IN THE MATTER OF AN OPPOSITION by Bulova Watch Company Limited to application No. 667,163 for the trade-mark ACCURATE & Design filed by <u>Accurate Watches Establishment</u>

On September 25, 1990, the applicant, Accurate Watches Establishment, filed an application to register the trade-mark ACCURATE & Design, a representation of which appears below, based upon use and registration of the trade-mark in the United Arab Emirates, as well as being based upon use of the trade-mark in Canada since at least as early as March 20, 1990 in association with "watches". The applicant disclaimed the right to the exclusive use of the word ACCURATE apart from its trade-mark.

The applicant's application was advertised for opposition purposes in the Trade-marks Journal of November 27, 1991 and the opponent, Bulova Watch Company Limited, filed a statement of opposition on March 25, 1992. In its statement of opposition, the opponent alleged that the applicant's trade-mark is not registrable and not distinctive, and that the applicant is not the person entitled to its registration, in that the trade-mark ACCURATE & Design is confusing with the opponent's registered trade-marks ACCUTRON and ACCUQUARTZ, registration Nos. 120,496 and 140,282, which had previously been used in Canada in association with watches and watch parts. Moreover, the opponent alleged that, in view of these allegations, the applicant could not have been satisfied that it was entitled to use the trade-mark ACCURATE & Design in Canada. The opponent also alleged that the applicant's trade-mark is clearly descriptive of the character of the wares with which it has been used, contrary to Section 12(1)(b) of the Trade-marks Act.

The applicant served and filed a counter statement in which it asserted that its application complies with Section 30 of the Trade-marks Act, that its trade-mark ACCURATE & Design is registrable and distinctive, and that it is the person entitled to its registration.

The opponent filed as its evidence the affidavits of Kendra Preston-Brooks, Avril Higgins, Patrick Sweeney, Gretchen Staines and Robert G. Humphery while the applicant filed as its evidence the affidavit of Abdullah Saad Al Sharif. Both parties submitted written arguments and both were

represented at an oral hearing.

While the legal burden is upon the applicant to show that its application complies with Section 30(i) of the Trade-marks Act, there is an initial evidential burden on the opponent in respect of its Section 30 ground [see *Joseph E. Seagram & Sons Ltd. et al v. Seagram Real Estate Ltd.*, 3 C.P.R. (3d) 325, at pp. 329-330]. As no evidence has been filed by the opponent in support of its allegation that the applicant could not have been satisfied that it was entitled to use the trade-mark ACCURATE & Design in Canada, it has failed to meet the evidential burden upon it in respect of the Section 30 ground. In any event, and even has the applicant been aware of the opponent's trademarks prior to filing the present application, such a fact is not inconsistent with the statement in the application that the applicant was satisfied that it was entitled to use the trade-mark ACCURATE & Design in Canada on the basis *inter alia* that its mark is not confusing with the trade-marks ACCUTRON and ACCUQUARTZ. Thus, the success of this ground is contingent upon a finding that the trade-marks at issue are confusing [see *Consumer Distributing Co. Ltd. v. Toy World Ltd.*, 30 C.P.R. (3d) 191, at pg. 195; and *Sapodilla Co. Ltd. v. Bristol-Myers Co.*, 15 C.P.R. (2d) 152, at pg. 155].

The opponent also alleged that the applicant's trade-mark ACCURATE & Design is clearly descriptive of the character of the applicant's wares, contrary to Section 12(1)(b) of the Trade-marks Act. Section 12(1)(b) of the Act provides as follows:

12. (1) Subject to section 13, a trade-mark is registrable if it is not (b) whether depicted, written or sounded, either clearly descriptive or deceptively misdescriptive in the English or French language of the character or quality of the wares or services in association with which it is used or proposed to be used or of the conditions of or the persons employed in their production or of their place of origin;

The issue as to whether the applicant's trade-mark ACCURATE & Design is clearly descriptive as applied to watches must be considered from the point of view of the average consumer of those wares. Further, in determining whether the trade-mark ACCURATE & Design is clearly descriptive of the character of the applicant's wares, the trade-mark must not be dissected into its component elements and carefully analysed, but rather must be considered in its entirety as a matter of

immediate impression [see *Wool Bureau of Canada Ltd. v. Registrar of Trade Marks*, 40 C.P.R. (2d) 25, at pgs. 27-28 and *Atlantic Promotions Inc. v. Registrar of Trade Marks*, 2 C.P.R. (3d) 183, at pg. 186].

The relevant date for considering a ground of opposition based on Section 12(1)(b) of the Act is as of the date of decision [see *Lubrication Engineers, Inc. v. The Canadian Council of Professional Engineers*, 41 C.P.R. (3d) 243 (F.C.A.)]. Additionally, while the legal burden is on the applicant to establish the registrability of its trade-mark, there is an initial evidential burden on the opponent to adduce sufficient evidence which, if believed, would support the truth of its allegations that the applicant's trade-mark is clearly descriptive of the character of its wares.

The word "accurate" as an adjective is defined in Webster's Third New International Dictionary as *inter alia* CORRECT, EXACT, PRECISE. As applied to 'watches', the word ACCURATE describes the watch as being precise or correct and, as such, is clearly descriptive of the character of the wares. Moreover, the disclaimer by the applicant of the right to the exclusive use of the word ACCURATE apart from its trade-mark can arguably be taken to be an admission that the word ACCURATE is not independently registrable in respect of watches and may, therefore, constitute an admission that the word is clearly descriptive of the character of such wares. Indeed, I would note that exhibits E, H and I to the Humphery affidavit are photocopies of representative advertisements of the opponent which include the following descriptions:

A TUNING FORK QUARTZ MOVEMENT ENSURES THAT NO OTHER WATCH IN THE WORLD IS MORE ACCURATE.

A TUNING FORK QUARTZ MOVEMENT TO ENSURE THAT NO OTHER WATCH IN THE WORLD IS MORE ACCURATE.

In addition to the word ACCURATE, the applicant's trade-mark includes a design element dissociated from the word ACCURATE which constitutes a distinctive feature of the mark and renders the trade-mark as a whole distinctive from other marks [see *Lake Ontario Cement Ltd. v. Registrar of Trade Marks*, 31 C.P.R. (2d) 103, at page 109]. As a result, when written, the applicant's trade-mark when considered in its entirety is not clearly descriptive of the character of watches.

At the oral hearing, the opponent appeared to argue that the trade-mark ACCURATE & Design is, when *sounded*, clearly descriptive of the character of watches. When considering whether the trade-mark ACCURATE & Design is clearly descriptive when sounded, the trade-mark must be considered in its entirety. While the element ACCURATE is clearly descriptive of the character of watches and has been disclaimed by the applicant apart from its trade-mark, the trade-mark would be sounded by referring not only to the word ACCURATE but also to the design element of the mark, bearing in mind that the design element does form a relatively dominant element of the trade-mark ACCURATE & Design. I have therefore rejected the Section 12(1)(b) ground of opposition.

The remaining grounds of opposition turn on the issue of confusion between the applicant's trade-mark ACCURATE & Design and the opponent's trade-marks ACCUTRON and ACCUQUARTZ. Considering initially the Section 12(1)(d) ground, and in determining whether there would be a reasonable likelihood of confusion between the trade-marks at issue within the scope of Section 6(2) of the Trade-marks Act, the Registrar must have regard to all the surrounding circumstances, including those which are specifically enumerated in Section 6(5) of the Act. Further, the Registrar must bear in mind that the legal burden is upon the applicant to establish that there would be no reasonable likelihood of confusion between the trade-marks of the parties as of the date of my decision, the material date in relation to the Section 12(1)(d) ground [see *Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd. and The Registrar of Trade Marks*, 37 C.P.R. (3d) 413 (FCA)].

With respect to the inherent distinctiveness of the trade-marks at issue, the applicant's trademark ACCURATE & Design possesses some measure of inherent distinctiveness when considered in its entirety despite the fact that the word ACCURATE is clearly descriptive of the character of watches. The opponent's registered trade-mark ACCUTRON is a coined word although it may be somewhat suggestive to some consumers of accurate devices. Likewise, the trade-mark ACCUQUARTZ may be suggestive to some consumers of an accurate device perhaps employing a quartz crystal [see *Bulova Watch Co. v. Jutan International Ltd.*, 33 C.P.R. (3d) 279, at pgs. 283 and 285]. As a result, and while the trade-mark ACCUQUARTZ is somewhat weaker than the trademark ACCUTRON, both marks do possess some measure of inherent distinctiveness.

The Humphery affidavit establishes that the opponent's trade-mark ACCUTRON has become known in Canada in association with watches and clocks. On the other hand, the opponent's trade-mark ACCUQUARTZ has not been shown to have become known to any extent in this country. Further, the applicant's trade-mark ACCURATE & Design has acquired a minimal reputation in Canada with sales of 880 watches in association with the trade-mark ACCURATE & Design during 1990 and 1991. The length of use of the trade-marks at issue also favours the opponent in respect of its trade-mark ACCUTRON which has been used in Canada in association with watches since 1960.

The applicant's 'watches' are identical to the watches covered in the opponent's registrations and the channels of trade associated with these wares must likewise be considered as being identical.

As for the degree of resemblance between the trade-marks at issue, I consider these to be little resemblance in appearance or in sounding between the applicant's trade-mark ACCURATE & Design when considered in its entirety and the opponent's trade-marks ACCUTRON and ACCUQUARTZ. To the extent that the opponent's marks may suggest to some consumers that the opponent's watches are 'accurate', the trade-marks at issue are similar in the ideas suggested by them. However, I do not consider that either party would be entitled to a monopoly in respect of such an idea which is descriptive in relation to watches.

In *Bulova Watch Co. v. Jutan International Ltd.*, 33 C.P.R. (3d) 279, referred to above, the Board Member considered the issue of confusion between the applicant's trade-mark ACCURA as applied to watches and the opponent's trade-marks ACCUTRON and ACCUQUARTZ. In concluding that the trade-marks were not confusing, the Board Member found that the marks at issue in that case were different in appearance and in sounding but that the ideas suggested by the trade-marks were the same. In my view, the degree of resemblance between the trade-mark ACCURATE & Design and the opponent's trade-marks is even less than was the degree of resemblance between the ACCURA trade-mark and the opponent's trade-marks.

In view of the above, I have concluded that there would be no reasonable likelihood of

confusion between the applicant's trade-mark ACCURATE & Design and the opponent's registered

trade-marks ACCUTRON and ACCUQUARTZ. I have therefore rejected the Section 12(1)(d)

grounds of opposition.

The remaining grounds relate to the applicant's entitlement to registration and the

distinctiveness of the trade-mark ACCURATE & Design. As the opponent failed to evidence any

use of the trade-mark ACCUQUARTZ, that mark is of no relevance to either of these grounds.

Further, as the opponent has met the burden upon it under Section 16(5) of the Trade-marks Act of

establishing its prior use and non-abandonment of the trade-mark ACCUTRON, the non-entitlement

ground turns on the issue of confusion between the trade-marks ACCURATE & Design and

ACCUTRON. Moreover, in view of the above conclusions concerning the degree of resemblance

between these marks, I find that there would be no reasonable likelihood of confusion between these

trade-marks as of either the applicant's claimed date of first use or the date of opposition, the

material dates for assessing the Section 16 and non-distinctiveness grounds respectively. I have

therefore rejected these grounds of opposition.

I reject the opponent's opposition in view of the provisions of Section 38(8) of the Trade-

marks Act.

DATED AT HULL, QUEBEC, THIS 22nd DAY OF NOVEMBER, 1995.

G.W. Partington,

Chairman,

Trade Marks Opposition Board.

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