credit card to allow for financing options for larger projects (Exhibit E). Finally, the evidence of the Applicant with respect to its nature of trade is useful in determining the probable type of business intended rather than all possible trades that might be encompassed by the wording [*McDonald's Corp v Coffee Hut Stores Ltd* (1996), 68 CPR (3d) 168 (FCA)]. In this regard, the Applicant's licensees operate home improvement retail stores and the Services described as bridal gift registry and charitable fund raising services would relate to its core retail store services.

degree of resemblance

[30] The Applicant has incorporated the Opponent's mark in its entirety into its Mark and merely added the word TOGETHER. There is a high degree of resemblance between the marks in appearance, sound and ideas suggested.

surrounding circumstance – state of the marketplace

[31] For the reasons summarized with respect to the distinctiveness ground of opposition, the results of Mr. Garskey's state of the marketplace search do not impact my findings on a likelihood of confusion.

surrounding circumstance – lack of confusion

[32] An adverse inference concerning the likelihood of confusion may be drawn when concurrent use is extensive and no evidence of confusion has been given by an opponent [see *Christian Dior SA v. Dion Neckwear Ltd* (2002), 20 CPR (4th) 155 (FCA) at para 19]. However, as there is no evidence of extensive concurrent use of the marks by the parties that would support no likelihood of confusion at the material date, this is not a relevant surrounding circumstance.

Conclusion

[33] In view of the foregoing, I find that at the material date the Applicant has not met the legal onus on it to show, on a balance of probabilities, that there is no reasonable likelihood of confusion between the Mark and the Opponent's trade-mark LET'S BUILD SOMETHING.

Disposition

[34] Pursuant to the authority delegated to me under section 63(3) of the Act, I refuse the application pursuant to section 38(8) of the Act.

Natalie de Paulsen Member Trade-marks Opposition Board Canadian Intellectual Property Office